

EMPLOYEE DEFINED CONTRIBUTION RETIREMENT SYSTEM OF THE CITY OF NORMAN

THE CITY OF NORMAN, a governmental entity, hereby adopts the Employee Defined Contribution Retirement System of the City of Norman upon the following terms and conditions. This instrument is an amendment, restatement and continuation of the “Predecessor Plan” (as defined in Subsection 2.1(dd) herein) which is intended to conform to the changes required by the SECURE Act of 2019, the SECURE 2.0 Act of 2022, and other applicable laws, regulations, and administrative authority.

Therefore, the effective date of this Plan is July 1, 2025, except as otherwise stated in the Plan.

ARTICLE I – NAME AND PURPOSE OF PLAN

1.1 **Name of Plan.** This Plan shall be known hereafter as the Employee Defined Contribution Retirement System of the City of Norman.

1.2 **Purpose.** The purpose of this Plan is to provide retirement and incidental benefits for the eligible Employees of the Employer; to enable Employees of the Employer who are eligible to participate in the Plan to accumulate funds to provide a retirement income; and, to distribute the corpus and income of the funds accumulated by the Trust, in accordance with the Plan, to the Participants and their Beneficiaries. This Plan is intended to satisfy Code Section 401(a) by meeting the requirements of Code Section 414(d).

1.3 **Exclusive Benefit of Employees.** This Plan and the related Trust hereto shall be maintained for the exclusive benefit of the eligible Employees of the Employer. The assets of the Trust Fund shall never inure to the benefit of the Employer and shall be held for the exclusive purposes of providing Benefits to Participants and their Beneficiaries and defraying reasonable expenses of administering the Plan.

ARTICLE II – DEFINITIONS AND CONSTRUCTION

2.1 **Definitions.** Where the following capitalized words and phrases appear in this instrument, they shall have the respective meanings set forth below unless a different context is clearly expressed herein.

(a) **Account:** The word “Account” shall mean one or more of several records maintained to record the interest in the Plan of each Participant and Beneficiary, and shall include any or all, where appropriate, of the following:

(i) **Employee After Tax Contribution Account:** The words “Employee After Tax Contribution Account” shall mean a Participant's separate account representing his Employee After Tax Contributions under Section 4.2(b) herein. This account shall always be 100% vested and non-forfeitable.

(ii) **Employee Pre-Tax Contribution Account:** The words “Employee Pre-Tax Contribution Account” shall mean a Participant's separate account

representing his Employee Pre-Tax Contributions under Section 4.2(a) herein. This account shall always be 100% vested and non-forfeitable.

(iii) Employer Contribution Account: The words “Employer Contribution Account” shall mean a Participant's separate account representing his share of Employer Contributions under Section 4.1 herein.

(iv) Loan Account: The words “Loan Account” shall mean a Participant's separate Account established in the event he desires to make a loan from his applicable Account as provided in Section 7.6 herein.

(v) Rollover Account: The words “Rollover Account” shall mean an Employee's separate account established under Article XI herein. This account shall always be 100% vested and non-forfeitable.

(b) Anniversary Date: The words “Anniversary Date” shall mean the last day of each Plan Year.

(c) Authorized Leave of Absence: The words “Authorized Leave of Absence” shall mean any extraordinary absence authorized by the Employer, under the Employer's standard personnel practices; provided, all persons under similar circumstances must be treated alike in the granting of such Authorized Leaves of Absence; provided further, the Employee returns within the period of authorized absence. An absence due to service in the Armed Forces of the United States shall be considered an Authorized Leave of Absence; provided, the absence is caused by war or other emergency, or provided that the Employee is required to serve under the laws of conscription in time of peace; further provided, the Employee returns to employment with the Employer within the period provided by law. Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code for Plan Years commencing after December 12, 1994.

(d) Beneficiary: The word “Beneficiary” shall mean a person or persons (natural or otherwise) determined in accordance with the provisions of Subsection 6.4(b) herein to receive any Benefits on account of a death.

(e) Benefit: The word “Benefit” shall mean the standing balances in a Participant's Accounts.

(f) Board: The word “Board” shall mean the Board of Trustees appointed by the City under Article VIII herein to administer the Plan.

(g) Break-in-Service: The words “Break-in-Service” shall mean a Plan Year in which an Employee earns 500 or less hours of Employment Service.

(h) City: The word “City” shall mean the City of Norman, and its successors.

(i) City Council: The words “City Council” shall mean the City Council of the City of Norman.

(j) Code: The word “Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

(k) Compensation: The word “Compensation” shall mean:

(i) (1) “Actual Compensation” paid to a Participant by the Employer during a Plan Year as defined in Section 4.4(a)(ii) herein; and

(2) Any amount deferred by a Participant pursuant to Section 125(a), Section 132(f)(4), Section 402(g)(3), Section 457(b) or Section 403(b) of the Code with respect to employee benefit plans sponsored by the Employer.

(ii) Special Rules. For a Participant's initial year of participation in the Plan, Compensation shall include only amounts paid after the Participant has entered the Plan.

(iii) Compensation Limitations. Under Section 401(a)(17) of the Code, notwithstanding anything herein to the contrary, for any Plan Year beginning after December 31, 2001, the Annual Compensation of each Participant taken into account under the Plan for any Plan Year shall not exceed the annual compensation limit contained in Section 401(a)(17) of the Code. For Plan Years beginning after December 31, 2024, this limit shall be automatically adjusted for cost-of-living increases as determined by the Secretary of the Treasury. The limit for 2025 is \$350,000, adjusted annually by the Secretary for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Code. Annual Compensation means Compensation during the Plan Year or such other consecutive 12-month period over which compensation is otherwise determined under the Plan. The cost-of-living adjustment in effect for a calendar year applies to any period, not exceeding 12 months, over which compensation is determined (determination period) beginning in such calendar year. If a determination period consists of fewer than 12 months, the annual compensation limit will be multiplied by a fraction, the numerator of which is the number of months in the determination period, and the denominator of which is 12.

(l) Contributions: The word “Contributions” shall mean contributions made to the Trust by the Employer and the Participant, as follows:

(i) Employee After Tax Contributions: The words “Employee After Tax Contributions” shall mean a Participant's contributions described in Section 4.2(b) herein and credited to his Employee After Tax Contribution Account.

(ii) Employee Pre-Tax Contributions: The words “Employee Pre-Tax Contributions” shall mean a Participant's contributions described in Section 4.2(a) herein and credited to his Employee Pre-Tax Contribution Account.

(iii) Employer Contributions: The words “Employer Contributions” shall mean the Employer's contributions described in Section 4.1 herein and credited to a Participant's Employer Contribution Account.

(iv) Employer Contribution Limits: The Annual Additions that may be contributed or allocated to a Participant's Accounts under the Plan for any limitation year shall not exceed the Maximum Permissible Amount, as defined by IRC Section 415, ensuring all definitions and calculations align with federal regulations.

(m) Credited Service: The words “Credited Service” shall mean the annual credit given to each Employee for vesting purposes under Subsection 6.2(b) herein, such credit being determined as follows:

(i) As a general rule, an Employee shall accrue one year of Credited Service for each Plan Year within which he completes 1,000 or more Hours of Employment Service for all employment service with the Employer.

(ii) With respect to a Participant who has incurred a one-year Break-in-Service, Plan Years of Credited Service before such Break-in-Service shall not be taken into account until the Participant has completed one Plan Year of Credited Service after such Break-in-Service.

(iii) With respect to an Employee who has had a Break-in-Service and has subsequently become a Participant in the Plan again, then any Credited Service attributable to a period of service prior to such Break-in-Service shall be reinstated as of the date of an Employee's re-participation; provided, the foregoing notwithstanding, if the Employee shall not have earned any vested rights under Subsection 6.2(b) herein in his Benefit prior to such Break-in-Service, then such Employee shall forfeit any Credited Service attributable to such prior period of service if his consecutive years of Break-in-Service equals or exceeds the greater of (i) five years of Credited Service, or (ii) his aggregate number of years of Credited Service. In no case shall service earned after five consecutive one-year Breaks-in-Service be counted for purposes of determining the vested percentage of a Participant's Benefit existing immediately prior to such Breaks-in-Service.

(n) Disability: The word “Disability” shall mean the inability of any Participant 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 event causing such disability may occur either during employment with the Employer or while on an Authorized Leave of Absence from the Employer. The permanence and degree of such impairment shall be supported by medical evidence. In the event of a dispute, such shall be settled by a majority decision of three physicians, one to be appointed by the Board, one by the Participant and the third by the two physicians previously appointed.

(o) Disability Retirement Date: The words “Disability Retirement Date” shall mean the date, as determined by the Board in its sole discretion, on which a Participant is retired because of a Disability.

(p) Effective Date: The words “Effective Date” shall mean the 1st day of July, 2025, or as otherwise provided herein, which is the effective date of this instrument which is an amendment, restatement and continuation of the Predecessor Plan, or, with respect to the Employer adopting this Plan and related Trust, the date specified in the instrument adopting the Plan and Trust.

(q) Employee: The word “Employee” shall mean any person employed by the Employer on the basis of an employer-employee relationship who receives remuneration for personal services rendered to the Employer, and Leased Employees within the meaning of Section 414(n)(2) of the Code. A Leased Employee shall not be considered an employee of the recipient if: (i) such employee is covered by a money purchase pension plan providing: (1) a nonintegrated employer contribution rate of at least 10% of compensation, as defined in Section 415(c)(3) of the Code, but including amounts contributed by the employer pursuant to a salary reduction agreement which are excludable from the employee's gross income under Section 125, Section 402(e)(3), Section 402(h) or Section 403(b) of the Code, (2) immediate participation, and (3) full and immediate vesting; and (ii) Leased Employees do not constitute more than 20% of the recipient's non-highly compensated workforce.

(r) Employer: The word “Employer” shall mean the City, and its successor, and any other entity or firm which adopts this Plan and related Trust hereto with the written consent of the City.

(s) Forfeiture: The word “Forfeiture” shall mean the portion of a Participant's Accounts which becomes forfeitable pursuant to Sections 4.3 and 6.2 herein.

(t) Highly Compensated Employee: The words “Highly Compensated Employee” or “HCE” shall mean an Employee who: (1) was a 5% owner at any time during the year or the preceding year, or (2) for the preceding year had Compensation from the Employer in excess of \$80,000 and was in the top-paid group for the preceding year. The \$80,000 amount is adjusted at the same time and in the same manner as under Section 415(d), except that the base period is the calendar quarter ending September 30, 1996. An Employee is in the top-paid group of Employees for any year if such Employee is in the group consisting of the top 20% of the Employees when ranked on the basis of Compensation paid during such year. For this purpose, the applicable year of the Plan for which a determination is being made is called a determination year and the preceding 12-month period is called a look-back year.

(u) Hours of Employment Service: The words “Hours of Employment Service” shall mean each hour of employment credited to an Employee in accordance with the following special rules for the purpose of determining if the Employee has satisfied the eligibility requirement contained in Article III hereof.

(i) (1) An Employee who is compensated on an hourly basis shall be credited with Hours of Employment Service actually earned under any of the following Subsections (ii)(1), (2), or (3).

(2) An Employee who is not compensated on an hourly basis shall be credited with 10 Hours of Employment Service for each day in which he earns at least one hour of employment credit under any of the following Subsections (ii)(1), (2) or (3).

(ii) (1) Credit shall be given for each hour for which such Employee is paid, or entitled to payment, for the performance of duties for the Employer.

(2) Credit shall be given for each hour for which such Employee is directly or indirectly paid, or entitled to payment, by the Employer during a period in which the Employee performs no duties (irrespective of whether employment has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, military duty, jury duty or an Authorized Leave of Absence (for an uncompensated Authorized Leave of Absence, see Subsection (vi) following). Provided, an indirect payment by the Employer shall be deemed to be made under this Subsection (2)

(3) Credit shall be given for each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer.

(iii) For purposes of the following Subsections, "Computation Period" shall mean either of (1) Year of Service requirement under Section 3.1 herein, or (2) a Plan Year as defined herein, whichever applies.

(iv) For periods described in the foregoing Subsection (ii)(2), the following shall apply:

(1) No more than 501 Hours of Employment Service shall be credited to an Employee on account of a single continuous period during which the Employee performs no duties (whether or not such period occurs in a single Computation Period). In applying this Subsection (1), an Employee shall be credited with Hours of Employment Service, beginning with the first day duties are not performed, until he receives a maximum of 501 Hours of Employment Service.

(2) Hours of Employment Service shall not be credited for any payment by the Employer which solely reimburses an Employee for medical or medically related expenses incurred by the Employee.

(v) For periods described in the foregoing Subsection (ii)(3), no more than 501 Hours of Employment Service shall be credited for payments of back pay, to the that such back pay is agreed to or awarded for a period of time during which an Employee did not or would not have performed duties. In applying this Subsection (v), an Employee shall be credited with Hours of Employment Service, beginning with the first day duties are not performed, until he receives a maximum of 501 Hours of Employment Service.

(vi) With respect to any Authorized Leave of Absence which is not compensated by the Employer, an Employee shall be credited with his average number of Hours of Employment Service, determined under either of Subsections (i)(1) or (2),

whichever applies, computed from the 12-month period preceding his absence, or if less, during his entire period of employment. Credit for each Hour of Employment Service under this Subsection (vi) shall be given for the Computation Period during which the absence occurred, except that, for purposes of whether an Employee has a Break-in-Service, such credit shall be given only after the Employee returns to the active employ of the Employer.

(vii) With respect to other special rules applying to this Subsection, Sections 2530.200b-2(b) and (c) of the Minimum Standard Regulations (December 28, 1976, Federal Register, Vol. 41, No. 250) issued by the Department of Labor are incorporated herein by reference and made a part hereof.

(viii) Notwithstanding the foregoing provisions of this Subsection, the Employer may compute Hours of Employment Service prior to the Effective Date hereof on any reasonable basis permitted by Section 2530.200b-3(b) of the aforesaid Minimum Standard Regulations, said Section being incorporated herein by reference and made a part hereof.

(ix) Hours of Employment Service will also be credited for any individual considered a Leased Employee.

(x) Hours of Employment Service will also be credited for an Employee who is absent from work for maternity or paternity reasons caused by (1) pregnancy of the Employee, (2) birth of a child of the Employee, (3) placement of a child with the Employee in connection with the adoption of such child by such Employee, or (4) caring for such child for a period beginning immediately following such birth or placement. The Hours of Employment Service credited under this Subsection shall be credited (1) in the Computation Period in which the absence begins if the crediting is necessary to prevent a Break-in-Service in that period, or (2) in all other cases, in the following Computation Period. This Subsection shall apply in crediting Hours of Employment Service in determining whether or not a Participant has incurred a Break-in-Service with respect to any relevant Computation Year, and, accordingly, shall not apply for any other purpose including, without limitation, benefit accrual service or eligibility service. For the purposes of this Subsection (x), the actual calculation of any such Hours of Employment Service will be as provided in Subsection (vi) hereof.

(v) Investment Manager: The words “Investment Manager” shall mean the “investment manager” designated by the Board pursuant to the Trust Agreement. The Investment Manager(s) shall be limited to managing the Accounts as directed by the Board.

(w) Leased Employee: The words “Leased Employee” shall mean any person, other than an Employee of the Employer, determined by applying the common law agency rules, and determined without regard to the special rule for Leased Employees, who pursuant to an agreement between the Employer and any other person or entity (“leasing organization”) has performed services for the Employer and/or any affiliated entities as defined in Section 414(n)(6) of the Code (“recipient”) on a substantially full

time basis for a period of at least one (1) year; provided that, for Plan Years beginning after December 31, 1996, such services are performed under the primary direction or control of the recipient.

(x) Non-Highly Compensated Employee: The words “Non-Highly Compensated Employee” shall mean an Employee of the Employer who is not a Highly Compensated Employee.

(y) Normal Retirement Date: The words “Normal Retirement Date” shall mean the date on which a Participant attains the age of 62 years.

(z) Participant: The word “Participant” shall mean an Employee who during a Plan Year shall meet (or has met) the eligibility requirements of Article III herein for participation or re-participation, as the case may be. Such term shall also include, where appropriate, a former Employee, who has previously terminated his employment with the Employer and has a remaining undistributed Benefit.

(aa) Plan: The word “Plan” shall mean this Employee Defined Contribution Retirement System of the City of Norman as set forth in this instrument, and as hereafter amended from time to time.

(bb) Plan Year: The word “Plan Year” shall mean the annual period beginning on the first day of July and ending on the last day of June.

(cc) Postponed Retirement Date: The words “Postponed Retirement Date” shall mean the date on which a Participant retires under Subsection 6.1(b) herein subsequent to his Normal Retirement Date.

(dd) Predecessor Plan: The words “Predecessor Plan” shall mean the terms and provisions in the prior instruments governing the Employer's qualified defined contribution retirement plan and related trust, and applying before the Effective Date hereof, or any other date expressly specified herein if different from the Effective Date, which prior instruments are amended, restated and superseded by this instrument.

(ee) Related Employer: The words “Related Employer” shall mean such municipalities and/or other governmental subdivisions of the State of Oklahoma as the Code or applicable Treasury Regulations may provide which should be treated as related or affiliated with the Employer. If the Employer is or would be treated as a member of a related group, the term “Employer” includes the related group members for purposes of crediting Hours of Employment Service, determining years of Credited Service, and Breaks-in-Service, applying the limitations of Article VI, the definition of Compensation, determining whether a Participant or other person had separated from service for purposes of Sections 401(a) and 402 of the Code and for any other purpose required by the applicable Sections of the Code or by a Plan provision. However, only the Employer may contribute to this Plan and only an Employee employed by an Employer is eligible to participate in this Plan. For purposes of determining a Participant's Accrued Benefit, “Compensation” does not include Compensation received from a Related Employer.

(ff) Trustees, Trust, Trust Agreement, Trust Assets and Trust Fund: The word “Trustees” shall mean the trustee(s) appointed under the related trust agreement (the “Trust Agreement”), effective as of July 1, 1991, which governs the “Trust” which, in conjunction with this Plan, shall hold and invest assets accumulated under the Predecessor Plan, if any, and the Contributions made under the Plan for the exclusive benefit of the Employees included in the Plan; and, the words “Trust Assets” and “Trust Fund” shall mean the assets held in the Trust. The Trustees shall include a Councilmember (elected by a majority of the City Council, the City Manager, the City Controller, the City Personnel Director and two City employees (elected for two-year terms at a regular meeting of the American Federation of State, County and Municipal Employees, Local #2875).

(gg) Valuation Date: The words “Valuation Date” shall mean each day of the Plan Year.

2.2 Construction. The masculine gender, where appearing in the Plan, shall be deemed to include the feminine gender, unless the context clearly indicates to the contrary. Any word appearing herein in the plural shall include the singular, where appropriate, and likewise the singular shall include the plural, unless the context clearly indicates to the contrary.

ARTICLE III – PARTICIPATION

3.1 Eligibility for Participation.

(a) Prior Participants. Every Employee who was a participant in the Predecessor Plan immediately prior to the Effective Date hereof shall continue to be a Participant in the Plan. Every other Employee shall become a Participant as provided in Subsection 3.1(b) herein.

(b) New Participants. Participation shall be mandatory for any Employee. For Plan Years beginning after December 31, 2024, an Employee who completes at least two consecutive years of service with at least 500 Hours of Employment Service per year shall be eligible to participate in the Plan, consistent with SECURE 2.0 requirements.

(c) Exclusions. Notwithstanding the foregoing provisions to the contrary, the following Employees shall not be eligible to participate in the Plan:

(i) An Employee who is employed by the Employer included in a unit of employees covered by a “collective bargaining agreement” under which retirement benefits have been the subject of good faith bargaining within the meaning of Section 401(b)(3)(A) of the Code, unless such good faith collective bargaining specifically requires that such Employee be covered under this Plan,

(ii) An Employee who is a nonresident alien within the meaning of Section 410(b)(3)(C) of the Code,

(iii) A Leased Employee,

(iv) An Employee whose employment with the City is classified as part-time, temporary, seasonal, provisional in nature, or contractual (such as the City Manager), in accordance with the City's standard personnel policies and procedures,

(v) An Employee who is participating in the Fireman's Relief Fund Pension, the Police Pension Retirement System of the City of Norman, or the Employee Retirement System of the Norman Municipal Hospital, or

(vi) Any person who has been classified by the Employer as an independent contractor and has had his compensation reported to the Internal Revenue Service on Form 1099 but who has been reclassified as an "employee" (other than by the Employer) shall not be considered as an eligible Employee who can participate under this Plan; provided, if the Employer does reclassify such worker as an "Employee," for purposes of this Plan, such reclassification shall only be prospective from the date that the Employee is notified by the Employer of such reclassification.

3.2 Entry Date. An Employee, upon meeting the eligibility requirements of Section 3.1 herein, shall commence actual participation in the Plan as of the first day of the pay period following the commencement of the Employee's employment.

3.3 Former Participant Falling Under Exclusion. If an Employee who shall first be a Participant hereunder shall later fall under any of the exclusions set forth in the foregoing Section 3.1, his then existing Benefit shall be held and administered under the terms of the Plan and Trust, and he shall be eligible for Credited Service during his employment with the Employer. In addition, such person shall receive no further allocations of Employer Contributions or Forfeitures, if applicable, while he remains under any one of the aforesaid exclusions; provided, the foregoing clause notwithstanding, if such person while employed by the Employer earns 1,000 or more Hours of Employment Service for any portion of a Plan Year in which he is not under such exclusion, then such person shall be entitled, if he is employed by the Employer or other related employer, as the case may be, on the Anniversary Date of such Plan Year, to an allocation of any Employer Contributions and Forfeitures, if applicable, for such Plan Year based on his Compensation earned in such portion of the Plan Year in which he is not under such exclusion.

ARTICLE IV – CONTRIBUTIONS - FORFEITURES - MAXIMUM ANNUAL ADDITIONS

4.1 Employer Contributions. The Employer shall make Employer Contributions each pay period equal to 7.5% of each Participant's Compensation. Employer Contributions shall be allocated and credited in the proportion that each such Participant's total Compensation for such pay period bears to the total Compensation for such Plan Year of all such Participants.

4.2 Employee Contributions.

(a) Employee Pre-Tax Contributions. Each Participant shall be required to make Employee Pre-Tax Contributions to the Trust equal to 6% of the Participant's Compensation for each pay period. Effective for Plan Years beginning after December 31, 2025, if the Participant's Compensation exceeds the annual threshold established under Code Section 414(v), all Catch-Up Contributions shall be designated as Roth (after-tax) contributions. Employee Pre-Tax Contributions shall be picked up and assumed by the Employer and paid to the Trust in lieu of contributions by the Participant. Such contributions shall be designated as Employer Contributions for federal income tax purposes. Each Participant's Compensation will be reduced by the amount paid to the Trust by the Employer in lieu of the required contribution by the Participant. These contributions shall be excluded from the Participant's gross income for federal income tax purposes and from wages for purposes of withholding under Sections 3401 and 3404 of the Code in the taxable year in which contributed. No Participant shall have the option of receiving the contributed amounts directly as Compensation in lieu of having such amounts paid to the Trust by the Employee.

(b) Employee After-Tax Contributions. For Plan Years ending before July 1, 1997, each Participant who is less than 30 years of age was required to make Employee After-Tax Contributions to the Trust equal to 5% of the Participant's Compensation for each pay period. No Employee After-Tax Contributions shall be permitted for Plan Years beginning on or after July 1, 1997.

4.3 Allocation of Forfeitures. On each Anniversary Date, subject to reduction under Subsection 6.3(f) herein, the sum of all forfeited amounts by Participants becoming allocable during a Plan Year shall be allocated in the same manner as Employer Contributions to all Participants who are employed on the last day of the Plan Year. Forfeitures arising under Subsection 6.3(b) herein shall be allocated on the Anniversary Date within the Plan Year in which occurs the earlier of (i) the Participant's receipt of a cash out of his entire vested Benefit in accordance with Subsection 6.3(c) herein, (ii) the Participant's termination of his employment with the Employer, and he has no vested rights in a Benefit which event shall be deemed to be a payment to the Participant and a cash out of his Benefit for all purposes, or (iii) the Participant's incurrence of five consecutive one-year Breaks-in-Service; provided, Forfeitures shall not be allocated on the Anniversary Date within the Plan Year in which (i) above applies if the Participant is reemployed with the Employer and repays in accordance with Subsection 6.3(d) herein all of such cash out within the same said Plan Year; provided further, Forfeitures shall not be allocated on the Anniversary Date within the Plan Year in which (ii) above applies if the Participant is reemployed by the Employer within the same said Plan Year. Forfeitures arising hereunder will be allocated only for the benefit of Participants of the Employer which adopted this Plan; provided further, effective for Plan Years commencing after 1989, all Related Employers shall be aggregated and hypothetically treated as if they were one single Employer and as if all Participants were employed by such hypothetical single Employer, and Forfeitures shall be uniformly allocated in accordance with the foregoing formula as if there were one Employer.

4.4 Limitation on Allocation of Employer Contributions. The following provisions will be applicable in determining if the Plan and the Employer contributions thereto satisfy the requirements of Section 415 of the Code and the regulations thereunder. If applicable, the Annual Additions that may be contributed or allocated to a Participant's Accounts under the Plan for any limitation year shall not exceed the Maximum Permissible Amount.

(a) Definitions. For the purposes of this Section the following definitions shall be applicable:

(i) Annual Additions: For purposes of the Plan, "Annual Additions" shall mean the amount allocated to a Participant's Account during the Limitation Year that constitutes:

- (1) Employer contributions,
- (2) Employee Deferred Compensation Contributions or Roth Contributions (excluding excess deferrals that are distributed in accordance with Treas. Reg. § 1.402(g)-1(e)(2) or (3)),
- (3) Forfeitures, and
- (4) Amounts allocated to an individual medical account, as defined in Section 415(1)(2) of the Code, which is part of a pension or annuity plan maintained by the Employer are treated as annual additions to a defined contribution plan; and amounts derived from contribution plans or accrued after December 31, 1985, and taxable years ending after such date, which are attributable to post-retirement medical benefits, allocated to the separate account of a key employee, as defined in Section 419(A)(d)(3) of the Code, under a welfare benefit fund, as defined in Section 419(e) of the Code, maintained by the Employer are treated as annual addition to a defined contribution plan.

Annual additions for purposes of Code § 415 shall not include restorative payments. A restorative payment is a payment made to restore losses to a Plan resulting from actions by a fiduciary for which there is reasonable risk of liability for breach of a fiduciary duty under federal or state law, where participants who are similarly situated are treated similarly with respect to the payments. Generally, payments are restorative payments only if the payments are made in order to restore some or all of the Plan's losses due to an action (or a failure to act) that creates a reasonable risk of liability for such a breach of fiduciary duty (other than a breach of fiduciary duty arising from failure to remit contributions to the Plan). This includes payments to a plan made pursuant to a court-approved settlement, to restore losses to a qualified defined contribution plan on account of the breach of fiduciary duty (other than a breach of fiduciary duty arising from failure to remit contributions to the Plan). Payments made to the Plan to make up for losses due merely to market fluctuations and other payments that are not made on account of a reasonable risk of liability for breach of a fiduciary duty are not restorative payments and generally constitute contributions that are considered annual additions.

Annual additions for purposes of Code § 415 shall not include: (1) The direct transfer of a benefit or employee contributions from a qualified plan to this Plan; (2) rollover contributions (as described in Code §§ 401(a)(31), 402(c)(1), 403(a)(4), 403(b)(8), 408(d)(3), and 457(e)(16)); (3) repayments of loans made to a participant from the Plan; and (4) repayments of amounts described in Code § 411(a)(7)(B) (in accordance with Code § 411(a)(7)(C)) and Code § 411(a)(3)(D), as well as Employer restorations of benefits that are required pursuant to such repayments.

If, in addition to this Plan, the Participant is covered under another qualified plan which is a defined contribution plan maintained by the Employer, a welfare benefit fund, as defined in Section 419(e) of the Code maintained by the Employer, or an individual medical benefit account, as defined in Section 415(1)(2) of the Code maintained by the Employer, which provides for Annual Additions during any Limitation Year, then 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 reduced by the Annual Additions credited to a Participant's Account under the other plans and welfare benefit funds for the same Limitation Year. If the Annual Additions with respect to the Participant under other defined contribution plans and welfare benefit plans maintained by the Employer are less than the Maximum Permissible Amount and the Employer contribution that would otherwise be contributed or allocated to the Participant's Account under this Plan would cause the Annual Additions for the Limitation Year to exceed this limitation, the amount contributed or allocated will be reduced so that the Annual Additions under all such plans and funds for the Limitation Year will equal the Maximum Permissible Amount. If the Annual Additions with respect to the Participant under such other defined contribution plans and welfare benefit funds in the aggregate are equal to or greater than the Maximum Permissible amount, no excess amount will be contributed or allocated to a Participant's Account under this Plan for the Limitation Year.

(ii) Actual Compensation: The words "Actual Compensation" shall mean a Participant's wages, salaries, and 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, to the extent that the amounts are includible in gross income (or to the extent amounts deferred at the election of the Employee would be includible in gross income but for the rules of Sections 125, 132 (for limitation years beginning after December 31, 2001), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b) of the Code). These amounts include, but are not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips and bonuses, fringe benefits, and reimbursements or other expense allowances under a nonaccountable plan as described in Treas. Reg. §1.62-2(c)). For years beginning after December 31, 2008, (i) an individual receiving a differential wage payment, as defined by Code §3401(h)(2), is treated as an employee of the employer making the payment, (ii) the differential wage payment is treated as Actual Compensation, and (iii) the Plan is not treated as failing to meet the requirements of any provision described in Code §414(u)(1)(C) by reason of any contribution or benefit which is based on the differential wage payment.

For purposes of applying the limitations described in Section 4.4 of the Plan, Compensation paid or made available during such limitation years shall include elective amounts that are not includable in the gross income of the employee by reason of Code Section 132(f)(4).

Actual Compensation shall be adjusted, as set forth herein, for the following types of compensation paid after a Participant's severance from employment with the Employer maintaining the Plan (or any other entity that is treated as the Employer pursuant to Code § 414(b), (c), (m) or (o)). However, amounts described in subsections (a) and (b) below may only be included in Actual Compensation to the extent such amounts are paid by the later of 21/2 months after severance from employment or by the end of the limitation year that includes the date of such severance from employment. Any other payment of compensation paid after severance of employment that is not described in the following types of compensation is not considered Actual Compensation within the meaning of Code § 415(c)(3), even if payment is made within the time period specified above.

(b) Regular Pay. Actual Compensation shall include regular pay after severance of employment 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 (such as 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.

(c) Leave Cashouts and Deferred Compensation. Leave cashouts shall not be included in Actual Compensation. In addition, deferred compensation shall be included in Actual Compensation.

(d) Salary Continuation Payments for Disabled Participants. Actual Compensation does not include compensation paid to a Participant who is permanently and totally disabled (as defined in Code § 22(e)(3)).

(i) Excess Amount: The words "Excess Amount" shall mean the excess of the Participant's Annual Additions for the applicable Limitation Year over the Maximum Permissible Amount.

(ii) Maximum Permissible Amount: The words "Maximum Permissible Amount" shall mean for the applicable Limitation Year, the "maximum permissible amount" (except for Employee Catch-Up Contributions under Section 414(v) of the Code) which may be contributed or allocated to or made with respect to any Participant which amount shall be the lesser of:

(1) \$40,000, as adjusted for cost-of-living under Code Section 415(d) the “Defined Contribution Dollar Limitation,” or

(2) 100% of the Participant's Actual Compensation for the Limitation Year.

(3) The compensation limitation referred to above shall not apply to: any contribution for medical benefits (within the meaning of Section 419A(f)(2) of the Code) after separation from service which is otherwise treated as an Annual Addition, or any amount otherwise treated as an Annual Addition under Section 415(1)(1) of the Code.

(e) Determination of Excess. If an excess amount was allocated to a Participant on an allocation date of this Plan which coincides with an allocation date of another plan, the excess amount attributed to this Plan will be the product of (1) the total excess amount allocated as of such date times (2) the ratio of (i) the Annual Additions allocated to the Participant for the Limitation Year as of such date under this Plan to (ii) the total Annual Additions allocated to the Participant for the Limitation Year as of such date under this and all other qualified plans which are defined contribution plans.

(f) Treatment of Excess. Notwithstanding any provision of the Plan to the contrary, if the annual additions (within the meaning of Code § 415) are exceeded for any participant, then the Plan may be able to correct such excess in accordance with the Employee Plans Compliance Resolution System (EPCRS) as set forth in Revenue Procedure 2013-12 or any superseding guidance, including, but not limited to, the preamble of the final § 415 regulations. However, EPCRS may not be available in all situations.

4.5 Latest Time Contributions Can Be Made. Unless payment to the Plan is specifically required to be made earlier, actual payment of Employer Contributions may be made following the close of the Employer's taxable year at any time prior to the date on which the federal income tax return of the Employer is filed for such taxable year including extensions of time granted for filing such return.

4.6 Suspension of Contributions. Nothing in this Plan shall be construed to prevent the Employer from suspending Employer contributions for any period, but such a suspension, whether temporary or permanent, shall not of itself terminate the Trust. When contributions are completely discontinued, the Benefits of the Participants shall immediately be 100% vested and nonforfeitable, but there shall not be any immediate vesting of Benefits when contributions are temporarily suspended.

4.7 Contributions Under Mistake of Fact. In the case of a contribution which is made by the Employer under a bona fide mistake of fact or a contribution which is disallowed for deduction under Section 404 of the Code, the Employer shall withdraw the portion of such contribution, attributable to such mistake of fact or denial of deduction, within one year of the mistaken payment or the date of disallowance of the deduction, whichever applies. Upon such withdrawal of such portion of the contribution by the Employer, the rights of the Participants therein shall cease and come to an end with

the same effect as if such portion of the contribution had never been made. Earnings attributable to such portion of the contribution shall not be returned to the Employer, but losses attributable thereto shall reduce the amount to be so returned. In no event shall the withdrawal of the amount attributable to any mistaken contribution cause the balance of any Participant's Account to be reduced to less than the balance which would have been in such Account had such mistaken amount not been contributed.

ARTICLE V – ACCOUNTING

5.1 Accounts.

(a) The Board shall establish and maintain Accounts for each of the Participants. Such Accounts shall be primarily for accounting purposes. The Board may delegate the responsibility for the maintenance of such Accounts to the Trustees or others.

(b) The Accounts of the Participants shall be adjusted in accordance with the following Sections of this Article V.

5.2 Time of Valuation. On each Valuation Date the Trust Fund (and each Investment Option within the Trust Fund) shall be adjusted for all gains, losses, distributions, or contributions that have occurred since the previous Valuation Date. In arriving at such valuation, the Trust Fund shall be charged for expenses allocated to it in accordance with Section 6.3 of the Trust Agreement on a uniform and nondiscriminatory basis, except as otherwise permitted under Section 6.3 of the Trust Agreement with respect to allocation of certain expenses to particular Accounts.

5.3 Separate Accounting Rule for Participant Returning After Break-in-Service. With respect to a Participant who has previously terminated his employment with the Employer and subsequently again becomes an active Participant after incurring five consecutive one-year Breaks-in-Service, if there remains any unpaid vested Benefit in his Accounts which is attributable to such Participant's Plan participation prior to such Breaks-in-Service ("Pre-Break Benefit"), such Pre-Break Benefit shall be held in a separate sub-account within the corresponding Account so that his Pre-Break Benefit and Benefits attributable to his Plan participation after such Breaks-in-Service are separately accounted for.

5.4 Investment Options.

(a) General. Each Participant in the Plan is hereby given the specific authority to direct the investment of all or any portion of his Accounts in one or more of the Investment Options (as defined in Subsection (c) below) in accordance with the procedures as described below. For purposes of this Section, the Participants shall be exercising full investment control, discretion, authority and fiduciary responsibility as provided in this Plan and the related Trust of the investments in such Participants' applicable Accounts.

(b) Election of Investment Options.

(i) Elections of Investment Options shall be made by each Participant for the applicable Plan Year. An election shall (1) be made in 1% increments and (2) be applicable to either (a) all of such Participant's Accounts, and/or (b) all amounts otherwise credited to such Accounts during such Plan Year, or both, as selected by the Participant, except as otherwise limited by the terms of an Investment Option selected by the Participant. This Investment Option shall continue until a subsequent election is made by such Participant or until such Participant's Benefit represented by all of his Accounts is distributed or otherwise paid to him or his Beneficiary under the terms of this Plan or an Investment Option selected by the Participant, as applicable, except as otherwise limited by the terms of an Investment Option selected by the Participant. A Participant may change his Investment Options at any time during the Plan Year, except as otherwise limited by the terms of an Investment Option selected by the Participant..

(ii) A Participant may make or change his election of Investment Option by telephonic or internet instructions directly to the Trustee.

(iii) In the event a Participant makes his election of Investment Option by telephonic or internet instructions directly to the Trustee, the Trustee shall effect a confirmation of such investment instructions as soon as reasonably practicable following receipt of such election from the Participant. Such election of an Investment Option shall become effective at the close of business on the day on which the Trustee received the election. Telephone or internet elections of Investment Options shall be made by Participants in accordance with the procedures which the Trustee shall select and implement.

(iv) To the extent a Participant has elected to invest his Accounts in an Investment Option, the Trustees will establish a separate sub-account under the appropriate Account reflecting the selected Investment Option. See Section 5.2 hereof with regard to the valuation of the Accounts in the Investment Option.

If a Participant elects to invest all or some of his or her Account by purchasing an Investment Option, such as an annuity contract, the sub-account established by the Trustees that contains the portion of the Participant's Account used to purchase the Investment Option, shall be governed by the terms of the Investment Option and shall be paid out under the terms of Subsection 6.7(c). That value of the sub-account containing the portion of the Participant's Account used to purchase the Investment Option, however, is still considered in calculating the Participant's Required Minimum Distribution under Section 6.8.

(v) In the event the Trustees do not receive a proper direction for the election of an Investment Option, the Accounts of such Participant shall be invested in the Investment Option selected by the Board until the Trustees receive a proper direction which will be effective thereafter.

(c) Investment Options. The Investment Options which are offered to the Participants in the Plan shall be designated prior to a Participant's election and may

be modified by the Board; provided, prior to the Board's modification of the Investment Options, the Employer shall notify Participants of such change and provide Participants with such information as is prudent and necessary for Participants to make informed investment decisions.

ARTICLE VI – WITHDRAWAL AND DISTRIBUTION OF BENEFITS

6.1 Retirement Benefits.

(a) Normal or Disability Retirement. Unless sooner vested, a Participant's Benefit represented by Employer Contributions shall be 100% vested and nonforfeitable on his Normal Retirement Date or Disability Retirement Date, as the case may be. A Participant shall be entitled to his Benefit (if not postponed under Subsection 6.1(b) herein) in accordance with Section 6.6 herein, with payment normally commencing as of the Participant's Normal Retirement Date or Disability Retirement Date, as the case may be.

(b) Postponed Retirement. Subject to the requirements of Section 6.9 hereof, if a Participant continues to work beyond his Normal Retirement Date, the Board shall postpone payment of his Benefit until the date such Participant actually retires (herein called "Postponed Retirement Date"). Such Participant shall be entitled to his Benefit in accordance with Section 6.7 herein. The Participant shall continue to share in Employer Contributions, Forfeitures, if any, and increases and decreases to his Accounts determined pursuant to Article V herein like any other Participant until his Postponed Retirement Date.

6.2 Withdrawals. Withdrawals shall be permitted only in the event of a Participant's retirement, termination of employment, or death. Additionally, hardship withdrawals shall be permitted for unforeseeable emergency expenses, domestic abuse survivors, and federally declared disasters, consistent with SECURE 2.0. Participants shall not be required to first exhaust plan loan options before requesting a hardship withdrawal.

6.3 Termination of Employment-Vesting of Accounts.

(a) General. When a Participant ceases to be an Employee for any reason other than those specified in Sections 6.1 and 6.4 herein, his Benefit represented by Employer Contributions shall be determined in accordance with the following Subsections.

(b) Vesting. A Participant shall have vested and nonforfeitable rights in all or part of his Benefit represented by Employer Contributions, as set forth by the percentages in the applicable table hereafter set forth below. If the Plan is amended to modify the vesting schedule, each Participant with at least three years of Credited Service may elect to have their vested percentage computed under the Plan without regard to such amendment, as required under Code Section 411(a)(10).

YEARS OF CREDITED SERVICE		PERCENTAGE OF EMPLOYER CONTRIBUTIONS VESTED
Less than:	2	0%
At least:	2	25%
	3	50%
	4	75%
	5	100%

(c) Payment of Benefit.

(i) Cash Out of Amounts of \$1,000 or Less. If any Participant has \$1,000 or less of vested and nonforfeitable Benefit in his Accounts at the time he terminates his employment, the Board shall direct the Trustees to pay the entire Benefit in a lump sum. Payment shall be made within an administratively feasible time after the Participant's termination of employment which in the normal case will be within six months following the close of the Plan Year in which the Participant terminates his employment.

(ii) Participant's Consent Required for All Distributions in Excess of \$1,000. Notwithstanding anything herein to the contrary, if a Participant's vested and nonforfeitable Benefit in his Accounts is more than \$1,000, the Participant must consent to any distribution of his Benefit before the later of age 62 or attainment of his Normal Retirement Date except in case of the Participant's death. Provided, the Participant shall be entitled to receive a distribution from the Plan in the form of and at the time otherwise authorized in this Article VI.

(d) Reinstatement of Forfeitures.

(i) If a Participant receives a distribution of his vested and nonforfeitable Benefit as provided in Subsection 6.3(c) herein, and thereafter resumes employment before incurring five consecutive one-year Breaks-in-Service his Forfeitures, if previously allocated, shall be restored to the corresponding Account as of the date of distribution if he repays to the Trustees the full amount of any distribution made pursuant to Subsection 6.3(c) herein any time prior to the date on which the Participant actually incurs five consecutive one-year Breaks-in-Service following the date of distribution.

(ii) Subject to Subsection (iii) below, if a Participant has not received a cash out of his vested and nonforfeitable Benefit as provided in Subsection 6.3(c) herein, no part of his Account shall be considered forfeited under Subsection 6.3(d) herein unless and until the Participant incurs five consecutive one-year Breaks-in-Service.

(iii) If a Participant has no vested and nonforfeitable Benefit upon termination of employment with the Employer, the Participant's entire Benefit will be forfeited under Subsection 6.3(d). Provided, however, if a Participant has no vested and nonforfeitable Benefit and he thereafter resumes employment with the Employer before

incurring five consecutive one-year Breaks-in-Service, his Forfeitures, if previously allocated, shall be restored to the corresponding Account.

(iv) The foregoing reinstatement provision shall be applicable only if the Participant has a balance in Account which is subject to forfeiture under Subsection 6.3(b) herein. The amount restored in any event shall be equal to the forfeitable portion of such Benefit, unadjusted by any subsequent increases and decreases otherwise allocable in accordance with Section 5.2 herein.

(e) When Forfeitures are Final. Forfeitures shall become absolutely forfeited and not subject to reinstatement for any reason on the first to occur of the following of Subsections (i) and (ii), whichever applies:

(i) on the date the period for repayment as provided in Subsection 6.3(d) herein has expired, or

(ii) on the Anniversary Date of the last Plan Year in which the Participant incurs five consecutive one-year Breaks-in-Service.

(f) Sources for Reinstated Forfeitures. If Forfeitures are to be reinstated for a Participant in accordance with Subsection 6.3(d) herein, then such reinstatement shall be made as of the Anniversary Date coinciding with or next following the date upon which the requirements of Subsection 6.3(d) herein are met. Reinstated Forfeitures shall be satisfied from the following sources in the priority indicated: (i) unallocated Forfeitures, (ii) unallocated Trust Fund increases, or (iii) Employer Contributions which the Employer shall make if necessary to satisfy such reinstatement. For purposes of this Subsection (f), the limitations under Section 415 of the Code as set forth under Section 4.4 herein shall not apply.

(g) No Forfeitures for Cause. The vested and nonforfeitable Benefit represented by a Participant's Accounts shall not be forfeited for any cause whatsoever.

(h) Minimum Vested Rights of Previous Participants. The vesting schedule under Subsection 6.3(b) herein shall apply to all Participants after the Effective Date hereof, but such schedule shall not be construed to divest a Participant of his vested percentage earned up through the Anniversary Date preceding the Effective Date hereof.

(i) Amendment to Vesting Schedule. If the Plan's vesting schedule is amended, or the Plan is amended in any way that directly or indirectly affects the computation of the Participant's nonforfeitable percentage in his Benefit or if the Plan is deemed amended by an automatic change to or from a Top-Heavy Plan vesting schedule, each Participant with at least three years of Credited Service with the Employer may elect, within a reasonable period after the adoption of the amendment or change, to have the nonforfeitable percentage computed under the Plan without regard to such amendment or change. The period during which election may be made shall commence with the date the amendment is adopted or deemed to be made and shall end on the latest of:

(i) 60 days after the amendment to the Plan is adopted;

(ii) 60 days after the amendment becomes effective; or

(iii) 60 days after the Participant is issued written notice of the amendment by the Employer or the Board.

(j) Certain Emergency Expenses. Participants may take up to \$1,000 in a calendar year as an emergency personal expense distribution. The distribution is exempt from the 10% penalty tax on early withdrawals.

6.4 Death Benefits. The provisions of this Section shall be effective July 1, 2002.

(a) Death of Participant. Unless sooner vested, an active Participant's Benefit represented by his Accounts shall be 100% vested and nonforfeitable upon his death. Upon the death of a Participant, the Board shall cause distribution of his Benefit under Section 6.7 herein to the person determined under Subsection (b) following. The provisions of this Section shall apply to Participants dying on or after the Effective Date. In the case of a death occurring on or after January 1, 2007, if a Participant dies while performing qualified military service (as defined in Code § 414(u)), the survivors of the Participant are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the Participant had resumed and then terminated employment on account of death.

(b) Payment of Benefit. Upon the death of a Participant, the Participant's Benefit shall be automatically paid to the Participant's surviving spouse; provided, however, in the event that the Participant has designated a Beneficiary and the surviving spouse has consented to such designation, the Benefit shall instead be paid to the Beneficiary in accordance with the provisions hereof.

(c) Other Conditions. Payments to a surviving spouse made pursuant to Subsection (b) above shall be made within a reasonable time following the death of the Participant. If there is no surviving spouse or other Beneficiary, the Benefit shall be paid to the deceased Participant's estate. Upon the death of a Participant prior to the date payment of his Benefits would otherwise commence pursuant to the terms of the Plan, Benefits will commence as soon as practicable thereafter as provided in Subsection 6.1(a) hereof as though the Participant had retired on the day he died and such Benefits shall be paid to the surviving spouse or designated Beneficiary, as the case may be, all as determined within this Section. Upon the death of the Participant, the surviving spouse or other Beneficiary, as the case may be, shall have the option to select any method of payment under Section 6.7 herein.

6.5 Determining Final Benefit.

(a) All Accounts. With respect to Benefits payable under either of Sections 6.1, 6.3, or 6.4 herein, a Participant's Accounts shall be determined as of the Valuation Date, coinciding with or immediately following his Normal Retirement Date, Disability Retirement Date, Postponed Retirement Date, date of death or other termination of employment, whichever applies.

(b) Undistributed Balances. Notwithstanding the foregoing provisions of this Section to the contrary, to the extent that an Account has any undistributed balance on a Valuation Date, then such Account shall continue to be credited with its allocable share of increases or decreases thereon determined pursuant to Section 5.2 herein.

6.6 Latest Time When Payment of Benefits Must Commence.

(a) Time for Payment. With respect to Benefits becoming payable on account of a retirement, death or other termination of employment, as the case may be, and either of Sections 6.1, 6.3 or 6.4 herein applies, distribution of Benefits will commence at the times specified hereinabove for payment; provided, that the foregoing notwithstanding, distribution in any event shall commence not later than the 60th day following the close of the Plan Year in which the last of the following events occur:

(i) The date on which a Participant attains his Normal Retirement Date or attains the age of at least 65 years.

(ii) The date on which a Participant terminates his employment service with the Employer;

(iii) The 10th anniversary of the Plan Year in which the Participant commenced participation in the Plan; or

(iv) With respect to a retirement and Section 6.1 applies, the date specified by an election made in accordance with Subsection (b) immediately following.

(b) Deferral of Benefits. Subject to Section 6.8 herein, prior to the time the right to receive a Benefit under this Section becomes absolutely payable, a Participant may file a written election with the Board to defer his Benefit. Such election shall be irrevocable by the Participant and shall describe his Benefit and the date on which payment of such Benefit shall commence. In no event shall any deferrals of Benefits cause less than 50% of such Benefits to be paid to the Participant during his life.

6.7 Methods of Distribution.

(a) General. Subject to Sections 6.8 and 6.9 herein, Benefits becoming payable on account of a retirement, termination of employment or death, as the case may be, under either of Sections 6.1, 6.2 or 6.3 herein, shall be distributed in accordance with the following Subsections, and, will be distributed in cash. The Participant solely shall have the power to determine the manner in which Benefits are to be distributed hereunder in the best interests of such Participant or his Beneficiary and may, in his sole discretion, upon the written application of the Participant or a Beneficiary, direct the Trustees to distribute Benefits pursuant to any one of the manner of payments provided in Subsections 6.7(b) and hereafter without the exercise of discretion or consent by some other person or persons.

(b) Methods. All distributions hereunder may be made in one or more of the following manners:

(i) By payment of a lump sum; or

(ii) In substantially equal payments in monthly, quarterly, semi-annual or annual installments; provided, an installment election must be for a period less than the life expectancy of the Participant or his Beneficiaries.

(c) Non-Distribution Investment Payouts. For any portion of a Participant's Benefits contained in a sub-account where those Benefits have been used to purchase an Investment Option, such as an annuity contract, and the payment of those Benefits is governed by the terms of the Investment Option selected by the Participant, those Benefits shall be paid to the Participant under the terms of the Investment Option and not distributed to the Participant under the terms of Section 6.7(b). Except however, the value of any Benefits that have been used to purchase an Investment Option, such as an annuity, must still be taken into account when determining the Required Minimum Distribution to be made under the terms of Section 6.8.

(d) Special Rules for Distributions. In accordance with Section 1.411(a)-11(c) of the Income Tax Regulations, the Board shall provide to the Participant a notice setting forth the following: (i) a general description of the material features and an explanation of the relative values of the optional forms of benefit available under the Plan in a manner that would satisfy the notice requirements of Section 417(a)(3) of the Code and (ii) the Participant's right, if any, to defer receipt of the distribution. Such notice must be provided to a Participant no less than 30 days and no more than 90 days before the distribution starting date. Written consent of the Participant to the distribution must not be made before the Participant receives such notice and must not be made more than 90 days before the distribution starting date. If a distribution is one to which Sections 401(a)(11) and 417 of the Code do not apply, such distribution may commence less than 30 days after the notice required under Section 1.411(a)-11(c) of the Income Tax Regulations is given, provided that: (i) the Board clearly informs the Participant that the Participant 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 (ii) the Participant, after receiving the notice, affirmatively elects a distribution. For any distribution notice issued in Plan Years beginning after December 31, 2006, any reference to the 90-day maximum notice period prior to distribution in applying the notice requirements of Code §§402(f) (the rollover notice), or 411(a)(11) (Participant's consent to distribution), if applicable, will become 180 days.

6.8 Required Minimum Distributions. The provisions of this Section 6.8 will apply for purposes of determining Required Minimum Distributions for distribution calendar years beginning with the 2003 calendar year. The requirements of this Section will take precedence over any inconsistent provisions of the Plan. All distributions required under this Section will be determined and made in accordance with the Treasury regulations under Section 401(a)(9) of the Code. Notwithstanding the other provisions of this Section, distributions may be made under a designation made before January 1, 1984, in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to Section 242(b)(2) of TEFRA.

(a) Time and Manner of Distribution.

(i) Required Beginning Date. The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's Required Beginning Date, in accordance with Treasury regulations under IRC Section 401(a)(9), including updated age requirements for RMDs and post-death distributions. For purposes of this Section, the "Required Beginning Date" of a Participant (except for a Participant who is a 5-Percent Owner) is the April 1 of the calendar year following the later of the April 1 of the calendar year following the calendar year in which the Participant attains age 73 or retires. The Required Beginning Date of a Participant who is a 5-Percent Owner is April 1 following the calendar year in which the Participant attains age 73, without regard to whether he has terminated employment. A Participant is treated as a 5-Percent Owner for purposes of this paragraph if such Participant is a 5-Percent Owner of an Employer as defined in Section 416 of the Code at any time during the Plan year ending with or within the calendar year in which such owner attains age 73. Once distributions have begun to a 5-Percent Owner under this paragraph, they must continue to be distributed, even if the Participant ceases to be a 5-Percent Owner in a subsequent year.

(ii) Death of Participant Before Distributions Begin. If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(1) If the Participant's surviving spouse is the Participant's sole designated Beneficiary, then, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 73, if later.

(2) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, then, distributions to the designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(3) If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(4) If the Participant's surviving spouse is the Participant's sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this Subsection (ii), other than Subsection (ii)(1), will apply as if the surviving spouse were the Participant.

For purposes of this Subsection (a) and Subsection (c), unless Subsection (ii)(4) applies, distributions are considered to begin on the Participant's Required Beginning Date. If Subsection (ii)(4) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Subsection (ii)(4). If distributions

under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's Required Beginning Date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Section (ii)(4)), the date distributions are considered to begin is the date distributions actually commence.

(b) Required Minimum Distributions During Participant's Lifetime.

(i) Amount of Required Minimum Distribution. For Each Distribution Calendar Year. During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:

(1) the quotient obtained by dividing the Participant's Account balance by the distribution period in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations, using the Participant's age as of the Participant's birthday in the distribution calendar year; or

(2) if the Participant's sole designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's Account balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.

(ii) Lifetime Required Minimum Distributions Continue Through Year of Participant's Death. Required minimum distributions will be determined under this Subsection (c) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death.

(c) Required Minimum Distributions After Participant's Death.

(i) Death On or After Date Distributions Begin.

(1) Participant Survived by Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:

a. The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

b. If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's

death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

c. If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, the designated Beneficiary's remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(2) No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) Death Before Date Distributions Begin.

(1) Participant Survived by Designated Beneficiary. If the Participant dies before the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Subsection (c).

(2) No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(3) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under Subsection (b)(ii)(1), this Section 6.8 will apply as if the surviving spouse were the Participant.

(d) Definitions.

(i) Designated Beneficiary. The individual who is designated as the Beneficiary under Section 6.4(b) of the Plan and is the designated Beneficiary under Section 401(a)(9) of the Internal Revenue Code and Section 1.401(a)(9)-4 of the Treasury regulations.

(ii) Distribution Calendar Year. A Calendar Year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution Calendar Year is the calendar year immediately preceding the Calendar Year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first Distribution Calendar Year is the calendar year in which distributions are required to begin under Subsection (b)(ii). The Required Minimum Distribution for the Participant's first Distribution Calendar Year will be made on or before the Participant's Required Beginning Date. The Required Minimum Distribution for other Distribution Calendar Years, including the Required Minimum Distribution for the Distribution Calendar Year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that distribution calendar year.

(iii) Life Expectancy. Life Expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.

(iv) Participant's Account Balance. The Account Balance as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the Account Balance as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The Account Balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

(e) Waiver of 2009 Required Distributions. Notwithstanding the preceding subsections of Section 6.8 of the Plan, a Participant or Beneficiary who would have been required to receive Required Minimum Distributions for 2009 but-for the enactment of Section 401(a)(9)(H) of the Code ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's designated Beneficiary, or for a period of at least 10 years ("Extended 2009 RMDs"), will not receive those distributions for 2009 unless the Participant or Beneficiary chooses to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence. A direct rollover will be offered only for distributions that would be eligible rollover distributions without regard to Section 401(a)(9)(H).

6.9 Information Required on Distribution. Preparatory to commencing distribution with respect to any person, the Board shall notify the Trustees of the following information: (i) the Participant's or Beneficiary's name and address; (ii) the date on which the Participant's employment terminated; (iii) the reason for the Participant's termination; (iv) the name and address of the person or persons to whom the distribution is to be made; (v) the time or times of distribution; (vi) the form of the

distribution; (vii) the amounts to be distributed; and (viii) such other information as may be reasonably necessary.

6.10 Instructions from Board. Distribution shall be made only upon receipt of instructions from the Board and the Trustees shall have no responsibility whatsoever in determining the propriety of such distributions when made pursuant to said instructions.

6.11 No Reduction of Benefits on Account of Merger, Consolidation or Transfer of Trust Fund. In the case of any merger or consolidation with, or transfer of the assets or liabilities to any other plan, each Participant in the Plan would (if the Plan then terminated) receive a Benefit immediately after such merger, consolidation or transfer (if the Plan had then terminated) which is at least equal to the Benefit such Participant was entitled to immediately before such merger, consolidation or transfer.

6.12 No Insurance Policies After Normal Retirement Date. When a Participant reaches his Normal Retirement Date, any insurance policies on his life shall be converted to cash and the proceeds thereof held in his Account with any other amounts until he is entitled to distribution of his Benefit.

6.13 No Reduction of Benefits on Account of Social Security Increases. In the case of a Participant or Beneficiary who is receiving Benefits under the Plan, such Benefits shall not be decreased by reason of any increase in the benefit levels payable under Title II of the Social Security Act or any increase in the wage base under such Title II, if such increase takes place after the date of the enactment (September 2, 1974) of the Act or (if later) the earlier of the date of first receipt of such Benefits or the date of separation from service of the Employer, as the case may be.

6.14 Payments Under a Qualified Domestic Relations Order.

(a) General. The Board shall follow the terms of any 'qualified domestic relations order' as defined in IRC Section 414(p), ensuring all requirements are met to avoid interpretative disputes and to comply with federal regulations. An Alternate Payee includes any spouse, former spouse, child, or other dependent of a Participant who is recognized by a QDRO as having a right to receive all, or a portion of the Benefits payable under the Plan with respect to the Participant. The Board shall only follow QDROs which meet all of the requirements of this Section.

(b) Payments. Payments under a Qualified Domestic Relations Order shall be permitted in accordance with Section 414(p) of the Code. In addition, domestic abuse survivors may request an early withdrawal of up to \$10,000 per year, subject to IRS guidelines, without incurring the 10% early withdrawal penalty.

(c) Definition of QDRO. A QDRO defined under Section 414(p) of the Code is any judgment, decree or order, including the approval of a property settlement agreement, provided that the QDRO must create or recognize the existence of the Alternate Payee's right to receive all or a portion of the benefits payable to a Participant under the Plan. Further, since the Plan is a governmental plan, as defined in Section

414(d) of the Code, a distribution or payment from the Plan will be treated as made pursuant to a QDRO if it is made pursuant to a domestic relations order which meets the requirements of Section 414(p)(1)(A)(i) of the Code which creates or recognizes the existence of an Alternate Payee's right to, or assigns to an Alternate Payee the right to, receive all or a portion of the benefits payable with respect to a Participant under the Plan. Effective on or after April 6, 2007, a domestic relations order that otherwise satisfies the requirements for a QDRO will not fail to be a QDRO: (i) solely because the order is issued after, or revises, another domestic relations order or QDRO; or (ii) solely because of the time at which the order is issued, including issuance after the annuity starting date or after the Participant's death.

(d) Time for Payment of Benefits Under a QDRO. In the event that the Board is in receipt of a QDRO which requires that the Board make such distribution, and such QDRO otherwise satisfies the provisions of this Section and Section 414(p)(1)(A)(i) of the Code, then, the Board shall make the distribution to the Alternate Payee within a reasonable time following the date on which the Board has (1) received the QDRO and (2) determined that the QDRO satisfies the requirements of this Section and Section 414(p)(1)(A)(i) of the Code unless the Alternate Payee elects otherwise. Distributions will be made in the manner as provided in the Plan and such distributions will be subject to any restrictions on distributions contained in any Funding Vehicle under the Plan. The failure of an Alternate Payee to submit an application for a distribution shall be deemed an election to defer commencement of benefits under this Plan. Provided, for purposes of determining the value of the Participant's benefit which is to be distributed pursuant to such QDRO, the Board shall determine the Participant's benefit as of the valuation date specified in the QDRO or, if no date is so specified, then as of the valuation date coinciding with or first preceding the payment date specified in the QDRO. Provided further, any distribution made pursuant to this Section shall be deemed to be made pursuant to the occurrence of a "stated event." The Board shall not treat any judgment, order or decree as a QDRO unless it meets all of the requirements set forth in Subsection (c) and this Subsection (d) hereof and is sufficiently precise and unambiguous so as to preclude any interpretative disputes. If the QDRO meets these requirements, the Board shall follow the terms of the QDRO whether or not this Plan has been joined as a party to the litigation out of which the QDRO arises.

6.15 Distributions of Certain Employee Contributions. Notwithstanding anything to the contrary herein, a Participant shall be entitled at any time to withdraw all or part of his Benefit represented by his after-tax contributions made to the Predecessor Plan, but excluding those Employee After-Tax Contributions made pursuant to Section 4.2(b) of the Plan or the corresponding Section of the Predecessor Plan.

6.16 Federally Declared Disaster Distributions. Up to \$22,000 per disaster may be distributed from an individual's retirement plan or IRAs for those affected by a federally declared disaster.

(a) This distribution is not subject to the 10% additional tax and may be repaid during the three-year period beginning after the date of the distribution.

- (b) This applies to disasters that occurred after January 26, 2021.

6.17 Loss of Benefits. A Participant's retirement benefits shall be subject to forfeiture upon the conviction of or plea of guilty or nolo contendere to certain crimes as set forth hereinafter.

(a) Any Participant upon final conviction of, or pleading guilty or nolo contendere in a state or federal court of competent jurisdiction to, a felony for bribery, corruption, forgery or perjury or any other crime related to the duties of his or her employment shall forfeit their retirement benefits. The forfeiture of benefits shall not occur if any such Participant received a deferred sentence, but retirement benefits shall not commence prior to completion of the deferred sentence. The forfeiture of retirement benefits required by this Section shall not include the Participant's contributions to the retirement system or retirement benefits that are vested as of August 26, 2011.

(b) The forfeiture of retirement benefits as provided for in this Section shall also apply to any such Participant who, after leaving employment, is convicted of, or pleads guilty or nolo contendere in a state or federal court of competent jurisdiction to, a felony committed while in such employment, where the felony is for bribery, corruption, forgery or perjury or any other crime related to the duties of his or her employment.

(c) The forfeiture shall continue until such time as the conviction or guilty plea is reversed by the highest appellate court to which the officer or employee may appeal.

(d) The attorney responsible for prosecuting the Participant shall notify the Plan if the Participant is convicted of or upon entering a plea of guilty or nolo contendere to any of the crimes set forth in Section 6.17(a). Upon receiving notice of a conviction, plea of guilty or plea of nolo contendere, the Plan shall immediately suspend all benefits of the Participant, and shall notify the Participant of his or her right to a hearing before the Committee to review whether the conviction or plea qualifies for forfeiture of benefits under this Section. If the notice of a conviction, plea of guilty or plea of nolo contendere is not forthcoming but there is reason to suspect a conviction and/or plea may have occurred, the Plan may, in the discretion of the Committee, investigate and gather court documents and contact prosecutors to determine whether the conviction or plea qualifies under this Section. Upon obtaining sufficient documentation of the conviction or plea, the Plan shall immediately suspend all benefits of the Participant and notify the Participant of his or her right to a hearing to review whether the conviction or plea qualifies for forfeiture of benefits under this Section. A Participant shall have thirty (30) days from the date of notification to request a hearing before the Committee. Requests for such a hearing shall be made in writing to the city clerk.

ARTICLE VII – PROVISIONS RELATING TO PARTICIPANTS

7.1 Information Required of Participants. Payment of Benefits shall begin as of the payment date(s) provided in this Plan, and no formal claim shall be required therefor; provided, in the interests of orderly administration of the Plan, the Board may make reasonable requests of Participants and Beneficiaries to furnish

information which is reasonably necessary and appropriate to the orderly administration of the Plan, and, to that limited extent, payments under the Plan are conditioned upon the Participants and Beneficiaries promptly furnishing true, full and complete information as the Board may reasonably request.

7.2 Participants' Right in Trust Fund. No Participant or other person shall have any interest in, or right to, any part of the earnings of the Trust Fund, or any part of the Trust Assets thereof, except as and to the extent expressly provided in the Plan and Trust.

7.3 Abandonment of Benefits.

(a) If, anytime following the date either of a Participant or Beneficiary of a deceased Participant becomes entitled to receive any non-deferred Benefits under the Plan, then, if the whereabouts of such Participant or Beneficiary is unknown, the Benefits may be forfeited in certain limited circumstances as provided hereafter. If the Board has mailed to the Participant or Beneficiary on or about any Anniversary Date notice of the present right to receive Benefits, and the Board continues to mail such notice for two following consecutive Anniversary Dates (for a total of three consecutive Anniversary Dates), then, upon the fourth consecutive Anniversary Date, if no claim has been received, the Accounts representing unclaimed Benefits (including those holding Employee contributions) can be forfeited pursuant to Section 4.3 herein.

(b) Each Participant and Beneficiary shall file with the Board, from time to time in writing, their post office address and each change of post office address, if any, and the Board shall not be obliged to search for or ascertain the whereabouts of any Participant or Beneficiary. Any communication addressed to a Participant or Beneficiary at their last post office address filed with the Board, or if no such address was filed, then at their last post office address as shown on the Employer's records, shall be binding on the Participant and the Beneficiary for all purposes of the Plan and Trust.

(c) In the event that the whereabouts of a lost Participant, or lost Beneficiary of a deceased Participant, ever becomes known to the Board, and either of such parties makes a claim for Benefits, the Board shall, if the Plan is in existence, reinstate any Benefits which have been previously forfeited to satisfy such claim; provided, the amount reinstated shall, in any event, be equal to the amount of the forfeited Benefit unadjusted by any increases or decreases under Section 5.2 herein occurring after the Anniversary Date such forfeitures were allocated. Reinstated Forfeitures shall be satisfied from the following sources in the priority indicated: (i) unallocated Forfeitures, (ii) unallocated Trust Fund increases, or (iii) Employer Contributions which the Employer shall make if necessary to satisfy such reinstatement. For purposes of this Subsection (c), the limitations under Section 415 of the Code shall not apply.

7.4 Benefits Payable to Incompetents. Any payments due hereunder to a minor or other person under legal disability may be made, at the discretion of the Board, (i) directly to the said person, or (ii) to a parent, spouse, relative by blood or marriage, or (iii) the legal representative of the said person. The Board shall not be required to see to

the application of any such payment, and the payee's receipt shall be a full and final discharge of all responsibility hereunder of the Employer, the Board and the Trustees.

7.5 Conditions of Employment Not Affected by Plan. The establishment and maintenance of the Plan shall not be construed as conferring any legal rights upon any Employee to the continuation of employment with the Employer, nor shall the Plan interfere with the right of the Employer to discharge any Employee, with or without cause.

7.6 Loans to Participants.

(a) General. The Board, in its sole discretion, may direct Trustees to make loans to Participants or Beneficiaries, upon the written direction and application of the Participant who desires to affect such loan, up to 50% of the vested balance of a Participant's Accounts. All such loans (i) shall not be made available to Highly Compensated Employees (as defined in Section 414(q) of the Code) in an amount greater than the amount made available to other Employees, (ii) shall be available to all Participants and Beneficiaries on a nondiscriminatory basis, (iii) shall be made available in an amount equal to the lesser of 50% of the borrowing Participant's vested Benefit in his Account or \$50,000, (iv) shall bear a reasonable rate of interest which will be established by the Board, (v) shall be secured by the borrowing Participant's Benefit account balance attributable to his Account, (vi) shall be amortized and repaid in level payments of principal and interest made not less frequently than quarterly over the term of the loan, (vii) shall be repaid by payroll reduction; (viii) shall accelerate and be due in full on the date a Participant terminates employment with the Employer; (ix) shall not be less than \$500 in amount each; and (x) shall be made upon such other reasonable terms which the Board shall designate, such terms being applied in a nondiscriminatory fashion; provided, in no event shall any loan have a term in excess of five years; provided further, the Board may make a loan with a longer maturity to a Participant if the proceeds of such loan are used to purchase any dwelling which within a reasonable time is to be used (determined by the Board at the time the loan is made) as a principal residence of the Participant. There shall not be more than two loans outstanding at any time with respect to a Participant. Upon direction by the Board, and subject to Subsection (c) below, the Trustees may foreclose upon such Participant's interest in his Account in the event of default. A loan to a Participant, when added to the outstanding balance of all other loans to the Participant from the Plan and other plans sponsored by the Employer, cannot exceed \$50,000, reduced by the excess of the highest outstanding balance of loans from the Plan (and all other plans sponsored by the Employer) during the one-year period ending on the day before the date the loan is made over the outstanding balance of the loans from the Plan on the date the loan is made. No distribution of a Benefit shall be made to any Participant, Beneficiary or the estate of a Participant unless and until all unpaid loans made by the Plan to such Participant together with accrued interest have been paid in full. In determining if any of the foregoing limitations regarding the making of loans to Participants, loans made under all other plans (i) sponsored by the Employer and (ii) qualified under Sections 401(a) and 501(a) of the Code will be considered. All costs and expenses of any loan will be charged to the applicable Accounts of the Participant. Loan repayments may be suspended under this Plan as permitted under Section 414(u) of the Code.

(b) Establishment of Loan Account. At such time as it is determined that a Participant is to receive a loan from the Plan, the loan shall be made from the Participant's applicable Account in the order and precedence indicated hereafter and such amount shall be deemed to be credited to the Participant's Loan Account with a corresponding debit to occur to his Account as of the first day of the month in which such loan occurs: (i) first, an Account holding Employer contributions, including "rollover contributions" (other than Employee Section 401(k) Contributions, if applicable); and (ii) second, an Account holding Employee Section 401(k) Contributions, if applicable. All interest payments to be made pursuant to the terms and provisions of the loan shall be credited to the applicable Account in such a manner so that the Loan Account will reflect unpaid principal and interest from time to time. The earnings attributable to the Loan Account shall be allocable only to the Loan Account of such Participant and shall not be considered as general earnings of the Trust Fund to be allocated to the other Participants therein as provided in Section 5.2 hereof. Other than for the limited purposes of establishing a separate account for the allocation of the interest thereto, a Participant's Loan Account shall, for all other purposes, be considered as part of applicable Account.

(c) Foreclosure of Loan Account. The Trustees may foreclose upon such Participant's interest in his Account in the event of default under the loan made to the Participant under this Section.

(d) Special Restrictions on Foreclosure. In the event of default under a loan made under this Section, foreclosure under the promissory note evidencing such loan and attachment of the Participant's interest in his applicable Accounts shall occur within a reasonable time following the event of default; provided, with respect to any portion of a loan secured by amounts governed under Section 401(k) of the Code, if applicable, foreclosure on such 401(k) amounts shall not occur until the occurrence of an event described under Section 401(k) of the Code which would otherwise permit a distribution to be made from the Plan.

(e) Order of Application of Account Balances to Fund Loan. At the time a Participant requests a loan pursuant to the provisions of this Section, such Participant shall also specify in writing the order that the Investment Options in which his Account are invested are to be applied to fund his loan after approval by the Board.

(f) Establishment of Loan Program. The Trustees are hereby authorized and directed to establish a "loan program" (the "Loan Program") in accordance with the rules and regulations promulgated by the Department of Labor and, the Trustees are further authorized to delegate to the Board the duties and responsibilities with regard to the implementation of the Loan Program as adopted by the Trustees for and on behalf of the Plan. The Loan Program shall, in accordance with Regulations promulgated by the Department of Labor, be considered to be a part of this Plan for the purposes stated in the Loan Program.

(g) Suspension of Loan Repayments. Loan repayments may be suspended under this Plan as permitted under Section 414(u) of the Code.

(h) Loan Repayment for Military Leave. A Participant on qualified military leave may suspend repayment of any outstanding Plan loan in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and the Servicemembers Civil Relief Act (SCRA). During the suspension period, no loan default shall be deemed to occur. Upon reemployment, the Participant may resume repayment, and the loan term may be extended to accommodate the period of military service, in accordance with Treasury Regulation § 1.72(p)-1 and applicable IRS guidance.

ARTICLE VIII – ADMINISTRATION

8.1 Allocation of Responsibility Among Fiduciaries for Plan and Trust Administration. The fiduciaries shall have clearly defined powers, duties, responsibilities, and obligations under the Plan or the Trust, ensuring compliance with ERISA requirements, including clear definitions of fiduciary responsibilities, claims procedures, and participant rights, even if exempt from certain ERISA requirements. In general, the Employer shall have the sole responsibility for (i) appointing and removing Board members, as provided in Section 8.2 herein, (ii) appointing and removing Trustees, (iii) making Employer contributions and (iv) amending or terminating, in whole or in part, this Plan or the Trust. The Board shall have the sole responsibility for the administration of this Plan, which responsibility is specifically described in this Plan and the Trust Agreement. The Trustees shall have the sole responsibility for (i) the administration of the Trust and (ii) the management of the assets held under the Trust, all as specifically provided in the Trust Agreement. Each fiduciary warrants that any directions given, information furnished, or action taken by it shall be in accordance with the provisions of the Plan or the Trust Agreement, as the case may be, authorizing or providing for such direction, information or action. Furthermore, each fiduciary may rely upon any such direction, information or action of another fiduciary as being proper under this Plan or the Trust and is not required to inquire into the propriety of any such direction, information or action. It is intended that each fiduciary shall be responsible for the proper exercise of such fiduciary's own powers, duties, responsibilities and obligations under this Plan and the Trust and to the extent permitted by law shall not be responsible for any act or failure to act of another fiduciary. No fiduciary guarantees the Trust Fund in any manner against investment loss or depreciation in asset value.

8.2 Appointment of Board. The Plan shall be administered by a Board consisting of voting and nonvoting members. Voting members of the Board shall include a Councilmember (elected by a majority of the City Council), the City Manager, the City Controller, the City Personnel Director and two City employees (elected for two-year terms at a regular meeting of the American Federation of State, County and Municipal Employees, Local #2875). Nonvoting members of the Board shall include the City Attorney, the City Clerk, and an agent of any private corporation to which the Fund may be entrusted.

8.3 Claims Procedure.

(a) The Board shall make all determinations as to the right of any person to Benefits. If any request for Benefits is wholly or partially denied, the Board shall notify

the person requesting such Benefits, in writing, of such denial, including in such notification the following information:

- (i) The specific reason or reasons for such denial;
- (ii) The specific references to the pertinent Plan provisions upon which the denial is based;
- (iii) A description of any additional material and information which may be needed to clarify the request, including an explanation of why such information is required; and
- (iv) An explanation of this Plan's review procedure with respect to denial of such Benefits.

Any such notice to be delivered to any Participant or Beneficiary shall be personally delivered within a reasonable time to such Participant by obtaining a signed receipt therefor or shall be mailed by certified or registered mail with return receipt requested to such Participant. Such notice shall be written to the best of the Board's ability in a manner that may be understood without legal counsel.

(b) Any Participant or Beneficiary whose claim has been denied in accordance with the foregoing Subsection (a) herein may appeal to the Board for review of such denial by making a written request within 60 days of receipt of the notification of such denial. Such Participant or Beneficiary may examine documents pertinent to the review and may submit to the Board written issues and comments. Within 60 days after receipt of the request for review, the Board shall communicate to the claimant, in writing, its decision, and the communication shall set forth the reason or reasons for the decision and specific reference to those Plan provisions upon which the decision is based.

8.4 Records and Reports. The Board shall exercise such authority and responsibility as it deems appropriate to maintain adequate records of the Participants' Accounts and the percentage of the Employer Contribution Account which is vested and nonforfeitable under the Plan; and to notify Participants.

8.5 Other Board Powers and Duties. The Board shall have such duties and powers as may be necessary to discharge its duties hereunder, including, but not by way of limitation, the following:

(a) The Board shall have full authority to administer the Plan and ensure compliance with applicable laws. Fiduciaries shall act solely in the interest of Participants and Beneficiaries, and in accordance with ERISA fiduciary standards, including adherence to prudent investment policies and disclosure requirements under the SECURE Act and SECURE 2.0.

(b) To construe and interpret the Plan and resolve any ambiguities with respect to any of the terms and provisions thereof as written and as applied to the operation of the Plan;

(c) To decide all questions of eligibility and determine the amount, manner and time of payment of any Benefits hereunder;

(d) To prescribe procedures to be followed by Participants or Beneficiaries filing applications for Benefits;

(e) To prepare and distribute, in such manner as the Board determines to be appropriate, information explaining the Plan;

(f) To receive from the Employer and from Participants and Beneficiaries such information as shall be necessary for the proper administration of the Plan;

(g) To furnish the Employer, upon request, such annual reports with respect to the administration of the Plan as are reasonable and appropriate;

(h) To receive, review and keep on file (as it deems convenient or proper) reports of the financial condition, and of the receipts and disbursements, of the Trust Fund from the Trustee;

(i) To appoint or employ individuals and any other agents it deems advisable, including legal counsel, to assist in the administration of the Plan and to render advice with respect to any fiduciary responsibility of the Board, or any of its individual members, under the Plan;

(j) To appoint or employ investment advisors, including an “investment manager”;

(k) To select an annuity carrier to provide for the purchase of annuity contracts from licensed insurance companies as Investment Options;

(l) To allocate among themselves who shall be responsible for specific fiduciary duties and to designate fiduciaries (other than Board members) to carry out fiduciary responsibilities (other than Trustees responsibilities) under the Plan; provided, that any such allocations shall be reduced to writing, signed by all Board members, and filed in a permanent Board minute book; and

(m) To maintain continuing review of the Plan and suggest changes and modifications to the Employer in connection with amendments to the Plan.

The Board shall have no power to add to, subtract from or modify any of the terms of the Plan, or to change or add to any Benefits provided by the Plan, or to waive or fail to apply any requirements of eligibility for Benefits under the Plan.

8.6 Rules and Decisions. The Board may adopt such rules as it deems necessary, desirable, or appropriate. All rules and decisions of the Board shall be

uniformly and consistently applied to all Participants in similar circumstances. When making a determination or calculation, the Board shall be entitled to rely upon information furnished by a Participant or Beneficiary, the Employer, the legal counsel of the Employer or the Trustees.

8.7 Board Procedures. The Board may act at a meeting or in writing without a meeting. The Board may elect one of its members as chairman, appoint a secretary, who may or may not be a Board member, and advise the Trustees of such actions in writing. The secretary shall keep a record of all meetings in a permanent Board minute book and forward all necessary communications to the Employer or the Trustees. The Board may adopt such bylaws and regulations as it deems desirable for the conduct of its affairs. All decisions of the Board shall be made by the vote of the majority (if more than one person be serving as a Board member) including actions in writing taken without a meeting. A dissenting Board member who, within a reasonable time after he has knowledge of any action or failure to act by the majority, registers his dissent in writing delivered to the other Board members, to the extent permitted by law, shall not be responsible for any such action or failure to act.

8.8 Authorization of Benefit Payments. The Board shall issue directions to the Trustees concerning all Benefits which are to be paid from the Trust Fund pursuant to the provisions of the Plan and warrants that all such directions are in accordance with this Plan.

8.9 Application and Forms for Benefits. The Board may make reasonable requirements upon a Participant to complete and file with the Board an application for Benefits and all other forms approved by the Board, and to furnish all pertinent information requested by the Board. The Board may rely upon all such information so furnished it, including the Participants' and Beneficiaries' current mailing addresses.

8.10 Serving in More than One Capacity. An individual person may serve in more than one capacity as a fiduciary.

8.11 Funding Policy. Based on reasonably anticipated needs, including retirements and other terminations of employment, the Board shall at least annually review Plan investments and the current list of Participants under the Plan and determine, the short-term liquidity needs of the Plan which are reasonably necessary to pay any Benefits or pay any costs and expenses which may be required in the foreseeable near future. The Board shall communicate such needs to the Trustees, or other person responsible for investments, so that investment policy can be coordinated with the Plan's short and long term liquidity needs; provided this Section shall not be construed to mean the Board retains any power to direct the Trustees in investment of the Trust Fund. All decisions and policy declarations shall be recorded in the permanent Board minute book.

ARTICLE IX – TRUST FUND

9.1 Trust Fund. The Trust Fund is governed by the Trust Agreement, and the monies for this Plan and the Predecessor Plan shall be held, invested and administered in accordance with the terms of such Trust Agreement as the same may from time to time

be amended. All contributions made by the Employer shall be paid into the Trust Fund and all Benefits payable under the Plan shall be paid from the Trust Fund.

9.2 Employer's Contributions are Irrevocable. The Employer shall have no right, title or interest in the Trust Fund and shall not profit from it. No part of the Trust Fund or of any contribution made thereto by the Employer, shall ever revert to the Employer, or be diverted for purposes other than the exclusive benefit of the Employees except as otherwise provided herein and by law.

ARTICLE X – AMENDMENT AND TERMINATION

10.1 Amendment of the Plan. The City hopes and expects to continue the Plan, but reserves the right to modify, amend, or terminate the Plan in compliance with ERISA and IRC requirements, ensuring protection of accrued benefits and adherence to proper termination processes. Pursuant to resolutions adopted by the City Council, the Plan may be wholly or partially amended, or otherwise modified, at any time by the execution of a written amendment to the Plan on behalf of the City by the officer designated by the City; provided, however, that no such modification or amendment shall permit any part of the Trust Fund, other than such part as is required to be distributed in order to meet necessary expenses, to be used for, or diverted to, purposes other than for the exclusive benefit of the Participants, their Beneficiaries, or their estates, and provided further that no such modification or amendment shall operate to reduce or eliminate the Accounts of any person or persons acquired prior to the effective date of such modification or amendment (except as such modification or amendment shall be necessary in order to comply with any laws or regulations of the United States or of any state).

10.2 Termination of the Plan.

(a) **Complete Termination.** In the event the Employer shall wholly terminate the Plan, the Board shall direct the Trustees to make an appraisal of the Trust Fund as of such termination date. The Trustees shall then deduct from the value of such appraisal an amount which they shall estimate to be necessary to meet any expenses to be incurred during the termination period of the Trust. The Board shall then require a valuation of all Accounts in the Trust Fund in accordance with Section 5.2 herein, as of such termination date, based on the appraised value of the Trust Fund as adjusted after making provision for such expenses. Thereafter, any unallocated Employer contributions and Forfeitures existing on such termination date shall be allocated pursuant to Article IV hereof among the eligible Participants who are employed on such termination date. The sum standing in the Accounts of each person after such recomputation and adjustment, if any, shall represent the final Benefit of each such person, and such amount shall be 100% vested and shall be nonforfeitable, and no recomputation or other adjustment of any Account shall thereafter be made. The distribution by the Trustees shall be made promptly and, in any event, shall be completed within 12 months from the date of termination of the Plan as follows:

(i) Each Participant or Beneficiary shall receive values equal to any amount being held in such person's Accounts as computed under the immediately preceding provisions of this Subsection 10.2(a).

(ii) With respect to the remaining Trust Fund, if any, the interest of each Participant or Beneficiary shall be in the proportion that his Accounts bear to the total of all Accounts.

(b) Partial Termination. In the event of a partial termination of the Plan, the Board shall direct the Trustees to make an appraisal of the Trust Fund as of such termination date. The Trustees shall then deduct from the value of such appraisal an amount which they shall estimate to be necessary to meet any expenses to be incurred during the termination period of the Trust. The Board shall then require a valuation of all Accounts in the Trust Fund in accordance with Section 5.2 herein, as of such termination date, based on the appraised value of the Trust Fund as adjusted after making provision for such expenses. The sum standing in the Accounts of each person, whose termination of employment resulted in the “partial termination” of the Plan, after such recomputation shall represent the final Benefit of each such person, and such amount shall be 100% vested and shall be nonforfeitable, and no recomputation of any such Account shall thereafter be made. The distribution by the Trustees shall be made promptly and, in any event, shall be completed within 12 months from the date of partial termination of the Plan and shall be made to each such person who shall receive values equal to any amount being held in such person's Accounts as adjusted under the immediately preceding provisions of this Subsection 10.2(b).

(c) Termination Subject to Rules in Plan. In the event of any termination of the Plan, and distribution of Benefits are made from the Plan, all such distributions will satisfy the rules for distribution as contained in Article VI hereof.

(d) Distribution Restrictions Under Section 401(k) of the Code. If the Plan includes a Section 401(k) arrangement or if transferred assets described in Article)CI herein are subject to the distribution restrictions of Sections 401(k) (2) and (10) of the Code, the special distribution provisions of Article VI are subject to the restrictions of this Subsection. The portion of the Participant's Benefit attributable to employee Section 401(k) contributions and Special Employer Section 401(k) Contributions shall not be distributable on account of Plan termination, as described in Article X herein, unless: (i) the Participant otherwise is entitled under the Plan to a distribution of that portion of his Benefit; or (ii) the Plan termination occurs without the establishment of a successor plan. A successor plan under Subsection (b) is a defined contribution plan (other than an ESOP) maintained by the Employer (or by an Affiliated Employer) at the time of the termination of the Plan or within the period ending 12 months after the final distribution of assets. A distribution made after March 31, 1988, pursuant to clause (ii), must be part of a lump sum distribution to the Participant of his Benefit.

10.3 Power of Amendment Delegated. By adoption of this Plan, the Employer hereby expressly delegates to the City the power to unilaterally amend this Plan and related Trust hereto on behalf of such Employer.

ARTICLE XI – ROLLOVERS

11.1 Rollover Contributions. A Participant who is or was entitled to receive an Eligible Rollover Distribution, as defined in IRC Sections 402(c) and 408, including

Roth contributions, from a qualified plan described in Section 401(a) or 403(a) of the Code, including after-tax employee contributions, an annuity contract described in Section 403(b) of the Code, an eligible plan under Section 457(b) of the Code 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, or an individual retirement account may elect to contribute all or any portion of such distribution to the Trust directly from such qualified plan, annuity contract or eligible plan, or within 60 days of receipt of such distribution to the Participant. Rollover Contributions shall only be made in the form of cash, or, if and to the extent permitted by the Employer with the consent of the Trustee, promissory notes evidencing a plan loan to the Participant; provided, however, that Rollover Contributions shall only be permitted in the form of promissory notes if the Plan otherwise provides for loans.

The Plan Administrator shall develop such procedures and require such information from Participants as it deems necessary to ensure that amounts contributed under this Section 11.1 meet the requirements for tax-deferred rollovers established by this Section 11.1 and by Code Section 402(c). No Rollover Contributions may be made to the Plan until approved by the Plan Administrator.

If a Rollover Contribution made under this Section 11.1 is later determined by the Plan Administrator not to have met the requirements of this Section 11.1 or of the Code or Treasury regulations, then, within a reasonable time after such determination is made, the amounts then held in the Trust attributable to such Rollover Contribution shall be distributed to the Employee.

A Participant's Rollover Contributions Account shall be subject to the terms of the Plan except as otherwise provided in this Section 11.1.

Notwithstanding any other provision of this Section 11.1, the Employer may direct the Trustee not to accept Rollover contributions.

11.2 Rollover to Another Plan or Traditional IRA. This Section applies to distributions made after December 31, 2001.

(a) General. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Section, 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 paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover. The Plan Administrator shall establish procedures for implementing such Direct Rollover distribution.

(b) Definitions. For purposes of this Section 11.2, the following definitions shall apply:

(i) "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 10 years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; the portion of any distribution that is not includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to Employer Stock); and any distribution attributable to a hardship. 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 Section 408(a) or (b) of the Code, or to a qualified defined contribution plan described in Section 401(a) or 403(a) of the Code 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. If any portion of an eligible rollover distribution is attributable to payments or distributions from a designated Account holding Roth Contributions and earnings thereon, an Eligible Retirement Plan with respect to such portion shall include only another designated account of the individual from whose account the payments or distributions were made holding Roth Contributions and earnings thereon, or a Roth IRA of such individual.

(ii) “Eligible Retirement Plan”: An “Eligible Retirement Plan” is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code, a qualified trust described in Section 401(a) of the Code, an annuity contract described in Section 403(b) of the Code and an eligible plan under Section 457(b) of the Code 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; or, effective January 1, 2008, a Roth IRA described in Code Section 408A(b), that accepts the Distributee's Eligible Rollover Distribution. However, in the case of an Eligible Rollover Distribution to the surviving spouse or a Participant's surviving Beneficiary, an Eligible Retirement Plan is an individual retirement account or individual retirement annuity. 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 relation order, as defined in Section 414(p) of the Code. If any portion of an Eligible Rollover Distribution is attributable to payments or distributions from a designated Roth account, an Eligible Retirement Plan with respect to such portion shall include only another designated Roth account of the individual from whose account the payments or distributions were made, or a Roth IRA of such individual. In the case of a non-spouse beneficiary, the direct rollover may be made only to an individual retirement account or annuity described in Code Section 408(a) or 408(b) (“IRA”) that is established on behalf of the designated Beneficiary and that will be treated as an inherited IRA pursuant to the provisions of Code Section 402(c)(ii). Further, the determination of any required minimum distribution under Code Section 401(a)(9) that is ineligible for rollover shall be made in accordance with IRS Notice 2007-7, Q&A 17 and 18, 2007-5 I.R.B. 395.

(iii) **“Distributee”**: A “Distributee” includes a Participant or former Participant. In addition, the Participant's spouse or former Participant's surviving spouse or surviving Beneficiary and the Participant's or former Participant's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse.

(iv) **“Direct Rollover”**: A “Direct Rollover” is a payment by the Plan directly to the Eligible Retirement Plan specified by the Distributee.

11.3 Sole Interest in Plan. Upon a transfer of an account from an Other Plan as aforesaid, the Employee's Rollover Account shall represent his sole interest in the Plan until he becomes a Participant.

11.4 Rollovers or Transfers of Certain Persons Prohibited. In no event shall a rollover under Section 11.1 herein or a transfer under Section 11.2 herein be made to this Plan with respect to an account of an “owner-employee” as defined under Section 401(c) of the Code. Further, no direct transfers will be made to this Plan from another plan if such transfer is subject to the joint and survivor annuity requirements as described in Section 417 of the Code or would be subject to the “protected benefit” rules of Section 411(d)(6) of the Code if the form of benefit is different than what is provided under this Plan.

ARTICLE XII – DEFINED BENEFITS

12.1 Provisions Applicable to Frozen Defined Benefits. The City sponsored a defined benefit plan which was frozen and merged into this Plan as of June 30, 1991. The following provisions shall be applicable to the benefits frozen as of June 30, 1991:

(a) Normal form of monthly benefit will be a life annuity with 120 payments guaranteed.

(b) Optional forms:

(i) Life annuity with a one hundred percent (100%) Joint and Survivor annuity; or

(ii) Life annuity with a sixty-six and two-thirds percent (66 2/3%) Joint and Survivor annuity; or

(iii) Life annuity with a fifty percent (50%) Joint and Survivor annuity.

(c) Actuarial equivalence:

Pre-retirement Interest	8%
Post-retirement Interest	8%

Mortality 1983 Group Mortality Table at eight percent (8%)
Male and females set back three (3) years

(d) Years of service will be the years of full-time employment with the City of Norman since November 1, 1967.

(e) Average monthly compensation will be the average of the highest sixty (60) months of compensation. The first six (6) months of 1991 will be calculated by the City Payroll Department.

(f) Accrued benefit is the monthly benefit obtained by multiplying years of service after November 1, 1967, to June 30, 1991, by two (2) percent by the average monthly compensation.

(g) Annuity pool is the money set aside in the Fund exclusively to pay the monthly benefits of all retirees of the Employee Retirement System who retired on or before July 1, 1991.

(h) Active Participants aged fifty-five (55) on or before July 1, 1991, will have the following options:

(i) Elect early retirement: The early retirement monthly benefit will be calculated in the same manner as calculated in the prior plan. Namely, years of service times two percent (2%) of the average monthly compensation. This benefit will be paid in the normal form or one of the available optional forms of retirement income.

(1) Any Participant electing early retirement must make the election in writing on the appropriate form provided by April 1, 1991.

(ii) Do not elect early retirement:

(1) Those eligible employees not electing early retirement will receive a combined account balance which will consist of the following: The greater of:

- a. the sum of their account balance plus the City's contribution valued beginning on June 30, 1991, or
- b. the present value of their accrued monthly benefit at the normal retirement age of sixty-two (62).

(2) This greater number will be their account balance on June 30, 1991, in the Employee Defined Contribution Retirement System.

(i) Active Participants who are less than fifty-five (55) years of age on July 1, 1991, will receive a combined account balance on June 30, 1991, which will be the

greater of (a) the sum of the value of their contribution account plus the City's combination account value on June 30, 1991, or (b) the present value of their accrued benefit on June 30, 1991. This greater number will be the account balance of the Participant on June 30, 1991, in the Employee Defined Contribution Retirement System.

(j) Annuity Pool.

(i) Those employees who have retired from the Employee Retirement System prior to July 1, 1991, will continue to receive their monthly payments from the annuity pool.

(ii) Any employee electing early retirement will receive his elected form of monthly income from the annuity pool.

(1) Those employees that elect early retirement will have their combined account balance transferred to the annuity pool on June 30, 1991.

(k) Employees who terminated employment with the City of Norman prior to January 1, 1991, and elected to participate in the money purchase option will have combined account balances in the Employee Defined Contribution Retirement System that will be equal to the value of their vested money purchase option account balance on June 30, 1991.

(l) These aforementioned provisions will determine the account balances of all Participants that have not retired on or before July 1, 1991, and will be considered roll-over accounts.

(m) The provisions of the new Employee Defined Contribution Retirement System will govern all future employee and employer contributions after July 1, 1991.

(n) All active Participants who have not terminated employment prior to July 1, 1991, will be one hundred percent (100%) vested in the City of Norman's accumulated account on July 1, 1991.

(o) The Annuity Pool:

(i) The City shall contribute, at least annually, to the annuity pool acting under the advice of the Board of Trustees so as to maintain actuarial soundness of the annuity pool.

(ii) The first actuarial valuation of the annuity pool will be as of June 30, 1991.

(iii) This annuity pool will be maintained by the Employee Retirement System of the City of Norman until there are no Participants receiving benefits from the annuity pool.

(iv) The Board of Trustees will have an actuarial valuation performed on an annual basis in order to maintain soundness of the annuity pool.

(p) All employees who become disabled or retire on or after March 14, 1975, shall receive benefits in accordance with the provisions of this Article, subject to the limitation that should the employee have contributed to and become eligible for a higher disability or retirement benefit under the System enacted in Ordinance No. 1901, he shall be paid that higher benefit.

(q) All employees who are contributing to the System as enacted in Ordinance No. 1901 as of March 14, 1975, shall receive retroactive service credit for those periods during which they actually contributed.

(r) All employees excluded from the System as enacted in Ordinance No. 1901 because of their status as pensioners of a fire or police retirement system and who contributed to the System as of March 14, 1975, shall receive retroactive service credit for those periods of time they worked so long as:

(i) their employment was for a continuous period of time from or after July 1, 1967, through March 14, 1975, and

(ii) the employee deposits in the System a monetary sum equal to what would have been his employee contribution and the City's contribution for that period of time, and the interest at the rate earned by the Fund for that respective period of time.

(s) All fund assets and liabilities of the System as enacted in Ordinance No. 1901 shall be consolidated with and paid from the Fund as of March 14, 1975.

(t) All employees who are contributing to the System as enacted in Ordinance No. 1901 and who are under thirty (30) years of age as of March 14, 1975, may elect to withdraw from that Fund and System and, should they so elect, their contribution accumulations shall be returned.

(u) The employees, payment amounts and beginning date of payments for the benefit described in this Section 12.1 is set forth on Exhibit "A" attached hereto.

Article XIII - Miscellaneous Provisions

13.1 Article and Section Titles and Headings. The titles and headings at the beginning of each Article and Section shall not be considered in construing the meaning of any provision in this Plan.

13.2 Applicable Law. The provisions of this Plan shall be construed, administered and enforced according to the laws of the State of Oklahoma. All contributions to the Trust shall be deemed to take place in the State of Oklahoma.

13.3 **Multiple Originals.** This Plan has been executed in a number of identical copies, each of which shall be considered an original for all purposes.

EXECUTED as of this _____ day of _____, 2025.

THE CITY OF NORMAN, a governmental entity

ATTEST:

By: _____

Name: _____

City Clerk

Title: Mayor

“CITY”