

El Paso County Retirement Plan
Plan Document

Restated Effective: January 1, 2013

El Paso County Retirement Plan
(As Amended and Restated January 1, 2013)

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I Purpose	1
ARTICLE II Definitions	2
Section 1. Name	2
Section 2. Board of Retirement.....	2
Section 3. Definitions.....	2
ARTICLE III Membership	7
Section 1. Commencement	7
Section 2. Termination.....	7
Section 3. Withdrawal.....	7
ARTICLE IV Service	8
Section 1. Credited Service.....	8
Section 2. Past Service.....	8
Section 3. Membership Service	8
Section 4. Breaks in Service	9
Section 5. Effect of Other Plans.....	9
Section 6. Miscellaneous	10
Section 7. Purchase of Service Credit Relating to Noncovered Employment.....	10
Section 8. Military Service	12
ARTICLE V Retirement Dates.....	14
Section 1. Normal Retirement.....	14
Section 2. Early Retirement	14
Section 3. Delayed Retirement	16
Section 4. Disability Retirement	16
Section 5. Retirement Date	16
ARTICLE VI Retirement Benefits	17
Section 1. Normal or Delayed Retirement.....	17
Section 2. Early Pension	17
Section 3. Disability Retirement	19
Section 4. Payment of Benefits.....	19
Section 5. Minimum Periodic Payment	20
Section 6. Accrued Credits and Vested Benefits Under the Previous Plan Preserved	20
Section 7. Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 2005	21
ARTICLE VII Optional Benefit Forms	22

Section 1. General.....	22
Section 2. 100% Joint and Survivor Benefit.....	22
Section 3. 100% Joint and Survivor Benefit With Increase at Prior Death of Beneficiary	22
Section 4. 50% Joint and Survivor Benefit.....	23
Section 5. 50% Joint and Survivor Benefit With Increase at Prior Death of Beneficiary	23
Section 6. Single Life Benefit.....	23
Section 7. Spousal Consent for Retirement Benefit.....	24
ARTICLE VIII Death Benefits.....	25
Section 1. Death of a Non-Vested Member.....	25
Section 2. Death of an Active Vested Member or Death of Terminated Vested Member Before Normal Retirement Date.....	25
Section 3. Death of an Active Member Between Normal and Delayed Retirement Dates	25
Section 4. Death of a Retired Member.....	26
Section 5. Death of a Retired Member Before Accumulated Contributions Recovered	26
Section 6. Uniform Simultaneous Death Act.....	26
Section 7. Designation of Beneficiary	26
Section 8. Additional Death Benefit for Retired Members.....	27
Section 9. Direct Rollover for Beneficiaries.....	27
Section 10. Latest Date for Commencement of Death Benefits	28
Section 11. Death While In Military Service.....	28
ARTICLE IX Termination Benefits	29
Section 1. Coverage	29
Section 2. Not Vested	29
Section 3. Vested	29
Section 4. Nonreelection.....	30
Section 5. Direct Rollover.....	31
Section 6. Time of Distributions Prior to Normal Retirement Age.....	32
ARTICLE X Contributions.....	33
Section 1. Member Contributions.....	33
Section 2. Employer Contributions.....	34
Section 3. Application of Forfeitures.....	34
ARTICLE XI Administration of the Plan.....	35
Section 1. Retirement Board.....	35
Section 2. Management of the Plan	35
Section 3. Control, Amendment and Termination.....	36
Section 4. Miscellaneous	36
ARTICLE XII Method of Funding.....	38
Section 1. Funding	38
Section 2. Assets	38
Section 3. Duties of the Funding Agent.....	38
Section 4. Investment Powers	39

ARTICLE XIII Retirement Benefits and Rights Inalienable.....	40
Section 1. Inalienability	40
Section 2. Bankruptcy.....	40
ARTICLE XIV Modification or Termination of Plan	42
Section 1. Expectation	42
Section 2. Amendment.....	42
Section 3. Approval Under the Code	42
Section 4. Termination.....	43
Section 5. Distribution	43
ARTICLE XV Limitations	44
Section 1. Reemployment of Former Members	44
Section 2. Reemployment of Retired Members	44
Section 3. Limitation of Benefits	44
Section 4. Consolidation or Merger	49
Section 5. Latest Date for Commencement of Payment of Benefits	50
ARTICLE XVI Adoption and Withdrawal by Other Governmental Organizations	51
Section 1. Procedure for Adoption.....	51
Section 2. Withdrawal by an Employer	52

ARTICLE I

Purpose

Effective as of January 1, 2013, the El Paso County Board of Retirement adopted the amended and restated El Paso County Retirement Plan, as set forth herein, to continue and replace the Plan previously in effect. The Plan and Retirement Fund constitute a “governmental plan” within the meaning of Section 414(d) of the Internal Revenue Code of 1986 and are intended to meet the requirements of Sections 401(a) and 501(a) of the Internal Revenue Code of 1986 that apply to governmental plans.

The Plan and the separate related Retirement Fund forming a part hereof were established and shall be maintained for the exclusive benefit of the eligible employees of the Employer, as defined in ARTICLE II, and their Beneficiaries. No part of the Retirement Fund can ever revert to the Employer except as hereinafter provided, or be used for or diverted to purposes other than the exclusive benefit of the employees of the Employer and their beneficiaries.

This amendment and restatement is effective as of January 1, 2013, unless provided otherwise. This amendment and restatement of the Plan shall not, in any way, affect the rights of former Employees who participated in said Plan and who either retired or otherwise terminated their employment prior to January 1, 2013 and do not resume employment with an Employer. The rights, if any, of such former Employees and of their beneficiaries and the amounts of their benefits, if any, shall continue to be governed by the provisions of the Plan as it was in effect on December 31, 2012, or the date, if earlier, of their retirement or termination of employment, unless specifically provided otherwise herein, or as the result of future amendments to this amended and restated Plan.

ARTICLE II

Definitions

Section 1. Name. The retirement plan as set forth in this Resolution shall be known as the El Paso County Retirement Plan and is hereinafter referred to as the Plan.

Section 2. Board of Retirement. The management of the retirement system set forth in this Resolution shall be vested in a Board of Retirement consisting of five voting members, one of whom shall be the County Treasurer, two of whom shall be Employees of the participating Employers who are elected by employees of the Employers, and two of whom shall be registered electors of the County to be appointed by the Board of County Commissioners of El Paso County. The two Board members who are elected by the Employees of the participating Employers shall not be employed by the same department. The Board of Retirement shall by its own rules establish staggered four-year terms and its Board members and their successors shall be selected as set forth in this section.

The voting members of the Board of Retirement may, at their discretion, appoint associate members as deemed necessary. An associate member shall have no voting rights.

Section 3. Definitions. Unless the context otherwise requires, the definitions and general provisions contained in this Section govern the construction of this restated Plan.

(a) “Accrued Benefit” means the benefit determined under ARTICLE VI using Final Average Monthly Compensation and Credited Service as of the date of calculation and expressed in the form of a monthly life annuity with a minimum of 120 monthly payments, commencing at Normal Retirement Date.

(b) “Accumulated Contributions” means the sum of the Member’s contributions to this Plan, together with interest thereon at the rate of 3½% per annum compounded annually through June 30, 1974, at 4½% per annum compounded annually from July 1, 1974 through July 31, 1978, at 5% per annum compounded annually from August 1, 1978 through December 31, 1979, at 6% per annum compounded annually from January 1, 1980 through December 31, 1982, at 7% per annum compounded annually from January 1, 1983 through December 31, 1986, at 5% per annum

compounded annually from January 1, 1987 through December 31, 1995, at 6% per annum compounded annually from January 1, 1996 through June 30, 2005, and at 3% per annum compounded monthly from July 1, 2005, or at such other future rate as may be deemed reasonable and proper by the Retirement Board.

(c) “Actuarial (or Actuarially) Equivalent” means equality in the value of the aggregate amounts expected to be received under different forms of payment based on interest rate and mortality assumptions as defined below unless otherwise specifically provided in the plan:

(i) Interest rate assumption for alternative periodic benefits. The interest rate used for purposes of computing alternative periodic forms of benefits shall be 8.0%.

(ii) Mortality assumption. The mortality assumption for calculations based upon the mortality of a Member or Beneficiary shall be a unisex rate that is 50% male, 50% female, taken from the 1994 Group Annuity Mortality Table. Said mortality assumption shall be used until changed by Plan amendment.

(d) “Beneficiary” means the individual(s) or trust(s) designated by a Member to receive any benefits under the Plan that are unpaid at the Member’s death.

(e) “Board” or “Retirement Board” means the El Paso County Board of Retirement.

(f) “Compensation” means the total regular compensation paid to the Member, reflecting the regular or hourly base wage rate, before any payroll deductions for income tax, Social Security, group insurance, or any other purpose, excluding bonuses, extra pay, overtime pay, worker’s compensation, single-sum payments received in lieu of accrued vacation and sick leave upon termination of employment or during the course of employment, noncash amounts (such as car allowances, car usage, expense reimbursements, etc.), required contributions by the Employers under this Plan, or for Social Security, group insurance, retainers’ fees under contract, or the like, and including any reduced or deferred compensation that is elected under Sections 125, 414(h), or 457 of the Internal Revenue Code. Amounts under Section 125 of the Internal Revenue Code include any amounts not available to a Member in cash in lieu of group health coverage because the Member is unable to certify that he or she has other health coverage. An amount will be treated as an amount under Section 125 of the Internal Revenue Code only if the Employer does not request or collect information regarding the Member’s other health coverage as part of the enrollment process under the health plan. For purposes of applying the limitation on benefits set forth in Article XV, Section 3, Compensation shall include payments to a Member who does not currently perform services for an Employer by reason of qualified military service (as defined in Code Section 414(u)) to the extent such payments do not exceed the amounts the Member would have received if the Member had continued to perform services for an Employer rather than entering qualified military service.

For purposes of applying the limitations in Article XV, Section 3 and Code § 415, Compensation shall also include the following amounts if paid within the later of 2½ months after severance from employment or the end of the limitation year that includes the date of severance from employment: (i) amounts that, absent a severance from employment, would have been paid to the employee had the employee continued in employment such as regular pay, overtime, bonuses, commissions, shift differentials, and similar compensation, (ii) payments for *bona fide* sick, vacation, or other leave but only if the employee would have been able to use the leave if employment had continued, and (iii) amounts received by the employee pursuant to a nonqualified unfunded deferred compensation plan and would have been paid at the same time if employment had continued, but only to the extent includible in gross income.

In addition to other applicable limitations set forth in the Plan, and notwithstanding any other provision of the Plan to the contrary, the annual compensation of each “Noneligible Member” taken into account under the Plan shall not exceed \$200,000. Annual compensation means compensation during the Plan Year or such other 12-consecutive month period over which compensation is otherwise measured under the plan (the “determination period”). If a determination period consists of fewer than 12 months, the OBRA ‘93 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. A “Noneligible Member” is any Member who first became a Member in the Plan during a Plan Year beginning on or after January 1, 1996.

The \$200,000 limit on annual compensation shall be adjusted for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Internal Revenue Code. The cost-of-living adjustment in effect for a calendar year applies to annual compensation for the determination period that begins with or within the calendar year. In determining benefit accruals in Plan Years beginning after December 31, 2001, the annual compensation limit in the preceding paragraph for determination periods beginning before January 1, 2002, shall be \$150,000 for any determination period beginning in 1996 or earlier, \$160,000 for any determination period beginning in 1997, 1998, or 1999, and \$170,000 for any determination period beginning in 2000 or 2001.

(g) “County” means El Paso County.

(h) “Covered Employee” shall mean a Full-Time Employee. Covered Employee shall not include (1) officers and employees of any federally funded program that specifically excludes the use of federal funds for retirement programs and (2) leased employees within the meaning of Code Section 414(n)(2).

(i) “Credited Service” means the sum of (1) any Past Service and Membership Service rendered by an employee as a Member, for which credit is allowed, and (2) service purchased under ARTICLE IV, Section 7.

(j) “Custodian” means the custodian referred to in ARTICLE XII as may be selected by the Retirement Board, and any successor Custodian selected by the Retirement Board.

(k) “Disability” or “Disabled” means a physical or mental condition rendering a Member totally and permanently disabled, as determined by eligibility for the receipt of disability benefits continuously until his Normal Retirement Date under either (1) the Employer’s long-term disability plan or (2) Title II of the Federal Social Security Act, for the period of time from the commencement of his Disability (after any waiting period required under the Act).

(l) “Effective Date of this Plan” means September 1, 1967. This amended and restated Plan is effective as of January 1, 2013.

(m) “Employer” means: (i) El Paso County; (ii) El Paso County Public Health; (iii) Pikes Peak Library District; (iv) 4th Judicial District Attorney; (v) El Paso County Board of Retirement; and (vi) any other agency, district, or governmental organization with employees now in existence or hereafter formed that is authorized for participation in the Plan by the Retirement Board that has not withdrawn from participation pursuant to ARTICLE XVI.

(n) “Final Average Monthly Compensation” means 1/36th of a Member’s average compensation during the 36 successive paid calendar months of Credited Service out of his last 120 calendar months of Credited Service, which will produce the highest average monthly compensation, or his average Monthly Compensation during all calendar months of Credited Service, if less than thirty-six months. However, if a Member takes an unpaid leave of absence that is required under the Family Medical Leave Act of 1993 during any part of a calendar month, such month shall not be considered in determining the Member’s Final Average Monthly Compensation.

(o) “Full-Time Employee” means any employee, elected or appointed official defined as a full-time employee or as a job-share employee by the Employer’s Personnel Rules, Regulations and Policies. For purposes of this Plan, officers and employees of any federally funded program that specifically excludes the use of federal funds for retirement programs shall not be considered as Full-Time Employees and shall not be eligible for membership in this Plan.

(p) “Funding Agent” means any insurance company, trustee, custodian, or investment manager or adviser appointed by the Retirement Board as provided in ARTICLE XII.

(q) “Funding Agreement” means the insurance contract with the insurance company or a trust agreement with a trustee or custodian agreement with a custodian as approved by the Retirement Board for the purpose of the investment and management of Retirement Fund assets.

(r) “Insurance Company” means any insurance company or companies appointed by the Retirement Board as provided in ARTICLE XII.

(s) “Member” means any person included in the membership of this Plan as provided in ARTICLE III hereof.

(t) “Membership Service” means the period of service rendered by an Employee after August 31, 1967, for which credit is allowed. Membership Service will cease when a Member’s service as a Full-Time Employee terminates.

(u) “Past Service” means the period of service rendered by an Employee prior to September 1, 1967, for which credit is allowed pursuant to ARTICLE IV, Section 2.

(v) “Plan Year” means the calendar year. However, the first Plan Year was a short Plan Year from September 1, 1967 through December 31, 1967.

(w) “Retired Member” means a former Member whose employment terminated by reason of retirement or Disability and who is receiving or is entitled to receive, or whose Beneficiary or estate is entitled to receive, benefits under this Plan.

(x) “Retirement Benefit” means any retirement benefit provided for in ARTICLE VI hereof.

(y) “Retirement Fund” or “Fund” means the “El Paso County Employees’ Retirement Fund” maintained in accordance with the terms of the Funding Agreement, as from time to time amended, which constitutes a part of this Plan.

(z) “Terminated Vested Member” means a former Full-Time Employee whose employment has terminated for any reason other than retirement or Disability and who has elected to leave his Accumulated Contributions on deposit and who is entitled to receive, or whose Beneficiary or estate is entitled to receive, benefits under this Plan.

(aa) “Trustee” means the trustee referred to in ARTICLE XII as may be selected by the Retirement Board.

The masculine pronoun wherever used shall be interpreted to include the feminine, and singular words to include the plural.

ARTICLE III

Membership

Section 1. Commencement. Each Covered Employee shall become a Member on the date he is first employed as a Covered Employee. Membership in the Plan shall be a condition of employment for each Covered Employee, except as otherwise provided.

Section 2. Termination. Membership of any Member shall terminate upon the first to occur of the Member's death or the complete distribution to the Member of his interest in the Plan pursuant to ARTICLE V, ARTICLE VI, ARTICLE VII or ARTICLE IX, as applicable.

Section 3. Withdrawal. Once an Employee has become a Member of the Plan, he may not withdraw from membership in the Plan until his interest in the Plan has become distributable pursuant to ARTICLE V or ARTICLE IX, as applicable.

ARTICLE IV

Service

Section 1. Credited Service, which has been defined in Section 3(i) of ARTICLE II, as the sum of (1) a Member's Membership Service and any Past Service and (2) service purchased by the Member under Section 7 of this ARTICLE IV, shall be the only service on the basis of which benefits under this Plan shall be determined. The Credited Service of a Member shall be determined by the Retirement Board in a nondiscriminatory manner as provided herein. Credited Service shall not include the periods described in Section 5 and Section 6 of this ARTICLE IV.

Section 2. Past Service shall include any period of service commencing with the Employee's first hour of paid employment, not exceeding five years, rendered by a Member as a Full-Time Employee prior to September 1, 1967. Past Service shall be credited on the basis of 1/12th year for each month of such employment.

Section 3. Membership Service shall consist of all service of an Employee, commencing with his first hour of paid employment rendered as a Full-Time Employee after August 31, 1967, until his actual retirement date, or the date his service as a Full-Time Employee terminates, if earlier, subject to the following:

(a) The Membership Service for an employee who elected not to participate in the Plan on September 1, 1967 but elected to participate at a later date (pursuant to ARTICLE III, Section 1), shall commence on the date as of which his participation began, with no credit accrued for service prior to the date his contributions to the Plan commenced.

(b) Membership Service for those employees who elected to become Members of the Plan as of January 1, 1982 (pursuant to ARTICLE III, Section 3) shall commence as of January 1, 1982.

Membership Service shall be credited only for periods of paid service as a Full-Time Employee. Membership Service shall be credited on the basis of 1/12th year for each month of such service.

Section 4. Breaks in Service. For purposes of vesting, a Member who terminates service as a Full-Time Employee and returns to service as a Full-Time Employee shall receive credit for all Credited Service earned prior to termination of service.

For purposes of benefit accrual, a Member who terminates service as a Full-Time Employee, who receives a distribution of his Accumulated Contributions, and who returns to service as a Full-Time Employee shall lose all Credited Service earned prior to termination unless he makes the repayment described in the next sentence. If the rehired Member repays the Fund, within 48 months after the date of termination of service but not later than 12 months after the date of rehire, any amounts received because of his prior termination with interest pursuant to ARTICLE II, Section 3(b) from the date received to the date of repayment, the prior Credited Service for which such amounts were received shall be restored. Effective January 1, 2002, the rehired Member may make the repayment described in the preceding sentence by a direct trustee to trustee transfer from a tax sheltered annuity pursuant to Code section 403(b)(13) or a deferred compensation plan pursuant to Code section 457(e)(17). All such direct trustee to trustee transfers shall be made in accordance with Code sections 415(k) and (n). A Member who is rehired more than 48 months after the date of termination of service may not make the repayment described in this paragraph.

Section 5. Effect of Other Plans. Credited Service shall not include any period on the basis of which a retirement benefit is payable under any other retirement or pension plan to

which the Employer made contributions, other than benefits payable under the Federal Social Security Act.

Section 6. Miscellaneous. No period of Credited Service shall be deemed to be increased or extended by overtime. In determining all Credited Service, service for fractional years shall be allowed on the basis of 1/12th year for each month of such service.

Section 7. Purchase of Service Credit Relating to Noncovered Employment.

(a) A Member who has completed the number of years of Credited Service specified at the end of this subsection (a) may elect to purchase up to 5 years of service credit for any period of full-time, nonvested previous employment with any public or private employer in the United States or its territories, subject to the following conditions:

- (1) The Member must provide certification from the previous employer as to the dates of employment;
- (2) The Member must provide certification from any retirement program covering such employment that the service credit to be purchased has not vested with that program; and
- (3) The Board shall establish appropriate rules by which a Member may purchase service credit where certification cannot be obtained, such as an employer no longer being in existence.
- (4) If the service to be purchased is “nonqualified service,” as defined in Code Section 415(n) (generally, non-governmental service), the Member must have completed at least the number of years of participation in the Plan specified at the end of this subsection (a) in addition to the completion of at least the number of years of Credited Service specified at the end of this subsection (a).
- (5) One month of service credit may be purchased for each full month of full-time, nonvested, noncovered employment.

The following individuals must have at least 8 years of Credited Service and at least 8 years of participation:

- (6) Individuals who are new hires on or after January 1, 2013.
- (7) Individuals who are rehired on or after January 1, 2013 and who forfeited their unvested accrued benefit or took a withdrawal of their Accumulated Contributions and do not repay the amounts withdrawn pursuant to Article IV, Section 4.

The following individuals must have at least 5 years of Credited Service and at least 5 years of participation:

(8) Individuals who are employed prior to January 1, 2012 and who, after termination of employment, are not rehired by an Employer.

(9) Individuals who are rehired on or after January 1, 2013 and who either were vested in their accrued benefit when they terminated employment and/or took a withdrawal of their Accumulated Contributions and repay the amount withdrawn pursuant to Article IV, Section 4.

(b) The cost to purchase one month of service credit for noncovered employment shall be 12% of the average monthly Compensation received by the Member during the 36 consecutive calendar months of Credited Service preceding the date the purchase agreement is signed. Effective for purchases on and after March 1, 2003, the cost to purchase one month of service credit for noncovered employment shall be the “actuarial equivalent cost” as determined by the actuary for the Plan, using the following actuarial assumptions:

Interest	8%
Salary Scale	5%
Mortality Table	1994 GAM with margins 50% male, 50% female

(c) Service credit purchases may be made by a lump-sum payment or by installment payments. Effective January 1, 2002, service credit purchases for “permissive service credit” (as defined in Code section 415(n)(3) (generally, additional service credit that is recognized in the calculation of benefits under the Plan and that is credited only after the Member makes a voluntary additional contribution that does not exceed the amount needed to fund the benefit attributable to the additional service credit) may also be made by a direct trustee-to-trustee transfer from a tax sheltered annuity plan under Code section 403(b) or by a direct trustee-to-trustee transfer from a deferred compensation plan subject to Code section 457. Such direct trustee-to-trustee transfers shall satisfy the requirements of Code sections 403(b)(13), 457(e)(17), 415(k) and 415(n). Service credit purchases shall be initiated and payment received in full during membership in this Plan. A Member who purchases fewer than 60 months of service credit at one time shall be permitted to make another purchase no earlier than the first anniversary of the previous purchase of service credit; provided however, that if the Member’s employment with the Member’s Employer is terminated by the Employer involuntarily without cause before the first anniversary of the previous purchase of service credit, the one-year requirement shall be waived and the Member shall be permitted to make one purchase of additional service credit on account of the waiver of the one-year requirement. The one additional service credit purchase shall be initiated and full payment received while the Member is a member of the Plan. If the Member is again employed by an Employer, the Member may not make another purchase of prior service credit until after the first anniversary of the last purchase of service credit and the rules of this section shall again apply. Installment payments for service credit purchases are subject to the following provisions:

(1) The Member may elect to make the installment payments on a monthly, quarterly or annual basis with interest due at the interest rate specified in ARTICLE II, Section 3(c)(i); however, the period over which installment payments may be made shall not exceed the period equal to the total amount of service credit to be purchased. Installment payments may not be made through payroll deduction.

(2) The installment payments must be paid on the dates required by the service credit purchase agreement. Failure to make timely installment payments shall cause the service credit purchase agreement to be canceled in its entirety, all payments received shall be returned to the Member, and the Member shall not receive credit for any service purchased under this ARTICLE IV, Section 7.

(3) A separate contribution account shall be established for each Member who elects to make service credit purchases in installment payments. Installment payments and interest shall be credited to this separate account on the same basis as it is to the Member's Accumulated Contributions. After installment payments are completed, they may not be withdrawn.

(4) Purchased service credit shall be credited to the Member upon completion of all installments due. However, if a Member terminates employment with the Employer for any reason (except for death), or becomes Disabled, and has not completed the service credit purchase, he shall have the option of making a lump sum payment for the balance of the remaining payments due or receiving service credit only to the extent payments have been made. Such lump sum payments shall be made within ninety (90) days of the Member's termination of employment with the Employer or becoming disabled and before any benefit payments are distributed from the Plan.

(5) Upon the death of a Member prior to completion of the service credit purchase, the Beneficiary may elect either (1) to have the accumulated value of any installment payments made up to the date of death refunded to the designated Beneficiary, or (2) to make a lump sum payment equal to the balance due and receive death benefits based on the Member's Credited Service, including the purchased service. A lump sum payment, if any, shall be made within 120 days of the Member's death and before any benefit payments are distributed from the Plan.

(6) Purchased service credit, once credited to the Member, shall be treated as Credited Service for all purposes of the Plan.

Section 8. Military Service. Notwithstanding any provision of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service shall

be provided in accordance with Code section 414(u) effective for reemployments initiated on and after December 12, 1994.

ARTICLE V

Retirement Dates

Section 1. Normal Retirement. The Normal Retirement Date of a Member hired after December 31, 2012 shall be the first day of the calendar month coincident with or next succeeding his 62nd birthday, but not before the completion of 96 months of continuous service. The Normal Retirement Date of a Member hired between January 1, 2010 and December 31, 2012 shall be the first day of the calendar month coincident with or next succeeding his 62nd birthday, but not before the completion of 60 months of continuous service. The Normal Retirement Date of a Member hired before January 1, 2010 shall be the first day of the calendar month coincident with or next succeeding his 62nd birthday.

Section 2. Early Retirement.

(a) Regular Early Retirement: A Member or Terminated Vested Member who has attained the age of 55 years and has completed at least 5 years of Credited Service or 8 years of Credited Service, as provided below, shall be eligible for Regular Early Retirement.

The Member may request the commencement of his Regular Early Retirement pension as of the first day of the month coinciding with or next following his termination of employment or as of any subsequent month before his Normal Retirement Date and the amount of his pension shall be reduced as provided in ARTICLE VI, Section 2(a)(iv).

Increase in Credited Service Requirement to 8 years: The following individuals must have at least 8 Years of Credited Service to qualify for Regular Early Retirement:

- (1) Individuals who are new hires on or after January 1, 2013.
- (2) Individuals who are rehired on or after January 1, 2013 and who forfeited their unvested accrued benefit or took a withdrawal of their Accumulated Contributions and do not repay the amounts withdrawn pursuant to Article IV, Section 4.

Credited Service Requirement of 5 years for certain rehired Members: The following individuals who terminate employment prior to January 1, 2013 and who are rehired on or after January 1, 2013 must have at least 5 Years of Credited Service to qualify for Regular Early Retirement:

Individuals who are rehired on or after January 1, 2013 and who either were vested in their accrued benefit when they terminated employment and/or took a withdrawal of their Accumulated Contributions and repay the amount withdrawn pursuant to Article IV, Section 4.

The following provisions of Section 2(b) are effective for Members whose Early Retirement Date was prior to July 1, 2000.

(b) Special Early Retirement: A Member shall be eligible for Special Early Retirement if his employment terminates after he has attained the age of 50 and, on the date he terminates employment, the sum of his age plus Credited Service at termination equals 75 or more. Payment of a Special Early Retirement pension shall be made in the same manner as a Regular Early Retirement pension, but without reduction for early payment.

The following provisions of Section 2(b) are effective for Members whose Early Retirement Date is on or after July 1, 2000 and who satisfy the requirements for Special Early Retirement (as described in Section 2(b) below).

(b) Special Early Retirement. A Member shall be eligible for Special Early Retirement if the sum of his age plus Credited Service earned equals 75 or more. Payment of a Special Early Retirement Pension shall be made in the same manner as a Regular Early Retirement Pension, but without reduction for early payment.

The following provisions of Section 2(c) are effective for Members whose Early Retirement Date was prior to July 1, 2000.

(c) Early Retirement Date: The Early Retirement Date of a Member who has terminated employment and who satisfies the requirements for Regular Early Retirement shall be the first day of any calendar month that coincides with or follows his 55th birthday and is before his Normal Retirement Date. The Early Retirement Date of a Member who has terminated employment and who satisfies the requirements for Special Early Retirement shall be the first day of any calendar month that coincides with or follows his 50th birthday and is before his Normal Retirement Date.

The following provisions of Section 2(c) are effective for Members whose Early Retirement Date is on or after July 1, 2000 and who satisfy the requirements for Special Early Retirement (as described in Section 2(c) below).

(c) Early Retirement Date. The Early Retirement Date of a Member who has terminated employment and who satisfies the requirements for Regular Early Retirement shall be the first day of any calendar month that coincides with or follows his 55th birthday and is before his Normal Retirement Date. The Early Retirement Date of a Member who has terminated employment and who satisfies the requirements for Special Early Retirement shall be the first day of any calendar month that coincides with or follows the date of termination of employment.

Section 3. Delayed Retirement. A Member may continue in the employment of the Employer after his Normal Retirement Date. If a Member remains in the employ of the Employer after his Normal Retirement Date in an employment classification pursuant to which the Member would earn Credited Service, no retirement benefit shall be paid until the Member's Delayed Retirement Date. If the retirement of a Member is delayed under this ARTICLE V, Section 3, his "Delayed Retirement Date" shall be the first day of the month, coincident with or next following the date of his actual retirement.

Section 4. Disability Retirement. If it is established by the Retirement Board that a Member has become totally and permanently Disabled as defined under ARTICLE II, Section 3(k), then such Member shall be eligible to receive a retirement benefit commencing on his Disability Retirement Date, which shall be the later of (a) the first day of the month after his Normal Retirement Date or (b) the first day of the month after the termination of his benefit payments under any long-term disability plan maintained by the Employer. A Member shall be fully vested on his Disability Retirement Date.

Section 5. Retirement Date. A Member's "Retirement Date" shall be on the first day of the month and shall be his Normal Retirement Date, his Early Retirement Date, his Special Early Retirement Date, his Delayed Retirement Date, or his Disability Retirement Date, whichever is applicable.

ARTICLE VI

Retirement Benefits

Section 1. Normal or Delayed Retirement.

(a) Creditable Service Commenced Before January 1, 2010. For all Members whose Credited Service commenced before January 1, 2010, upon retirement at or after his Normal Retirement Date, each Retired Member shall receive a monthly retirement benefit equal to the sum of (i) 2.22% of the Member's Final Average Monthly Compensation multiplied by the total number of years (including full years and fractional years) of the Member's Credited Service earned through December 31, 2012 and (ii) 2.00% of the Member's Final Average Monthly Compensation multiplied by the total number of years (including full years and fractional years) of the Member's Credited Service earned for periods on or after January 1, 2013. Notwithstanding the previous sentence, in no event shall the monthly benefit under the formula described in this Section exceed (iii) for Members hired or rehired before January 1, 2013, 75% of the Member's Final Average Monthly Compensation and (iv) for Members hired or rehired on or after January 1, 2013, 60% of the Member's Final Average Monthly Compensation.

(b) Creditable Service Commenced After December 31, 2009. For all Members whose Credited Service commenced after December 31, 2009, upon retirement on or after his Normal Retirement Date, each Retired Member shall receive a monthly retirement benefit equal to 2.00% of the Member's Final Average Monthly Compensation multiplied by the total number of years of Credited Service.

Notwithstanding the previous sentence, in no event shall the monthly benefit under the formula described in this Section exceed (i) for Members hired or rehired before January 1, 2013, 75% of the Member's Final Average Monthly Compensation and (ii) for Members hired or rehired on or after January 1, 2013, 60% of the Member's Final Average Monthly Compensation.

Section 2. Early Pension.

(a) Regular Early Retirement Pension:

(i) Hired Before January 1, 2010. On and after his Early Retirement Date, a Terminated Vested Member who qualifies for Regular Early Retirement may receive a retirement benefit, which shall be the Terminated Vested Member's Accrued Benefit calculated using the Terminated Vested Member's Final Average Compensation and Credited Service as of the date of the Terminated Vested Member's termination of employment.

(ii) Hired After December 31, 2009 and Before January 1, 2013. On and after his Early Retirement Date, a Terminated Vested Member who has at least 60 months of Credited Service and who qualifies for Regular Early

Retirement may receive a retirement benefit, which shall be the Terminated Vested Member's Accrued Benefit calculated using the Terminated Vested member's Final Average Compensation and Credited Service as of the date of the Terminated Vested Member's termination of employment.

(iii) Hired or Rehired On or After January 1, 2013. On and after his Early Retirement Date, a Terminated Vested Member who has at least 96 months of Credited Service and who qualifies for Regular Early Retirement may receive a retirement benefit, which shall be the Terminated Vested Member's Accrued Benefit calculated using the Terminated Vested member's Final Average Compensation and Credited Service as of the date of the Terminated Vested Member's termination of employment.

(iv) Reduction for Early Commencement. If payment of a Regular Early Retirement pension commences prior to the Member's Normal Retirement Date, the amount determined under (a)(i) or (ii) above shall be reduced by 1/4th of 1% for each month (3% per year) by which the starting date of Pension payments precedes the Member's Normal Retirement Date.

(v) Application of 60 and 96 Month Requirements. The 96-month requirement shall apply to the following:

(A) Individuals who are new hires on or after January 1, 2013.

(B) Individuals who are rehired on or after January 1, 2013 and who forfeited their unvested accrued benefit or took a withdrawal of their Accumulated Contributions and do not repay the amounts withdraw pursuant to Article IV, Section 4.

The 60 month requirement shall apply to the following:

(C) Individuals who were hired or rehired prior to January 1, 2013 and who do not resume employment with an Employer after termination from employment.

(D) Individuals who are rehired on or after January 1, 2013 and who either were vested in their accrued benefit when they terminated employment and/or took a withdrawal of their Accumulated Contributions and repay the amount withdrawn pursuant to Article IV, Section 4.

(b) Special Early Retirement Pension: On and after his Early Retirement Date and before his Normal Retirement Date, a Terminated Vested Member who has at least 60 months or 96 months, as described below, of Credited Service and who meets the requirements for a Special Early Retirement Pension may receive a retirement benefit, which shall be the Terminated Vested Member's Accrued Benefit calculated using the Terminated Vested Member's Final Average Compensation and Credited Service, payable without reduction for early commencement.

The 96 month requirement shall apply to the following:

(A) Individuals who are new hires on or after January 1, 2013.

(B) Individuals who are rehired on or after January 1, 2013 and who forfeited their unvested accrued benefit or took a withdrawal of their Accumulated Contributions and do not repay the amounts withdraw pursuant to Article IV, Section 4.

The 60 month requirement shall apply to the following:

(C) Individuals who were hired or rehired prior to January 1, 2013 and who do not resume employment with an Employer after termination from employment.

(D) Individuals who are rehired on or after January 1, 2013 and who either were vested in their accrued benefit when they terminated employment and/or took a withdrawal of their Accumulated Contributions and repay the amount withdrawn pursuant to Article IV, Section 4.

Section 3. Disability Retirement. The Disability Retirement benefit of a Member eligible therefor shall be the Member's Accrued Benefit calculated using the greater of (a) Final Average Monthly Compensation or (b) the Member's average monthly compensation for the calendar year preceding the calendar year in which the Member terminated employment on account of Disability. If the Member does not recover prior to his 62nd birthday, the Member's Credited Service shall include all service the Member would have accrued had he remained in employment until his 62nd birthday. If the Member recovers prior to his 62nd birthday and is reemployed as a Covered Employee, his pension shall be calculated under ARTICLE V and ARTICLE VI or under ARTICLE IX and his Credited Service shall include the period of his Disability. If the Member recovers prior to his 62nd birthday and is not reemployed as a Covered Employee, his pension, if any, shall be calculated under ARTICLE V and ARTICLE VI or under ARTICLE IX and his Credited Service shall include the period of his Disability.

Section 4. Payment of Benefits. The basic monthly retirement benefit, computed as set forth above, shall be paid in equal monthly payments commencing one month after the actual

retirement date, and continuing at monthly intervals for a period of 119 additional months and for the Retired Member's lifetime thereafter. If the Retired Member's death occurs prior to the payment of all 120 monthly payments, the remainder of the 120 monthly payments shall be paid to the Retired Member's designated Beneficiary, or to his estate if the Retired Member has not validly designated a Beneficiary prior to his death. If the designated Beneficiary dies prior to receiving the remainder of the 120 payments and the Member has not previously designated a contingent Beneficiary, the remaining payments shall be paid to the Beneficiary's estate.

If the Retired Member dies after receiving 120 payments, the final payment will be made as follows: If the Retired Member dies on the first day of the month, the payment made on that date shall be the final payment. If the Retired Member dies on any other day, the final payment shall be made on the first day of the month following the month in which the Retired Member dies.

Retirement benefits shall not be paid to any Retired Member who is re-employed by an Employer as provided in ARTICLE XV, Section 2.

Section 5. Minimum Periodic Payment. If the amount of the monthly Retirement Benefit payable to a Retired Member or a beneficiary is less than \$150, the Retirement Board will make the payments annually in a single sum. The single sum shall be paid in advance and be equal to the number of months remaining in the current calendar year times the monthly payment.

Section 6. Accrued Credits and Vested Benefits Under the Previous Plan Preserved. The amendment and restatement of the previous plan by this Plan shall not operate to exclude, diminish, limit or restrict the payment or continuation of payment of benefits accrued as of December 31, 2011. The amount of such previous plan benefits, if any, in the course of payment

by the Funding Agent under said previous plan, to any person on December 31, 2011, shall be continued by the Funding Agent under the Funding Agreement forming a part of this Plan, in the same manner, undiminished, preserved, and fully vested under this Plan, except as provided in this ARTICLE VI and ARTICLE XVI.

The eligibility for, and amount of, any benefit of any kind, payable commencing after December 31, 2011 under this Plan or for any person who was a Member of the previous plan and who became a Member of this amended and restated Plan as of January 1, 2012 shall be determined under the provisions of this Plan.

Section 7. Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 2005. Effective January 1, 2005, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 2005, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 2005, but whose payments have not commenced as of January 1, 2005, shall be increased by the greater of 2%, or \$10 per month.

ARTICLE VII

Optional Benefit Forms

Section 1. General. Subject to such uniform rules and regulations as the Retirement Board may prescribe, a Member or Terminated Vested Member may, in lieu of the basic Retirement Benefits provided in ARTICLE VI, elect one of the following optional forms of Retirement Benefits which shall be the Actuarial Equivalent of the benefit to which he would otherwise be entitled. The Member or Terminated Vested Member must make any election of an optional benefit in writing, and such election must be filed with the Retirement Board not more than 180 days, and not less than 30 days, prior to the due date of the first payment of retirement benefits under the Plan. The election of an option may be changed at any time prior to 30 days preceding the due date of the first payment of retirement benefits under the Plan.

Section 2. 100% Joint and Survivor Benefit. The Member may elect a 100% Joint and Survivor Benefit which provides reduced monthly Retirement Benefit payments during the Retired Member's life, and, upon his death after retirement, continues payments in the same amount to a designated Beneficiary during the life of such Beneficiary.

Section 3. 100% Joint and Survivor Benefit With Increase at Prior Death of Beneficiary. Effective for payments that commence on and after January 1, 1999 and subject to the requirements of Section 1 of this ARTICLE VII, the Member may elect a 100% Joint and Survivor Benefit With Increase at Prior Death of Beneficiary which provides reduced monthly Retirement Benefit payments during the Retired Member's life, and, upon his death after retirement, continues payments in the same amount to a designated Beneficiary during the life of such Beneficiary. If the retired Member is receiving payments under this ARTICLE VII, Section 2, and the designated Beneficiary predeceases the retired Member, the amount payable during

the remainder of the retired Member's life shall be the amount payable under the Single Life Benefit optional payment form, calculated as of the date that payments to the retired Member commenced under this ARTICLE VII, Section 3.

Section 4. 50% Joint and Survivor Benefit. The Member may elect a 50% Joint and Survivor Benefit which provides reduced monthly Retirement Benefit payments during the Retired Member's life, and, upon his death after retirement, continues payments in an amount equal to one-half of the amount of such payment to the designated Beneficiary during the life of such Beneficiary.

Section 5. 50% Joint and Survivor Benefit With Increase at Prior Death of Beneficiary. Effective for payments that commence on and after January 1, 1999 and subject to the requirements of Section 1 of this ARTICLE VII, the Member may elect a 50% Joint and Survivor Benefit With Increase at Prior Death of Beneficiary which provides reduced monthly Retirement Benefit payments during the Retired Member's life, and, upon his death after retirement, continues payments in one-half of the amount of such payment to a designated Beneficiary during the life of such Beneficiary. If the retired Member is receiving payments under this ARTICLE VII, Section 5, and if the designated Beneficiary predeceases the retired Member, the amount payable during the remainder of the retired Member's life shall be the amount payable under the Single Life Benefit optional payment form, calculated as of the date that payments to the retired Member commenced under this ARTICLE VII, Section 5.

Section 6. Single Life Benefit. The Member may elect a Single Life Benefit which provides the greatest monthly Retirement Benefit payments during the Retired Member's life, and, upon his death after retirement, no additional payments will be made. The last payment shall be made on the first of the month if the Retired Member dies on that date or on the first day

of the month following the Retired Member's death if the Retired Member dies other than on the first day of the month. If all Member deposits and interest have not been paid in full to the Member before the Member's death, a refund of the remaining balance will be paid to the Member's designated Beneficiary or Beneficiaries or if there are none, to the Member's estate.

Section 7. Spousal Consent for Retirement Benefit. If a Member or Terminated Vested Member is married at the time his Retirement Benefits commence, and he elects any form of benefit other than the 50% Joint and Survivor Benefit option (under either Section 4 or Section 5 of this ARTICLE VII) with his spouse named as Beneficiary, such election will not become effective unless his spouse consents in writing to such election, acknowledges the effect of such election and has such consent and acknowledgment witnessed by a Plan representative or a notary public. A properly completed benefit election form (furnished by the Retirement Board) must be returned to the Retirement Board within the 180 days prior to the Member's benefit commencement date. If the Member files another election form after the earlier form and prior to his benefit commencement date, the earlier form shall be deemed annulled. Once benefit payments have commenced under any optional joint and survivor form of benefit, the designated Beneficiary may not be changed. However, the designated Beneficiary may be changed after payments have commenced under the basic form of benefit or under the Single Life Benefit optional form.

ARTICLE VIII

Death Benefits

Section 1. Death of a Non-Vested Member . If a Member dies prior to becoming vested, his or her designated Beneficiary or Beneficiaries shall be entitled only to a return of his or her Accumulated Contributions and interest.

Section 2. Death of an Active Vested Member or Death of Terminated Vested Member Before Normal Retirement Date. If a vested Member dies prior to his Normal Retirement Date while accruing Membership Service or if a Member who has terminated employment and has a vested Accrued Benefit at the date of his or her death, one of the following death benefits shall be payable to his designated Beneficiary, at the designated Beneficiary's sole option.

(a) A monthly benefit payable for life in an amount equal to 60% of the Member's Accrued Benefit on his date of death; provided, however, that if the Member's designated Beneficiary is more than five years younger than the Member, the monthly benefit to such Beneficiary shall be reduced by 1½% for each year in excess of five years by which the Beneficiary is younger than the Member. Such death benefit shall commence on the later of: (1) the first day of the month coincident with or following the Member's death; or (2) the first day of the month coincident with or following the date the Member would have attained age 55.

(b) A refund of the Member's Accumulated Contributions follows:

(i) Two times the amount of Accumulated Contributions and interest, excluding amounts contributed under ARTICLE IV, Section 7, to purchase prior service with employers who are not eligible to sponsor a governmental plan as defined in Code section 414(d); and

(ii) If applicable, one times the amount contributed under ARTICLE IV, Section 7, to purchase prior service with employers who are not eligible to sponsor a governmental plan as defined in Code section 414(d).

Section 3. Death of an Active Member Between Normal and Delayed Retirement Dates. If a Member continues in employment after his Normal Retirement Date, and dies before

actually retiring, then he shall be deemed to have retired on the first day of the calendar month in which he dies. If no other form of payment has been elected, the Member shall be deemed to have elected the 100% Joint and Survivor Benefit provided for in ARTICLE VII, Section 2, and payments shall be made in accordance with this option to the Member's designated Beneficiary.

Section 4. Death of a Retired Member. If a Retired Member dies while receiving Retirement Benefit payments, his death benefit, if any, will be determined by the form of Retirement Benefit being paid. If a Retired Member dies after making a valid election of the form for payment of his Retirement Benefit but before commencement of payment of his Pension, his death benefit, if any, will be determined by the form of Retirement Benefit he elected.

Section 5. Death of a Retired Member Before Accumulated Contributions Recovered. At the termination of Retirement Benefit payments following the death of a Retired Member, should the total of such payments made to the Member and his Beneficiary be less than the amount of the Member's Accumulated Contributions and interest at the date his Retirement Benefit payments commenced, the difference shall be paid in a single sum to the Beneficiary, if living, or to the estate of the last survivor of the Retired Member and his Beneficiary.

Section 6. Uniform Simultaneous Death Act. The provisions of any law of this State providing for the distribution of estates under the Uniform Simultaneous Death Act, when applicable, shall govern the distribution of benefits payable under this Plan.

Section 7. Designation of Beneficiary. If the Member or Terminated Vested Member is married and designates any person other than his spouse as the Beneficiary for any death benefit, such designation will not become effective unless his spouse consents in writing to such designation, acknowledges the effect of such designation and has such consent and

acknowledgment witnessed by a Plan representative or a notary public. Such designation shall be made on the form furnished by the Retirement Board, and may at any time and from time to time be changed or revoked without notice to the Beneficiary or Beneficiaries (except as required with respect to the Member's spouse under the preceding sentence), and shall not be effective unless and until filed with the Retirement Board.

Section 8. Additional Death Benefit for Retired Members. In the event of a Retired Member's death, there shall be payable to his designated Beneficiary, if living, (without regard to the spousal consent provisions of Section 7 of this Article) an additional death benefit in the amount of \$3,000.00, payable immediately after his death.

Section 9. Direct Rollover for Beneficiaries. The Member's Beneficiary may elect, at the time and in the manner prescribed by the Retirement Board, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Beneficiary in a direct rollover.

For purposes of this Section 9, in the case of a surviving spouse, an Eligible Retirement Plan shall mean an individual retirement account or annuity as described in Code Sections 408(a) and (b), a Roth individual retirement account described in Code Section 408A, an annuity plan described in Code Section 403(a), an annuity contract described in Code Section 403(b), an eligible plan under Code Section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision that agrees to separately account for amounts directly rolled over to such plan, or the qualified trust of a defined contribution plan that accepts rollover contributions. For purposes of this Section 9, in the case of a non-spouse beneficiary, an Eligible Retirement Plan is an "inherited" individual retirement account that satisfies the requirements of Code Section 402(c)(11). If any part of an Eligible

Rollover Distribution consists of after-tax amounts, the after-tax amounts may be transferred only to an individual retirement account or annuity described in Code Section 408(a) or 408(b) or, in the case of a surviving spouse, a qualified defined contribution plan described in Code Section 401(a) or 403(a) that agrees to separately account for amounts so transferred, including separately accounting for the portion of the distribution that is includible in gross income and the portion of such distribution that is not so includible. For purposes of this Section 9, an Eligible Rollover Distribution shall mean the taxable portion of any distribution that is (1) not one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the recipient or the joint lives (or joint life expectancies) of the Member and the Member's designated Beneficiary, or for a specified period of ten years or more, or (2) required under Code Section 401(a)(9).

Section 10. Latest Date for Commencement of Death Benefits. Death benefits to a Member's Beneficiary shall be paid at a time and in a manner consistent with the requirements of Code section 401(a)(9).

Section 11. Death While In Military Service. If a Member dies while performing qualified military service (within the meaning of Code Section 414(u)), the Member's survivors shall be entitled to any additional benefits (other than contributions and benefit accruals relating to the period of qualified military service) provided under the Plan as if the Member resumed and then terminated employment on account of death.

ARTICLE IX

Termination Benefits

Section 1. Coverage. Benefits shall be paid to a Member under this Article if he terminates employment for reasons other than retirement, disability or death.

Section 2. Not Vested.

(a) Less Than Five Years of Credited Service. If employment terminates and the Member has less than five years of Credited Service, the only benefit to which he shall be entitled under this Plan shall be a distribution of his Accumulated Contributions and interest as of the date of such termination. This Section 2(a) applies to (i) Members who were hired or rehired prior to January 1, 2013 and who do not return to employment with an Employer after termination of employment and (ii) to Members who are rehired on or after January 1, 2013 and who either were vested in their accrued benefit when they terminated employment and/or took a withdrawal of their Accumulated Contributions and repay the amount withdrawn pursuant to Article IV, Section 4.

(b) Less Than Eight Years of Credited Service. If employment terminates and the Member has less than eight years of Credited Service, the only benefit to which he shall be entitled under this Plan shall be a distribution of his Accumulated Contributions and interest as of the date of such termination. This Section 2(b) applies to (i) Members who are new hires on or after January 1, 2013 and (ii) Members who are rehired on or after January 1, 2013 and who forfeited their unvested accrued benefit or took a withdrawal of their Accumulated Contributions and do not repay the amounts withdraw pursuant to Article IV, Section 4.

Section 3. Vested.

(a) Five or More Years of Credited Service. If Membership Service terminates prior to a Member's Normal Retirement Date, and he has five or more years of Credited Service, he may elect in writing either (i) to leave his Accumulated Contributions on deposit in the Fund and become a Terminated Vested Member, or (ii) to receive, in lieu of all other benefits, subject to the spousal consent requirements of ARTICLE VII, Section 5, a distribution of his Accumulated Contributions. If the Member fails to elect in writing either (a)(i) or (a)(ii) within 90 days after the date of termination of his employment, he shall be deemed to have elected to leave his Accumulated Contributions on deposit and to become a Terminated Vested Member. A Terminated Vested Member shall be entitled to a deferred Retirement Benefit which shall be equal to the Member's Accrued Benefit on his date of termination of employment. Such deferred Retirement Benefit shall be payable at the Terminated Vested Member's Normal Retirement Date, Regular Early Retirement Date, or Special Early Retirement Date. This Section 3(a) applies to (iii) Members who were hired or rehired prior to January 1 2013 and who do not return to employment with an Employer after termination

of employment and (iv) to Members who are rehired on or after January 1, 2013 and who either were vested in their accrued benefit when they terminated employment and/or took a withdrawal of their Accumulated Contributions and repay the amount withdrawn pursuant to Article IV, Section 4.

(b) Eight or More Years of Credited Service. If Membership Service terminates prior to a Member's Normal Retirement Date, and he has eight or more years of Credited Service, he may elect in writing either (i) to leave his Accumulated Contributions on deposit in the Fund and become a Terminated Vested Member, or (ii) to receive, in lieu of all other benefits, subject to the spousal consent requirements of ARTICLE VII, Section 7, a distribution of his Accumulated Contributions. If the Member fails to elect in writing either (i) or (ii) within 180 days after the date of termination of his employment, he shall be deemed to have elected to leave his Accumulated Contributions on deposit and to become a Terminated Vested Member. A Terminated Vested Member shall be entitled to a deferred Retirement Benefit which shall be equal to the Member's Accrued Benefit on his date of termination of employment. Such deferred Retirement Benefit shall be payable at the Terminated Vested Member's Normal Retirement Date, Regular Early Retirement Date, or Special Early Retirement Date. This Section 3(b) applies to (i) Members who are new hires on or after January 1, 2013 and (ii) Members who are rehired on or after January 1, 2013 and who forfeited their unvested accrued benefit or took a withdrawal of their Accumulated Contributions and do not repay the amounts withdraw pursuant to Article IV, Section 4.

(c) Payment of Small Amounts. If the deferred Retirement Benefit to which a Terminated Vested Member will be entitled at his Normal Retirement Date or Special Early Retirement Date is less than \$150 per month, the Terminated Vested Member shall be paid, as of the date his employment terminates, a single sum equal to the Actuarial Equivalent of such deferred Retirement Benefit. Such single sum payment shall be subject to spousal consent pursuant to ARTICLE VII, Section 7 and shall be in lieu of all monthly benefit payments.

(d) Election of Distribution of Accumulated Contributions. A Terminated Vested Member may elect, subject to spousal consent pursuant to ARTICLE VII, Section 7 at any time prior to his Normal Retirement Date, to receive, in lieu of all other benefits, a distribution of his Accumulated Contributions and interest as of the date of the distribution.

(e) Commencement at Age 55. In lieu of receiving the deferred Retirement Benefit upon his Normal Retirement Date or Special Early Retirement Date, the Terminated Vested Member may elect to receive a reduced Retirement Benefit beginning upon the first of any month subsequent to his attainment of age 55. The reduction shall be $\frac{1}{4}$ of 1% for each month (3% per year) by which payments commence prior to the first of the month following his Normal Retirement Date.

Section 4. Nonreelection. If a Member who is an elected officer of the County is not reelected to the same office or elected to another County office or is not employed by the County

within 30 days after his term of office expires, then the provisions of Sections 2 and 3, as applicable, shall apply.

Section 5. Direct Rollover. 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 Retirement Board, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover.

For purposes of this section, the following terms are defined:

(a) Eligible Rollover Distribution: 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: (i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated beneficiary, or for a specified period of ten years or more; (ii) any distribution to the extent such distribution is required under Code Section 401(a)(9); (iii) the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to Employer securities), (iv) any hardship distribution, or (v) any other actual or deemed distribution specified in the regulations issued under Code section 402(c).

(b) Eligible Retirement Plan: In the case of a Distributee other than a non-spouse Beneficiary, an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), a Roth IRA described in Code Section 408A (for distributions made on or after January 1, 2008), an annuity plan described in Code Section 403(a), an annuity contract described in Code Section 403(b), a qualified trust described in Code Section 401(a), or an eligible plan under Code Section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state that accepts the Distributee's eligible rollover distribution and agrees to separately account for amounts transferred into such plan from this Plan. In the case of a non-spouse Beneficiary, an "inherited" individual retirement account that satisfies the requirements of Code Section 402(c)(11).

(c) Distributee: A Full-Time Employee or former Full-Time Employee. The Full-Time Employee's or former Full-Time Employee's surviving spouse and the Full-Time Employee's or former Full-Time Employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Code Section 414(p), are Distributees with regard to the interest of the spouse or the former

spouse. The Full-Time Employee's or former Full-time Employee's non-spouse beneficiary.

(d) Direct Rollover: A payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

Section 6. Time of Distributions Prior to Normal Retirement Age. This Section 6 shall be effective as of July 1, 2001.

If a terminated Member elects, pursuant to ARTICLE IX, Section 3(a) or Section 3(b), to receive a distribution of his or her Accumulated Contributions and interest, then no earlier than the first business day of the month following the month in which the Executive Director receives the Member's election, the Executive Director shall give instructions to the Trustee to distribute the Member's Accumulated Contributions and interest to the Member.

If a Member is entitled to a distribution of his or her Accumulated Contributions and interest pursuant to ARTICLE IX, Section 2 or if a Member's deferred Retirement Benefit at Normal Retirement Date is less than \$150 per month (as provided in ARTICLE IX, Section 3(c)), then no earlier than the first business day of the month following the month in which the Member terminates employment, the Executive Director shall give instructions to the Trustee to distribute to the Member the benefit to which the Member is entitled under this ARTICLE IX.

The Trustee shall make the distribution as soon as administratively practicable after receiving the instructions from the Executive Director.

ARTICLE X

Contributions

Section 1. Member Contributions. Any person who becomes a Member shall, during his period of membership in the Plan, contribute to the Plan by payroll deductions. The amount of the Member's Contribution shall be as follows:

(a) During the period September 1, 1967 through December 31, 1983, 3% of monthly Compensation plus 3% of that portion of such monthly Compensation that is in excess of \$550.

(b) During the period January 1, 1984 through December 31, 1985, 5% of monthly compensation.

(c) During the period January 1, 1986 through December 31, 2009, 6% of monthly compensation.

(d) During the period January 1, 2010 through December 31, 2010, 6.5% of monthly compensation.

(e) During the period January 1, 2011 through December 31, 2011, 7% of monthly compensation.

(f) During the period January 1, 2012 through December 31, 2013, 7.5% of monthly compensation

(g) Until the Plan is further amended, for periods commencing January 1, 2014, 8.0% of monthly compensation.

After December 31, 1983, such contributions shall be picked up and paid by the Employer as provided in Code Section 414(h) with the Member's gross income being reduced by the amount of the contributions picked up by the Employer.

For purposes of the Plan, the Member's contribution picked up by the Employer under this Section shall be allocated to the Member's Contribution Account in the same manner as if it had been paid directly to the Plan by the Member.

The Employer shall not make contributions for a Member during any period of employment for which he is not receiving credit for Membership Service.

Section 2. Employer Contributions. Each Employer will forward, based on their pay period in a timely manner, to the Fund in an amount at least equal to the contributions of its Members. The Employer expects to continue such contributions to the Plan, but assumes no responsibility to do so and reserves the right to suspend or to reduce contributions at any time.

Notwithstanding any other provisions hereof or any amendment hereto to the contrary, at no time shall any assets of the Fund revert to, or be recoverable by, the Employer or be used for, or diverted to, purposes other than for the exclusive benefit of Members, Retired Members, Terminated Vested Members or their Beneficiaries under the Plan and the payment of Plan expenses except such funds which upon termination of the Plan are in excess of the amount required to fully fund the Plan and are due to erroneous actuarial calculations.

Section 3. Application of Forfeitures. Any amount forfeited because of termination of employment of a Member prior to his having acquired a fully vested right to Retirement Benefits, because of death of any Member or for any other reason, shall not be applied to increase the benefits provided by the Plan unless such benefits are increased by appropriate amendment, as provided in ARTICLE XIV.

ARTICLE XI

Administration of the Plan

Section 1. Retirement Board. The management of the retirement system shall be vested in the Retirement Board according to the provision in Part 1, Title 24, Article 54, of the Colorado Revised Statutes, as amended, as such Retirement Board is established in ARTICLE II, Section 2 herein.

Section 2. Management of the Plan. The Retirement Board shall have all powers necessary to effect the management and administration of the Plan in accordance with its terms, including, but not limited to, the following:

(a) To establish rules and regulations for the administration of the Plan, for managing and discharging the duties of the Board, for the Board's own government and procedure in so doing, and for the preservation and the protection of the Funds.

(b) To interpret the provisions of the Plan and to determine any and all questions arising under the Plan or in connection with the administration thereof. A record of such action and all other matters properly coming before the Board shall be kept and preserved.

(c) To determine all considerations affecting the eligibility of any employee to be or become a Member of the Plan.

(d) To determine the amount of the Member's contributions to be withheld by the Employer in accordance with the Plan and to maintain such records of Accumulated Contributions as are necessary under the Plan.

(e) To determine the Credited Service of any Member and to compute the amount of Retirement Benefit, or other sum, payable under the Plan to any person.

(f) To authorize and direct all disbursements of Retirement Benefits under the Plan and payment of Plan expenses.

(g) With the advice of its Actuary to adopt, from time to time for purposes of the Plan, such mortality and other tables as it may deem necessary or appropriate for the operation of the Plan.

(h) To make valuations and appraisals of Fund assets held under the Plan, and, with the advice of the actuary, to determine the liabilities of the Plan.

(i) To create reserves from such assets for any lawful purpose.

(j) To employ such counsel and agents, and to obtain such clerical, medical, legal, accounting, auditing, investment advisory, custodial and actuarial services as it may deem necessary or appropriate in carrying out the provisions of the Plan.

(k) To employ an Executive Director or other employees as it may deem necessary or appropriate in carrying out the provisions of the Plan, and to pay the salaries and other expenses of such employees from assets of the Retirement Fund.

(l) To resolve disputes among Employers regarding the amendment, administration or interpretation of the Plan.

Section 3. Control, Amendment and Termination. The control of the El Paso County Retirement Plan shall be vested in the Retirement Board, which Board shall have the powers set forth in Part 1, Title 24, Article 54, of the Colorado Revised Statutes, as amended, and any powers set forth in ARTICLE XII and ARTICLE XIV herein.

Section 4. Miscellaneous. The decision of the Retirement Board and any action taken by it in respect to the management of the system shall be conclusive and binding upon any and all employers, employees, officers, former employees and officers, Members, Retired

Members, Terminated Vested Members, their Beneficiaries, heirs, Distributees, executors, personal representatives, administrators and assigns and upon all other persons whomsoever.

Neither the establishment of this Plan nor any modifications thereof or any action taken thereunder or any omission to act, by the Board or any of its members shall be construed as giving to any Member or other person any legal or equitable right against the Employer or any officer or employee thereof or against the Retirement Board or any of its members.

ARTICLE XII

Method of Funding

Section 1. Funding. The Retirement Board shall contract with an insurance company, a trustee, custodian, or such other entity, as authorized by Colorado law to hold and invest the Retirement Fund. The Board shall have the power to change such funding at any time upon notice required by the terms of the Funding Agreement.

Section 2. Assets. All of the assets of the Plan shall be held by the Funding Agent acting under a Funding Agreement for use in providing the benefits under the plan. No part of the said corpus or income shall be used for or diverted to purposes other than the exclusive benefit of the Members, Retired Members, Terminated Vested Members, their Beneficiaries or estates under the Plan, prior to the satisfaction of all liabilities hereunder with respect to them, except such funds which, upon termination of the Plan, are in excess of the amount required to fully fund the Plan and are due solely to erroneous actuarial calculations. No person shall have any interest in or right to any part of the assets of the Fund except as and to the extent expressly provided in this Plan.

Section 3. Duties of the Funding Agent. The duties of the Funding Agent shall include but shall not be limited to the following:

(a) It shall receive from the Employer, the Employers' and the Members' contributions to the Fund herein established.

(b) It shall receive all of the income from the Fund.

(c) It shall make benefit payments from the Fund upon written instructions from the Retirement Board.

(d) It shall invest and reinvest the corpus and income of the Fund, subject to the requirements of the Plan, as directed by the Retirement Board and set forth in the Funding Agreement.

(e) It shall maintain such records and accounts of the Fund, and shall render such financial statements and reports thereof, as may be required from time to time by the Retirement Board.

Section 4. Investment Powers. The investment of the Fund shall be carried out according to the powers and limitations set forth in the Funding Agreement. Such investment shall be in accordance with the Colorado Revised Statutes, as amended.

ARTICLE XIII

Retirement Benefits and Rights Inalienable

Section 1. Inalienability. Except for:

(a) assignments for child support purposes provided for in Colorado Revised Statutes sections 14-10-118(1) and 14-14-107, as they existed prior to July 1, 1996,

(b) income assignments for child support provided for in Colorado Revised Statutes section 14-14-111.5,

(c) writs of garnishment that are the result of a judgment taken for arrearages for child support or for child support debt, and

(d) payments made in compliance with a properly executed and certified court order approving a written agreement dividing retirement benefits between a Member and an alternate payee ("DRO"), entered into pursuant to Colorado Revised Statutes 14-10-113(6),

none of a Member's, Retired Member's, or Terminated Vested Member's benefits under this Plan shall be assignable either in law or in equity or be subject to execution, levy, attachment, garnishment, or other legal process. Members, Retired Members, Terminated Vested Members and their Beneficiaries under the Plan are hereby restrained from selling, transferring, anticipating, assigning, pledging, encumbering, or otherwise disposing of their Retirement Benefit, prospective Retirement Benefit, or any other rights or interest under the Plan, and any attempt to anticipate, assign, pledge, or otherwise dispose of the same shall be void. Said Retirement Benefit, prospective Retirement Benefit and rights and interests of said Members, Retired Members, Terminated Vested Members or Beneficiaries shall not at any time be subject to the claims of creditors or liabilities or torts of said Members, Retired Members, Terminated Vested Members or Beneficiaries, nor be liable to attachment, execution, or other legal process.

Section 2. Bankruptcy. If any Member, Retired Member, Terminated Vested Member or Beneficiary shall become bankrupt or attempt to anticipate, assign or pledge any

benefits under the Plan, then such benefits shall, in the discretion of the Retirement Board, cease, and in that event the Retirement Board shall have authority to cause the same, or any part thereof, to be held or applied to or for the benefit of such Member, his spouse, his children, or other dependents, or any of them, in such manner and in such proportions as the Retirement Board may deem proper.

ARTICLE XIV

Modification or Termination of Plan

Section 1. Expectation . It is the expectation of the Employers that they will continue this Plan and the payment of their contributions hereunder indefinitely, but continuance of the Plan is not assumed as a contractual obligation of the County or any Employer.

Section 2. Amendment . The Retirement Board reserves the right to alter, amend, or terminate the Plan or any part thereof in such manner as it may determine, and such alterations, amendment or termination shall take effect upon notice thereof from the Board to the Funding Agent; provided that no such alteration or amendment shall provide that the Retirement Benefit payable to any Retired Member shall be less than that provided by his Accumulated Contributions, except as provided in this ARTICLE XIV, or affect the right of any Member to receive a refund of his Accumulated Contributions and provided further that no alteration, amendment or termination of the Plan or any part thereof shall permit any part of the Fund to revert to or be recoverable by the Employer or any Employer or be used for or diverted to purposes other than the exclusive benefit of Members, Retired Members, Terminated Vested Members or Beneficiaries under the Plan, except such funds, if any, as may remain at termination of the Plan after satisfaction of all liabilities with respect to Members, Retired Members, Terminated Vested Members and Beneficiaries under the Plan and are due solely to erroneous actuarial calculations.

Section 3. Approval Under the Code . The Plan is intended to comply with the requirements of the applicable provisions of Code Section 401(a) as now in effect or hereafter amended, and any modification or amendment of the Plan may be made retroactive, as necessary or appropriate, to establish and maintain such compliance.

Section 4. Termination . In the event of a partial or complete termination of the Plan, all affected funds covered by the Agreement shall be converted to cash and allocated to affected Members, Retired Members, Terminated Vested Members and Beneficiaries on the following priority basis:

(a) An amount equal to the Accumulated Contributions which would be payable to the Members, Retired Members, Terminated Vested Members or Beneficiaries should their deaths occur on the date of the termination of the Plan.

(b) An amount of the remaining assets equal to a pro rata portion determined on the basis of the ratio that the actuarial reserve for a Member's Accrued Benefit minus the amount in (a) above credited to him bears to the total of all such actuarial reserves.

Section 5. Distribution . When the funds covered by the Agreement have been allocated as indicated above, the distribution may be made in the form of cash or nontransferable annuity contracts as determined by the Retirement Board, provide that any affected funds remaining after the satisfaction of all liabilities to Members, Retired Members, Terminated Vested Members and Beneficiaries under the Plan and due solely to erroneous actuarial calculations may be withdrawn by the Retirement Board from the Fund for the account of the Employer on an equitable basis as determined by the Retirement Board.

ARTICLE XV

Limitations

Section 1. Reemployment of Former Members. If a Member's Membership Service terminates prior to becoming eligible for a pension and the Member is subsequently reemployed as a Full-Time Employee, such Member shall not be entitled to receive credit for his previous Membership Service under the Plan, except as provided in Section 4 of ARTICLE IV.

Section 2. Reemployment of Retired Members. If a Retired Member is reemployed, and is receiving Compensation as a Full-Time Employee, no Pension payments shall be made during the period of such reemployment. Upon the subsequent termination of employment by such a Member, the Member shall be entitled to receive a Pension based on his total Credited Service prior to the date of his previous Retirement, during the period of his reemployment and, in the case of a disabled Member, his Credited Service while disabled. In the case of reemployment of a Retired Member who received any pension payments prior to his reemployment, the Pension payable upon his subsequent Retirement shall be reduced by the Actuarial Equivalent of the Pension payments, other than Disability Pension payments, he received prior to his Normal Retirement Date. Provided, however, that the Pension payable upon his subsequent Retirement shall never be less than the amount of the Member's Pension payable upon his earlier Retirement, modified to reflect any option in effect and elected by the Member at such later Retirement.

Section 3. Limitation of Benefits. Notwithstanding any other provision contained herein to the contrary, the benefits payable to a Member from this Plan provided by Employer contributions (including contributions picked up by the Employer), shall be subject to the limitations of Code Section 415 in accordance with (1) and (2) below:

(1) Defined Benefit Plan Only: Any annual Pension payable to a Member hereunder shall not exceed the lesser of:

(a) \$160,000, adjusted for increases in the cost of living, as prescribed by the Secretary of the Treasury or his delegate, effective January 1 of each calendar year and applicable to the Limitation Year ending with or within such calendar year, or, if greater, the amount of straight life, or qualified joint and survivor, annuity accrued by the Member as of December 31, 1982.

(b) This subsection (b) is not effective for Limitation Years beginning on and after January 1, 1995. 100% of the Member's average earnings for the three consecutive calendar years, while a Member in the Plan, in which his earnings were the highest. For purposes of this subsection, earnings for any calendar year shall be the Member's earned income, wages, salaries, and fees for professional services, and other amounts received for personal services actually rendered in the course of employment with the Employer (including, but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips and bonuses), provided such amounts are actually paid or includable in gross income during such year. Earnings shall exclude the following:

(i) Employer contributions to a plan of deferred compensation which are not included in the Member's gross income for the taxable year in which contributed or Employer contributions under a simplified employee pension plan to the extent such contributions are deductible by the Member, or any distributions from a plan of deferred compensation; and

(ii) Other amounts which received special tax benefits, or contributions made by the Employer (whether or not under a salary reduction agreement) towards the purchase of an annuity described in Section 403(b) of the Code (whether or not the amounts are actually excludable from the gross income of the Member).

(c) Except as provided in (e) below, the foregoing limitations shall not be applicable with respect to any Member whose annual Pension under this Plan is less than \$10,000 if such Member has not at any time participated in any defined contribution plan maintained by the Employer.

(d) In the event that a Member has been credited with less than ten years of Credited Service, the maximum annual Pension allowable under this Section shall be reduced by multiplying such maximum annual Pension by a fraction, the numerator of which is the number of such Member's years of Credited Service, but never less than one, and the denominator of which is ten. The paragraph shall, to the extent required by the Secretary of the Treasury, be applied separately to each change in benefit accrual rate hereunder.

(e) In the event that a Member has been credited with less than ten (10) years of Credited Service, the percentage-of-average-earnings limitation otherwise applicable

under (b) above and the dollar amount otherwise applicable under (c) above shall be reduced by multiplying each by a fraction, the numerator of which is the number of such Participant's years of Credited Service (or part thereof), but never less than one (1), and the denominator of which is ten (10).

(f)

(i) Adjustment of Benefits Payable Other Than As a Straight Life Annuity. The limitations of this Section shall apply to a straight life annuity with no ancillary benefits and to an annuity that constitutes a qualified joint and survivor annuity. Where a benefit is payable in a form other than a straight life annuity, the benefit shall be adjusted to an actuarially equivalent straight life annuity that begins at the same time as such other form of benefit and is payable on the first day of each month, before applying the limitations of this Article XV, Section 3 that equals:

(A) for Limitation Years beginning on or after January 1, 2007, the greater of the annual amount of the straight life annuity (if any) payable under the Plan at the same Annuity Starting Date and the annual amount of the straight life annuity commencing at the same Annuity Starting Date that has the same actuarial present value as the Member's form of benefit computed using an interest rate of 5% and the applicable mortality table under Code § 417(e)(3).

(B) for Limitation Years beginning before January 1, 2007, the annual amount of a straight life annuity commencing at the same Annuity Starting Date that has the same actuarial present value as the Member's form of benefit computed using whichever of the following produces the greater annual amount: (1) the interest rate and mortality table specified in the definition of "Actuarial Equivalent" in Article II, Section 3 for adjusting benefits in the same form, and (2) a 5% interest rate and the applicable mortality table under Code § 417(e)(3).

(ii) Adjustment of Dollar Limitation for Benefit Commencement Before Age 62. If the benefit of a Member begins prior to age 62, the dollar limitation shall be adjusted pursuant to subsection (1) or (2), whichever is applicable:

(A) Limitation Years Beginning Before July 1, 2007. The dollar limitation for the Member's Annuity Starting Date is the annual amount of a benefit payable in the form of a straight life annuity commencing at the Member's Annuity Starting Date that is the actuarial equivalent of the dollar limitation (adjusted for years of participation less than 10, if required) with actuarial equivalence computed using whichever of the following produces the smaller annual amount: (A) the interest rate and the mortality table specified in the definition of Actuarial Equivalent in Article II, Section 3; or (B) a 5% interest rate assumption and the

applicable mortality table as specified in the definition of Actuarial Equivalent in Article II, Section 3.

(B) Limitation Years Beginning On or After July 1, 2007.

(1) If the Plan does not have an immediately commencing straight life annuity payable at both age 62 and the age of benefit commencement, the dollar limitation for the Member's Annuity Starting Date is the annual amount of a benefit payable in the form of a straight life annuity commencing at the Member's Annuity Starting Date that is the actuarial equivalent of the dollar limitation (adjusted for years of participation less than 10, if required) with actuarial equivalence computed using a 5% interest rate assumption and the applicable mortality table for the annuity starting date as specified in the definition of Actuarial Equivalent in Article II, Section 3 (and expressing the Member's age based on completed calendar months as of the Annuity Starting Date).

(2) If the Plan has an immediately commencing straight life annuity payable at both age 62 and the age of benefit commencement, the dollar limitation for the Member's Annuity Starting Date is the lesser of the limitation determined in accordance with (B)(1) and the dollar limitation (adjusted for years of participation less than 10, if required) multiplied by the ratio of the annual amount of the immediately commencing straight life annuity under the Plan at the Member's Annuity Starting Date to the annual amount of the immediately commencing straight life annuity under the Plan at age 62, both determined without applying the limitations of Code § 415.

(iii) Adjustment of Dollar Limitation for Benefit Commencement After Age 65. If the benefit of a Member begins after age 65, the dollar limitation shall be adjusted pursuant to subsection (A) or (B), whichever is applicable.

(A) Limitation Years Beginning Before July 1, 2007. The dollar limitation applicable to the Member for the Member's Annuity Starting Date is the annual amount of a benefit payable in the form of a straight life annuity commencing at the Member's Annuity Starting Date that is the actuarial equivalent of the dollar limitation (adjusted for years of participation less than 10, if required) with actuarial equivalence computed using whichever of the following produces the smaller annual amount: (1) the interest rate and the mortality table specified in the definition of Actuarial Equivalent in Article II, Section 3; or (2) a 5% interest rate assumption and the applicable mortality table specified in the definition of Actuarial Equivalent in Article II, Section 3.

(B) Limitation Years Beginning On or After July 1, 2007.

(1) The dollar limitation applicable to the Member is the annual amount of a benefit payable in the form of a straight life annuity commencing at the Member's Annuity Starting Date that is the actuarial equivalent of the dollar limitation (adjusted for years of participation less than 10, if required), with actuarial equivalence computed using a 5% interest rate assumption and the applicable mortality table for that annuity starting date as specified in the definition of Actuarial Equivalent in Article II, Section 3 (and expressing the Member's age based on completed calendar months as of the Annuity Starting Date).

(2) If the Plan has an immediately commencing straight life annuity payable at both age 65 and the age of benefit commencement, the dollar limitation at the Member's Annuity Starting Date is the lesser of the limitation determined in accordance with (B)(1) and the dollar limitation (adjusted for years of participation less than 10, if required) multiplied by the ratio of the annual amount of the adjusted immediately commencing straight life annuity under the Plan at the Member's Annuity Starting Date to the annual amount of the adjusted immediately commencing straight life annuity under the plan at age 65, both determined without applying the limitations of Code § 415.

(iv) The interest assumption for purposes of determining actuarial equivalency under this subsection (f) shall be the interest rate otherwise used for purposes of computing optional forms of income payable under the Plan, but the rate shall not be less than 5% annually if benefits commence before age 62 and shall not exceed 5% annually if benefits commence after age 65.

(v) Effective for distributions with annuity starting dates on or after December 31, 2002, the mortality table used for purposes of determining actuarial equivalence under this subsection (f) shall be the mortality table required under Section 415(b)(2)(E)(v) of the Internal Revenue Code and administrative guidance issued by the Secretary of the Treasury or the Internal Revenue Service.

(g) In no event shall a Member's maximum annual Pension allowable under this Section be less than the annual amount of Pension (including Early Retirement Benefits and qualified joint and survivor annuity amounts) duly accrued by such Member under Code Section 415 limitations then in effect as of December 31, 1982, or as of December 31, 1986, whichever is greater (disregarding any plan changes or cost-of-living adjustments occurring after July 1, 1982, as to the 1982 accrued amount, and May 5, 1986, as to the 1986 accrued amount).

(h) For Limitation Years beginning on and after January 1, 1995, the provisions of subsections (d), (e), and (f)(ii) shall not apply to Disability retirement benefits under ARTICLE V, Section 4, and ARTICLE VI.

(2) Defined Benefit and Defined Contribution Plans: If, in any Limitation Year a Member also participates in one or more defined contribution plans maintained by the Employer, then for such Limitation Year, the sum of the Defined Benefit Plan Fraction and Defined Contribution Plan Fraction (as described below) for such Limitation Year shall not exceed one. The Defined Benefit Fraction for any Limitation Year shall mean a fraction (a) the numerator of which is the projected annual benefit of the Member under the Plan (determined as of the close of the Limitation Year), and (b) the denominator of which is the lesser of 125% of the dollar limitation under Code Section 415(b)(1)(A) or 140% of the percentage limitation under Code Section 415(b)(1)(B) for the year of determination (taking into account the effect of Section 235(g)(4) of the Tax Equity and Fiscal Responsibility Act of 1982). The Defined Contribution Fraction for any Limitation Year shall mean a fraction (a) the numerator of which is the sum of the annual additions (as defined in Section 415(c)(2) of the Code) to the Member's accounts under all defined contribution plans maintained by the Employer as of the close of the Limitation Year (subject to reduction to the extent permitted under the transition rule in Section 235(g)(3) of the Tax Equity and Fiscal Responsibility Act of 1982), and (b) the denominator of which is the sum of the lesser of 125% of the dollar limitation under Code Section 415(c)(1)(A) or 140% of the percentage Limitation under Code Section 415(c)(1)(B), for such Limitation Year and for all prior Limitation Years during which the Member was employed by the Employer (provided, however, at the election of the Committee, the denominator shall be increased by using for Limitation Years ending prior to January 1, 1983, an amount equal to the denominator in effect for the Limitation Year ending in 1982, multiplied by the transition fraction provided in Code Section 415(e)(6)(B)).

If, in any Limitation Year, the sum of the Defined Benefit Plan Fraction and Defined Contribution Plan Fraction for a Member would exceed one without adjustment of the amount of the maximum annual Pension that can be paid to such Member under paragraph (1) of this Section, then the amount of the maximum annual Pension that can be paid to such Member under paragraph (1) of this Section, shall be reduced to the extent necessary to reduce the sum of the Defined Benefit Plan Fraction and Defined Contribution Plan Fraction for such Member to one, or the Retirement Board may take such other actions as will cause the sum to equal one or less.

For purposes of this Section, the Limitation Year shall be the calendar year.

(3) Repeal of Combined Plan Limit. The preceding subsection (2), Defined Benefit and Defined Contribution Plans, shall be repealed, effective for Limitation Years beginning on and after January 1, 2001. The Employer does not, and has not, maintained a defined contribution plan.

Section 4. Consolidation or Merger. The Plan shall not be merged or consolidated with, nor shall any assets or liabilities be transferred to any other Plan, unless the benefits payable to each Member if the Plan were terminated immediately after such action would be

equal to or greater than the benefits to which such Member would have been entitled if this Plan had been terminated immediately before such action.

Section 5. Latest Date for Commencement of Payment of Benefits. Distribution of a Member's Accrued Benefit must be made or must commence no later than the Required Beginning Date. The Member's Required Beginning Date is April 1 of the calendar year following the later of the calendar year in which (a) the Member attains age 70½ or (b) retires.

With respect to distributions under the Plan in calendar years beginning or after January 1, 2001, the Plan will apply the minimum distribution requirements of section 401(a)(9) of the Internal Revenue Code in accordance with the regulations under section 401(a)(9) that were proposed in January 2001, notwithstanding any provision of the Plan to the contrary. This paragraph shall continue in effect until the end of the last calendar year beginning with the effective date of the final regulations under section 401(a)(9) or such other date specified in guidance published by the Internal Revenue Service.

All distributions that commence on or after January 1, 2003 shall satisfy the requirements of the final regulations promulgated under Code § 401(a)(9) (Treas. Reg. § 1.401(A)(9)-2 through 1.401(a)(9)-9), including the incidental benefit requirement of Code § 401(a)(9)(G).

ARTICLE XVI

Adoption and Withdrawal by Other Governmental Organizations

Section 1. Procedure for Adoption. Any governmental organization with employees, now in existence or hereafter formed, which is not already an Employer under this Plan and which is otherwise legally eligible, may, in the future, with the consent and approval of the Retirement Board, by formal resolution of its own governing body, adopt the Plan and the related Trust, for all or any classification of persons in its employment, and thereby, from and after the specified effective date become an Employer under this Plan. Such adoption shall be effectuated by and evidenced by a formal designation resolution of the Retirement Board, and by such formal resolution of the adopting organization consented to by the Retirement Board. The adoption resolution may contain such specific changes and variations in Plan or Trust terms and provisions applicable to such adopting Employer and its employees, as may be acceptable to the Retirement Board and the Trustee. However, the sole, exclusive right of any other amendment of whatever kind or extent, to the Plan or Trust is reserved by the Retirement Board. The adoption resolution shall become, as to such adopting organization and its employees, a part of this Plan, as then amended or thereafter amended, and the related Trust. It shall not be necessary for the adopting organization to sign or execute the original or the amended Plan and Trust documents. The effective date of the Plan for any such adopting organization shall be that stated in the resolution of adoption, and from and after such effective date such adopting organization shall assume all the rights, obligations and liabilities of an individual Employer entity hereunder and under the Trust. Such adopting Employer shall be responsible for the Employer contribution on behalf of its employees. The administrative powers and control of the Retirement Board, as provided in the Plan and Trust, including the sole right to amendment and resolution of disputes

between and/or among Employers shall not be diminished by reason of the participation of any such adopting organization in the Plan and Trust.

Section 2. Withdrawal by an Employer.

(a) Withdrawal. Each Employer reserves the right at any time and for any reason satisfactory to it to withdraw from participation in the Plan and to discontinue permanently all contributions by the Employer under this Plan by action of its governing body and by giving a written notice to the Retirement Board and the Trustee. Such withdrawal and discontinuance shall be deemed to be a complete termination of the Plan as to the Employees of the withdrawing Employer. Any Employer withdrawing from participation in the Plan shall comply with applicable Federal law and shall follow all procedures set forth in Colorado Revised Statutes, section 24-54-106(2), including but not limited to:

(i) filing with the Retirement Board a resolution of the Employer's governing body stating the Employer's intent to withdraw from the Plan and adopted not less than 90 days prior to the effective date of the withdrawal unless the Retirement Board authorizes a shorter period, and

(ii) obtaining and certifying to the Retirement Board the vote of at least 65% of all active Members employed by the Employer and participating in the Plan at the time of the election,

The Retirement Board may, in its absolute discretion, terminate an adopting Employer's participation at any time when in its judgment such adopting Employer fails or refuses to discharge its obligations under the Plan. Such action shall comply with all requirements of federal and state law and shall take effect on the first day of the month specified by the Retirement Board.

(b) Action by Retirement Board. As provided in Colorado Revised Statutes section 24-54-106(2)(e), the Retirement Board shall approve all requests for withdrawal that satisfy all of the requirements of Colorado Revised Statutes section 24-54-106(2) and shall not approve any request for withdrawal that does not satisfy all of such requirements. An approved withdrawal shall take effect on the first day of the month specified in the Employer's notice to the Retirement Board.

(c) Vesting. To the extent required by applicable provisions of the Code, on termination of a Employer's participation in the Plan or upon complete discontinuance of contributions, each Member who is or was an Employee of the withdrawing Employer shall become fully vested in the Member's accrued benefit with respect to the withdrawing Employer to the extent funded as of the date of termination or contribution discontinuance.

(d) Reserves Requirement. The Board shall determine the amount of reserves required as of the effective date of termination of affiliation to maintain current benefits

payable to the withdrawing Employer's retired Members and to preserve the vested rights of the withdrawing Employer's inactive Members. The amount of reserves shall be determined by the Board using certified actuarial reports prepared by the actuary for the Plan. The actuarial report shall also certify that the termination of affiliation shall not have an adverse financial impact of the actuarial soundness of the trust fund. If the actuary determines, in accordance with accepted actuarial principles, that the termination of affiliation shall have an adverse financial impact on the actuarial soundness of the trust fund, then the Employer shall not be permitted to withdraw from the Plan. On the effective date of the withdrawal, the actuarial reports prepared pursuant to this Section 4(d) shall be updated to finalize the amount of reserves required for the purposes specified in this section 4.4(d). The withdrawing Employer and its Employees shall not be required to make any contributions to the Plan after the effective date of the withdrawal. The expenses incurred by the Board for the actuarial reports required by this section 4.4(d) shall be paid by the Employer that has applied to withdraw from the Plan. The Board shall provide any information contained in such actuarial reports upon request of the Employer making the application for termination of affiliation.

(e) Inadequate Reserves; Excess Reserves.

(i) Inadequate Reserves. If the amount of reserves required pursuant to this Section 4(d) exceeds the amount of the Employer's share of the reserves attributable to Employer contributions in the trust fund as calculated by the actuary, the withdrawing Employer shall make an additional payment as of the effective date of the withdrawal in an amount equal to the difference between the amount of reserves required and the amount of reserves in the trust fund.

(ii) Excess Reserves. If the amount of reserves on deposit in the trust fund as calculated by the actuary for the Employer requesting withdrawal exceeds the amount of reserves required pursuant to this Section 4(d), the excess amount shall be either (A) transferred by a direct trustee-to-trustee transfer to the qualified retirement plan established by the withdrawing Employer or (B) if the Employer does not establish a qualified retirement plan, paid to the withdrawing Employer but only if the excess results solely from erroneous actuarial calculations. If (B) is not satisfied, then the excess shall be used to increase benefits, but not more than the Code Section 415 limit, for the Members who are or were Employees of the withdrawing Employer.

(iii) Failure to Pay. If any payment required by Section 4(e) is not made on a timely basis, interest shall be assessed at the rate specified in Article II Section 2(c)(i) of this Plan.

(f) No Liability for Plan. This Plan shall not be liable to any person for any claim or loss of benefits resulting from the termination of a Employer's participation in the Plan or the failure of an employer to make required contributions or payments under the terms of the Plan.

(g) Establishment of a New Plan.

(i) New Plan. The withdrawing Employer may establish a new qualified retirement plan for its Employees. If it does so, the Accumulated Contributions of its Members and its reserves shall be transferred in a trustee-to-trustee transfer to the new plan. The new plan shall then have full responsibility for the payment of all benefits including benefits of terminated and retired Members.

(ii) No New Plan. If the withdrawing Employer does not establish a new plan, this Plan shall continue to pay the benefits of Members who were Employees of the Employer that are in pay status on the date the withdrawal becomes effective. Each other Member shall become fully vested in his or her benefit and is eligible to receive a distribution of his or her benefit in a lump sum distribution or to receive a retirement benefit under this Plan at his Early Retirement Date, if applicable, or his Normal Retirement Date, as the Member elects.

RECOMMENDED AND APPROVED in Colorado Springs, Colorado, this ____ day of _____, 2013.

EL PASO COUNTY BOARD OF RETIREMENT

(SEAL)

ADOPTED AND EXECUTED in Colorado Springs, Colorado, this ____ day of _____, 2013.

Notary Public

My Commission Expires

APPENDIX I

Prior Plan Provisions Governing Membership

Employees on September 1, 1967:

Every person who was a Full-Time Employee on September 1, 1967, had completed six months of full-time service and had attained the age of 21 years was eligible for membership in the Plan on September 1, 1967.

Every Full-Time Employee who had not completed six months of service and attained the age of 21 years as of September 1, 1967, was eligible for membership on the first day of any month coincident with or next following completion of six months of full-time service and the attainment of age 21.

Every person who was a Full-Time Employee on September 1, 1967 could become a Member of the Plan on the date he was first eligible for membership by properly filing with the Retirement Board within 60 days following his date of eligibility the form of membership agreement furnished for that purpose. Any such person who did not file the form of membership agreement in such 60-day period may thereafter file such membership agreement and become a Member of the Plan on the first day of the month coincident with or following the filing of such agreement but in such event the Member shall not be given any credit for Past Service under Section 2 of ARTICLE IV. His Membership Service shall be as defined in Section 3 of ARTICLE IV.

Employees Hired After September 1, 1967 and Before August 1, 1989:

For each Full-Time Employee hired after September 1, 1967, membership in the plan shall be a condition of employment, except as hereinafter provided, and such Member shall be required to complete the form of membership agreement at the time of employment, election or appointment. Effective January 1, 1988, a Full-Time Employee must be a Covered Employee to be eligible for membership. Such employee shall become a Member on the following date:

- (h) If employed prior to January 1, 1974, on the first day of the month coincident with or next following completion of six months of service and attainment of age 21.
- (i) If employed on or after January 1, 1974, but before August 1, 1989, on the first day of the month following one month of employment.
- (j) If employed on or after August 1, 1989, on the date of employment.

APPENDIX II

Prior Plan Provisions Concerning Service

A Member who was beyond his Normal Retirement Date and still active as a Full-Time Employee on January 1, 1982 once again began contributing to the Plan as of January 1, 1982 as provided in ARTICLE X, Section 1 and accruing additional Membership Service after such date. The Member shall not, however, receive any credit for service with the Employer between his Normal Retirement Date and January 1, 1982.

A Member on January 1, 1983, who lost prior Credited Service because of a prior distribution which was not repaid upon reemployment may have his prior Credited Service restored by repaying, prior to June 30, 1983, any amounts received upon his previous termination with interest determined by the preceding sentence.

Prior to January 1, 1998, a Member with at least 5 years of Credited Service must have elected to purchase Past Service Credit pursuant to ARTICLE IV, Section 7, by December 31, 1995, or, if later, within 2 years of completing 5 years of Credited Service.

APPENDIX III

Prior Benefit Increases

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 1983. Effective January 1, 1983, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 1983, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 1983, but whose payments have not commenced as of January 1, 1983, shall be increased by 10.00%.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 1984. Effective January 1, 1984, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 1984, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 1984, but whose payments have not commenced as of January 1, 1984, shall be increased by the greater of 10.00% or \$10.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 1985. Effective January 1, 1985, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 1985, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 1985, but whose payments have not commenced as of January 1, 1985, shall be increased by the greater of 10.00% or \$10.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 1986. Effective January 1, 1986, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 1986, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 1986, but whose payments have not commenced as of January 1, 1986, shall be increased by the greater of 3% or \$5.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 1987. Effective January 1, 1987, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 1987, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 1987, but whose payments have not commenced as of January 1, 1987, shall be increased by the greater of 3% or \$5.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 1988. Effective January 1, 1988, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 1988, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 1988, but whose payments have not commenced as of January 1, 1988, shall be increased by the greater of 5% or \$5.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 1989. Effective January 1, 1989, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 1989, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 1989, but whose payments have not commenced as of January 1, 1989, shall be increased by the greater of 5% or \$5.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 1990. Effective January 1, 1990, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 1989, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 1990, but whose payments have not commenced as of January 1, 1990, shall be increased by the greater of 5% or \$5.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of October 1, 1990. Effective October 1, 1990, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to October 1, 1990, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to October 1, 1990, but whose payments have not commenced as of October 1, 1990, shall be increased by the greater of 4.5% or \$10.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of December 1, 1991. Effective December 1, 1991, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to December 1, 1991, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to December 1, 1991, but whose payments have not commenced as of December 1, 1991, shall be increased by the greater of 4% or \$10.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 1993. Effective January 1, 1993, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 1993, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 1993, but whose payments have not commenced as of January 1, 1993, shall be increased by the greater of 3.50% or \$10.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 1994. Effective January 1, 1994, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 1994, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 1994, but whose payments have not commenced as of January 1, 1994, shall be increased by the greater of 3% or \$10.00 per month.

Special Payment First Quarter 1995. Each retired Member or Beneficiary who received a payment on December 1, 1994 shall be provided an additional payment under the terms of this ARTICLE VI during the first fiscal quarter of the Plan Year beginning January 1, 1995 equal to fifty percent (50%) of the amount of the December 1, 1994 payment. If the retiree or beneficiary is no longer living, the payment shall be made to that retiree's or beneficiary's designated

beneficiary, if none, then to the individual's estate. The payment authorized by this Article VI, Section 8 shall be a one time payment only and shall not entitle the payee to additional payments under this Plan.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 1996. Effective January 1, 1996, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 1996, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 1996, but whose payments have not commenced as of January 1, 1996, shall be increased by the greater of 4% or \$10.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 1997. Effective January 1, 1997, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 1997, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 1997, but whose payments have not commenced as of January 1, 1997, shall be increased by the greater of 3% or \$5.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 1998. Effective January 1, 1998, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 1998, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 1998, but whose payments have not commenced as of January 1, 1998, shall be increased by the greater of 3% or \$10.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 1999. Effective January 1, 1999, the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 1999, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 1999, but whose payments have not commenced as of January 1, 1999, shall be increased by the greater of 3% or \$10.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 2000. Effective January 1, 2000 the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 2000, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 2000, but whose payments have not commenced as of January 1, 2000, shall be increased by the greater of 3% or \$10.00 per month.

Increased Benefits for Retired Members, Terminated Vested Members and Beneficiaries as of January 1, 2001. Effective January 1, 2001 the monthly benefit to Retired Members and Beneficiaries whose payments commenced on or prior to January 1, 2001, and the Vested Accrued Benefits of Terminated Vested Members who terminated employment prior to January 1, 2001, but whose payments have not commenced as of January 1, 2001, shall be increased by the greater of 3% or \$10.00 per month.

APPENDIX IV

Prior Benefit Formulas

Article VI, Section 1, of the Plan provides, or has provided, the following benefit formulas to calculate the normal or delayed retirement benefit for Members who retire at the times specified below.

The following benefit formula applies to Members who retired on and after September 1, 1967, and prior to January 1, 1981:

Section 1. Normal or Delayed Retirement. Upon retirement at or after normal retirement date, each Retired Member shall receive a monthly retirement benefit equal to one-twelfth of the following: $\frac{3}{4}$ of 1% of the member's final average compensation plus $\frac{3}{4}$ of 1% of such final average annual compensation in excess of \$6,600, multiplied by the total number of years of credited service.

The following benefit formula applies to Members who retired on and after January 1, 1981, and prior to January 1, 1984:

Section 1. Normal or Delayed Retirement. Upon retirement at or after his Normal Retirement Date, effective January 1, 1981, each Retired Member shall receive a monthly retirement benefit equal to 1.50% of the Member's Final Average Monthly Compensation multiplied by the total number of years of the Member's Credited Service.

The following benefit formula applies to Members who retired on and after January 1, 1984 and prior to January 1, 1986:

Section 1. Normal or Delayed Retirement. Upon retirement at or after his Normal Retirement Date, effective January 1, 1984, each Retired Member shall receive a monthly retirement benefit equal to 1.60% of the Member's Final Average Monthly Compensation multiplied by the total number of years of the Member's Credited Service.

The following benefit formula applies to Members who retired on and after January 1, 1986, and prior to January 1, 1988:

Section 1. Normal or Delayed Retirement. Upon retirement at or after his Normal Retirement Date, effective January 1, 1986, each Retired Member shall receive a monthly retirement benefit equal to 1.75% of the Member's Final Average Monthly Compensation multiplied by the total number of years of the Member's Credited Service, or \$15 multiplied by the total number of years of his Credited Service, if greater.

The following benefit formula applies to Members who retired on and after January 1, 1988, and prior to January 1, 1990:

Section 1. Normal or Delayed Retirement. Upon retirement at or after his Normal Retirement Date, effective January 1, 1988, each Retired Member shall receive a monthly retirement benefit equal to 1.85% of the Member's Final Average Monthly Compensation multiplied by the total number of years of the Member's Credited Service, or \$20 multiplied by the total number of years of his Credited Service, if greater.

The following benefit formula applies to Members who retired on and after January 1, 1990, and prior to January 1, 1993:

Section 1. Normal or Delayed Retirement. Upon retirement at or after his Normal Retirement Date, effective January 1, 1990, each Retired Member shall receive a monthly retirement benefit equal to 1.95% of the Member's Final Average Monthly Compensation multiplied by the total number of years of the Member's Credited Service, or \$25 multiplied by the total number of years of his Credited Service, if greater.

The following benefit formula applies to Members who retired on and after January 1, 1993, and prior to January 1, 1997:

Section 1. Normal or Delayed Retirement. Upon retirement at or after his Normal Retirement Date, effective January 1, 1993, each Retired Member shall receive a monthly retirement benefit equal to 2.10% of the Member's Final Average Monthly Compensation multiplied by the total number of years of the Member's Credited Service, or \$25 multiplied by the total number of years of his Credited Service, if greater. Notwithstanding the previous sentence, in no event shall the monthly benefit under the formula described in this Section exceed 75% of the Member's average monthly Compensation for the last 12 complete months of Credited Service.

The following benefit formula applies to Members who retired on and after January 1, 1997, and prior to January 1, 1998:

Section 1. Normal or Delayed Retirement. Upon retirement at or after his Normal Retirement Date, effective January 1, 1997, each Retired Member shall receive a monthly retirement benefit equal to 2.16% of the Member's Final Average Monthly Compensation multiplied by the total number of years of the Member's Credited Service, or \$25 multiplied by the total number of years of his Credited Service, if greater. Notwithstanding the previous sentence, in no event shall the monthly benefit under the formula described in this Section exceed 75% of the Member's Final Average Monthly Compensation.

The following benefit formula applies to Members who retire on or after January 1, 1998 and whose creditable service began prior to January 1, 2010:

Section 1. Normal or Delayed Retirement. Upon retirement at or after his Normal Retirement Date, effective January 1, 1998, each Retired Member shall receive a monthly retirement benefit equal to 2.22% of the Member's Final Average Monthly Compensation multiplied by the total number of years of the Member's Credited Service, or \$20 multiplied by

the total number of years of his Credited Service, if greater. Notwithstanding the previous sentence, in no event shall the monthly benefit under the formula described in this Section exceed 75% of the Member's Final Average Monthly Compensation.

The following benefit formula applies to all Members hired after December 31, 2009:

Section 1. Normal or Delayed Retirement.

(b) Creditable Service Commenced After December 31, 2009. For all Members whose Creditable Service commenced after December 31, 2009, upon retirement on or after his Normal Retirement Date, each Retired Member shall receive a monthly retirement benefit equal to the sum of

- (i) 2.00% of the Member's Final Average Monthly Compensation multiplied by the first 10 years of Creditable Service, plus
- (ii) 2.11% of the Member's Final Average Monthly Compensation multiplied by the Member's 11th through 20th years of Creditable Service, plus
- (iii) 2.22% of the Member's Final Average Monthly Compensation multiplied by the Member's years of Creditable Service in excess of 20.

Notwithstanding the previous sentence, in no event shall the monthly benefit under the formula described in this Section exceed 75% of the Member's Final Average Monthly Compensation.

APPENDIX V

Prior Supplemental Payments

2004 Supplemental Payment. Each Retiree whose benefit was in pay status on December 31, 2003 shall receive, prior to December 31, 2004, one supplemental retirement payment equal to 5% of the Retiree's "annual retirement payment." The "annual retirement payment" is equal to 12 times the monthly benefit payment for December 2003.

2006 Supplemental Payment. Each Retiree and Beneficiary whose benefit was in pay status on December 31, 2005 shall receive, on or about January 16, 2006, one supplemental retirement payment equal to the greater of (a) 2% of the Retiree's or Beneficiary's "annual retirement payment" or (b) \$120.00. The "annual retirement payment" is equal to 12 times the monthly benefit payment for December 2005.

2007 Supplemental Payment. Each Retiree and Beneficiary whose benefit was in pay status on January 1, 2007 shall receive, on or about June 15, 2007, one supplemental retirement payment equal to the greater of (a) 3% of the Retiree's or Beneficiary's "annual retirement payment" or (b) \$120.00. The "annual retirement payment" is equal to 12 times the monthly benefit payment for January 2007.

APPENDIX VI

Interest on Contributions

For purposes of the definition of "Accumulated Contributions" in Section 3(b), interest on Members' contributions to the Plan under Article X, Section 1, shall be credited at the following annual rates, compounded monthly:

For the period from September 1, 1967 through June 30, 1974	3.50%
For the period from July 1, 1974 through July 1, 1978	4.50%
For the period from August 1, 1978 through December 31, 1979	5.00%
For the period from January 1, 1980 through December 31, 1982	6.00%
For the period from January 1, 1983 through December 31, 1986	7.00%
For the period from January 1, 1987 through December 31, 1996	5.00%
For the period from January 1, 1997 through June 30, 2005	6.00%
For the period beginning July 1, 2005 to the present	3.00%