

**457(b) DEFERRED
COMPENSATION PLAN OF
ARAPAHOE COUNTY SCHOOL
DISTRICT #6 DBA LITTLETON
PUBLIC SCHOOLS,
A GOVERNMENTAL
ORGANIZATION**



Financial Services

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INTRODUCTION

The purpose of the Plan is to provide deferred compensation for Eligible Employees covered under the Plan. The Plan document and the Adoption Agreement are designated as constituting parts of a plan intended to satisfy the requirements of an Eligible Governmental Deferred Compensation Plan within the meaning of Section 457(b) of the Code, the regulations issued thereunder, and other applicable law.

ARTICLE I - DEFINITIONS

- 1.1 Account Balance** means the book entry account maintained with respect to each Participant which reflects the value of the deferred Compensation credited to the Participant, including the Participant's Annual Deferrals, any Compensation deferred under the Plan by non-elective Employer contribution (either matching contributions or non-elective contributions), the earnings or loss of the investment options held in the Investment Options (net of investment option expenses) allocable to the Participant, any transfers for the Participant's benefit, and any distribution made to the Participant or the Participant's Beneficiary. Account Balance includes any account established under Article III for rollover contributions and plan-to-plan transfers made for a Participant, any account established under Article X for Roth Elective Deferrals, the account established for a Beneficiary after a Participant's death, and any account or accounts established for an alternate payee, as defined in Section 414(p)(8) of the Code. Subject to the terms of the Investment Option, if a Participant has more than one Beneficiary at the time of the Participant's death, then a separate Account Balance shall be maintained for each Beneficiary.
- 1.2 Annual Deferral** means the annual amount of Compensation that a Participant elects to defer pursuant to a properly executed Deferred Compensation Agreement. Effective on and after January 1, 2011 and if elected in the Adoption Agreement, Annual Deferral includes a Roth Elective Deferral that is separately accounted for under the Plan.
- 1.3 Adoption Agreement** means the separate agreement that is executed by the Employer which sets forth the elective and certain non-elective provisions of the Plan. The Adoption Agreement and this Plan document collectively constitute the Plan.
- 1.4 Beneficiary** means the individual, trustee, estate, or legal entity entitled to receive benefits under this Plan which become payable in the event of the Participant's death.
- 1.5 Code** means the Internal Revenue Code of 1986, as now in effect or as hereafter amended. All citations to sections of the Code are to such sections, as they may from time to time be amended or renumbered, to the Treasury regulations issued thereunder or to any applicable guidance issued by the IRS.
- 1.6 Compensation** means, unless otherwise set forth in the Adoption Agreement, all cash remuneration for services rendered to the Employer, including salary, wages, fees, commissions, bonuses, overtime pay (collectively referred to as "regular pay") and that is includible in the Participant's gross income for the calendar year plus amounts that would

be cash remuneration for services to the Employer and includible in the Participant's gross income for the calendar year but for an election under Section 457(b), 403(b), 401(k), 125, 132(f)(4), 401(k), 403(b) or 457(b) of the Code (including an election to defer Compensation under Article III) or such other meaning as provided by Section 415(c)(3) of the Code. Such term also includes regular pay received after Severance from Employment if it is received within the later of two and one-half (2 1/2) months following Severance from Employment or the end of the limitation year that includes the date of Severance from Employment. To the extent elected in the Adoption Agreement, such term shall also include unused accrued bona fide sick, vacation, and/or other leave payments provided the Participant would have been entitled to use such leave had employment continued and such amounts are received by the Plan within the later of two and one-half (2 1/2) months after Severance from Employment or the end of the limitation year that includes the date of Severance from Employment. Effective January 1, 2009, the term Compensation includes Differential Wage Payments.

- 1.7 Deferred Compensation Agreement** means the agreement between a Participant and the Employer to defer receipt by the Participant of Compensation not yet paid or otherwise made available. Such agreement shall state the Annual Deferral amount to be withheld from a Participant's Compensation and shall become effective no earlier than the first day of the month following execution of such agreement. Once executed and received by the Plan Administrator, or its designee, the Deferred Compensation Agreement shall be legally binding and irrevocable with regard to amounts paid or otherwise made available while the Agreement is in effect.
- 1.8 Differential Wage Payment** means any payment which is made by the Employer to an Employee with respect to any period during which the Employee is performing service in the uniformed services (as defined in chapter 43 of title 38 of the Code) while on active duty for a period of more than thirty (30) days, and such payment represents all or a portion of the wages the Employee would have received from the Employer if the Employee were performing service for the Employer.
- 1.9 Disabled or Disability** means the definition of disability in Section 72(m)(7) of the Code as determined by the Employer.
- 1.10 Effective Date** means the date set forth in the Adoption Agreement if this is a new Plan.
- 1.11 Eligible Governmental Deferred Compensation Plan or Eligible Plan** means a plan that constitutes an eligible governmental deferred compensation plan within the meaning of Section 457(b) of the Code that is established and maintained by an employer that is a Governmental employer and eligible to maintain a 457(b) deferred compensation plan.
- 1.12 Eligible Employee** means any person who performs services for the Employer and who, pursuant to the terms of the Adoption Agreement, is eligible to participate in this Plan. Unless elected in Adoption Agreement, Eligible Employee shall not include any individual who is deemed to be an independent contractor, as determined by the Plan Administrator in its sole and absolute discretion. Eligible Employee shall not include any individual who

is performing services for the Employer pursuant to an agreement that provides that such individual shall not be eligible to participate in this Plan or other benefit plans of the Employer. If any individual is not classified as an Eligible Employee by the Employer and is subsequently reclassified as an Eligible Employee by any overriding governmental or regulatory authority, such individual shall nevertheless be deemed to have become an Eligible Employee prospectively only, effective as of the date of such reclassification (and not retroactive to the date on which he or she was found to have first become eligible for any other purposes), and then only if he or she otherwise satisfies the requirements of this Plan.

- 1.13 Employee** means any person, whether appointed or elected, who is employed by the Employer as a common law employee, excluding any Employee who is included in a unit of employees covered by a collective bargaining agreement that does not specifically provide for participation in the Plan. The term Employee shall include any individual classified by the Employer as an independent contractor of the Employer, in accordance with its general administrative policies.
- 1.14 Employer** means the entity that is a state, a political subdivision of a state, and any agency or instrumentality of a state which has adopted this Plan and is named in the Adoption Agreement.
- 1.15 Includible Compensation** means with respect to a taxable year, the Participant's compensation as defined in Section 415(c)(3) of the Code and the Treasury regulations issued thereunder for services performed for the Employer. The amount of Includible Compensation is determined without regard to any community property laws. Such term shall include any amount that would be cash remuneration for services to the Employer and includible in the Participant's gross income for the calendar year but for an election under Section 457(b), 403(b), 401(k), 125, 132(f)(4), 401(k), 403(b) or 457(b) of the Code (including an election to defer Compensation under Article III). Effective January 1, 2009, Includible Compensation will include Differential Wage Payments made by the Employer to a Participant.

Includible Compensation also includes regular pay received after Severance from Employment if it is received within the later of two and one-half (2 1/2) months following Severance from Employment or the end of the calendar year that includes the date of Severance from Employment. Such term shall also include unused accrued bona fide sick, vacation, and/or other leave payments provided the Participant would have been entitled to use such leave had employment continued and such amounts are received by the Plan within the later of two and one-half (2 1/2) months after Severance from Employment or the end of the calendar year that includes the date of Severance from Employment.

- 1.16 Investment Options** means the annuity contracts, custodial accounts, and other investment options offered by TIAA-CREF and selected by the Plan Administrator as investment options to be offered to Participants and Beneficiaries under the Plan. Investment Options shall also include any other investment alternatives made available

by any other Investment Sponsor and designated pursuant to the terms of this Plan document and the Adoption Agreement as being available for the purpose of allocating contributions, rollovers, and/or transfers under this Plan.

- 1.17 Investment Sponsors** means TIAA-CREF, any other insurance company, regulated investment company, or other entity providing Investment Options under the Plan.
- 1.18 Normal Retirement Age** means age 65 unless otherwise provided in the Adoption Agreement.
- 1.19 Participant** means an Eligible Employee who becomes a Participant in the Plan in accordance with Article II hereof. An individual shall cease to become a Participant at such time as he or she no longer has any interest in contracts or accounts under the Plan. An "Active Participant" means a Participant who is currently an Employee.
- 1.20 Plan** means the 457(b) Deferred Compensation Plan set forth herein and in the Adoption Agreement, as amended from time to time.
- 1.21 Plan Administrator** means the individual(s) or committee appointed by the Employer to administer the Plan. If the Employer fails to make such appointment, the Employer shall be the Plan Administrator.
- 1.22 Plan Year** means the twelve (12) consecutive month period designated by the Employer in the Adoption Agreement.
- 1.23 Restated Effective Date** means the date set forth in the Adoption Agreement if the Plan is a restated plan.
- 1.24 Revenue Credit Account(s)** means a suspense account or accounts established under the Plan (including penalty payments) which is funded by revenue generated from the Plan and deposited to such account(s).
- 1.25 Severance from Employment** means the date the Participant dies, retires, or otherwise severs employment with the Employer as determined by the Plan Administrator or its designee (and taking into account guidance issued under the Code). To the extent elected in the Adoption Agreement, such term shall also include a deemed Severance from Employment during any period the Participant is performing services in the uniformed services for a period of more than thirty (30) days.
- 1.26 TIAA-CREF** means Teachers Insurance and Annuity Association and College Retirement Equities Fund.
- 1.27 Valuation Date** means any day that the New York Stock Exchange is open for trading.

ARTICLE II - PARTICIPATION IN THE PLAN

2.1 Eligibility.

- (a) **Eligible Employees.** If this is a new plan, any Employee who is classified as an Eligible Employee under the terms of the Adoption Agreement as of the Effective Date shall be eligible to participate in the Plan on the Effective Date. If this is a restated plan, each present Participant shall continue to be a Participant in the Plan. Any other Employee who is classified as an Eligible Employee under the terms of the Adoption Agreement as of the Restated Effective Date shall be eligible to participate in the Plan on the Restated Effective Date.
- (b) **Non-Eligible Employees.** If this is a new plan, any Employee who is not eligible to participate in the Plan as of the Effective Date pursuant to paragraph (a) above, shall be eligible to participate in the Plan upon classification as an Eligible Employee. If this is a restated plan, any Employee who is not eligible to participate in the Plan as of the Restated Effective Date pursuant to paragraph (a) above, shall be eligible to participate in the Plan upon classification as an Eligible Employee.

2.2 Enrollment in the Plan. To participate in the Plan, each Eligible Employee shall complete and remit the applicable enrollment forms, including a Deferred Compensation Agreement, to the Plan Administrator or its designee. Enrollment shall be effective on or after the first day of the month following the date the properly completed enrollment forms are remitted to and accepted by the Plan Administrator or its designee. A newly hired Eligible Employee may defer Compensation payable in the calendar month in which he or she becomes an Employee if a Deferred Compensation Agreement is entered into on or before the first day on which the Eligible Employee performs services for the Employer.

2.3 Information Provided by the Participant. Each Eligible Employee enrolling in the Plan should provide to the Investment Sponsor or the Plan Administrator, as required, at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the Investment Sponsor or the Administrator, as appropriate, to administer the Plan, including, without limitation, whether the Eligible Employee is a participant in any other Eligible Plan.

2.4 Contributions Made Promptly. Annual Deferrals under the Plan shall be transferred to the applicable Investment Option within a period that is not longer than is reasonable for the proper administration of the Plan. In no event, shall any Annual Deferrals be transferred to the applicable Investment Option later than fifteen (15) days following the end of the month in which the amount would otherwise have been paid to the Participant.

2.5 Leave of Absence. Unless a Deferred Compensation Agreement is otherwise revised, if a Participant is absent from work by paid leave of absence, Annual Deferrals under the Plan shall continue to the extent Compensation continues.

2.6 Disability. A Disabled Participant may elect to make Annual Deferrals during any portion of the period of his or her Disability to the extent that he or she has actual Compensation (not imputed compensation and not disability benefits) from which to make deferrals to the Plan and has not had a Severance from Employment.

ARTICLE III - DEFERRAL OF COMPENSATION

- 3.1 Annual Deferrals.** If elected pursuant of the terms of the Adoption Agreement, an Eligible Employee may elect to make Annual Deferrals to the Plan pursuant to a Deferred Compensation Agreement with the Employer. Annual Deferrals may be made up to the applicable annual limits under the Code or, or if less, the amount set forth in the Adoption Agreement. Subject to the rules of the applicable Investment Sponsor, the Plan Administrator may establish a minimum Annual Deferral amount and may change such amount from time to time. The Deferred Compensation Agreement may also include a designation of Investment Options and a designation of a Beneficiary. Any such election shall remain in effect until a new election is filed.
- 3.2 Modifications to Amount Deferred.** A Participant may elect to change the amount of his or her Annual Deferral with respect to future Compensation by submitting a new and properly executed Deferred Compensation Agreement to the Plan Administrator or its designee. Pursuant to the rules of the Investment Sponsor, if any, unless the new Deferred Compensation Agreement specifies a later effective date, a change in the amount of Annual Deferrals shall take effect as of the first day of the next following month or as soon as administratively practicable thereafter.
- 3.3 Deferral of Special Pay.** If elected in the Adoption Agreement, a Participant may elect to defer accumulated bona fide sick, vacation, and/or other leave pay. These amounts may be deferred for any calendar month only if an agreement providing for the Annual Deferral is entered into before the beginning of the month in which the amounts would otherwise be paid or made available.
- 3.4 Termination of Deferral.** A Participant may terminate his or her participation election by so notifying the Plan Administrator or its designee in using the administrative practices specified by the Plan Administrator or its designee. Such administrative practices may include electronic notice, if made available to Participants. Notwithstanding the provisions in Section 3.2 above, any such termination shall take effect as soon as administratively practicable following receipt by the Plan Administrator or its designee of satisfactory notice of such revocation.
- 3.5 Employer Non-Elective Contributions.** If elected in the Adoption Agreement, the Employer shall make non-elective contributions (other than Employer matching contributions, if any, made pursuant to Section 3.6, below) to the Plan on behalf of Active Participants. No Participant shall have the right to elect to receive any amount contributed pursuant to this Section 3.5 as cash in lieu of a contribution. All such non-elective contributions shall be made at the rate or in the amount set forth in the Adoption Agreement. Any non-elective contribution will reduce, dollar for dollar, the annual amount

the Participant can defer to the Plan and in no event shall the combined total of Participant and Employer contributions exceed the maximum amount permitted by law.

3.6 Employer Matching Contributions. If elected in the Adoption Agreement, the Employer shall make matching contributions (other than Employer non-elective contributions, if any, made pursuant to Section 3.5, above) to the Plan on behalf of Active Participants who make Annual Deferrals to the Plan pursuant to a Deferred Compensation Agreement. No Participant shall have the right to elect to receive any amount contributed pursuant to this Section 3.6 as cash in lieu of a contribution. All such matching contributions shall be made at the rate or in the amount set forth in the Adoption Agreement and shall be based on the amount of Annual Deferrals made by an Active Participant to the Plan during the year. Any matching contribution will reduce, dollar for dollar, the annual amount the Participant can defer to the Plan and in no event shall the combined total of Participant and Employer contributions exceed the maximum amount permitted by law.

3.7 Maximum Deferral.

- (a) **Primary Limitation.** The maximum amount that may be contributed to the Plan pursuant to Sections 3.1, 3.5, and 3.6 hereof on behalf of any Participant, other than by means of a rollover or rollover or plan-to-plan transfer, shall not exceed the lesser of: (1) the annual applicable dollar amount, as set forth in Section 457(e)(15) of the Code, or (2) 100% of the Participant's Includible Compensation for the taxable year.
- (b) **Special Section 457 Catch-Up Limitation.** If elected in the Adoption Agreement, for one (1) or more of the last three (3) taxable years ending before the calendar year of a Participant's attainment of Normal Retirement Age ("NRA"), the Participant may utilize the catch-up provision under Section 457(b)(3) of the Code. When special Section 457 catch-up is utilized, the maximum amount that may be contributed to the Plan pursuant to Sections 3.1, 3.5, and 3.6 hereof on behalf of a Participant, other than by means of a rollover or plan-to-plan transfer, shall be the lesser of X or Y. X shall be, for any taxable year beginning on or after January 1, 2002, twice (2 times) the applicable dollar amount in effect under Section 457(b)(2)(A) of the Code for such year. Y shall be the sum of (i) the primary limitation amount determined under Section 3.7(a), above, for the year, and (ii) underutilized amounts, which is that portion of the primary limitation amount determined under Section 3.7(a), above, that is not utilized by the Participant in prior taxable years (beginning after 1978) in which the Participant was eligible to participate in the Plan. The special Section 457 catch-up limitation is available to a Participant during one (1) three (3)-year period only. If the Participant uses the special Section 457 catch-up limitation and then postpones retirement or returns to work after retirement, the Participant cannot utilize special Section 457 catch-up again, even if he or she has underutilized amounts in the Plan or only utilized special Section 457 catch-up in less than all of the three (3) years prior to the year the Participant attained his or her NRA.

- (c) **Catch-Up Limitation For Individuals Age 50 or Older.** To the extent permitted by law and elected in the Adoption Agreement, the maximum Annual Deferral that may be contributed pursuant to Section 3.1 for any individual who has attained the age of 50, or older, before the close of a taxable year, shall be increased by the applicable amount set forth in Section 414(v) of the Code. Notwithstanding the immediately preceding sentence, contributions shall not be made in accordance with this Section 3.7(c) during any year in which special Section 457 catch-up, described in Section 3.7(b), provides a higher limitation.
- (d) **Coordination with Other Code Section 457(b) Plans.** If a Participant participates in more than one (1) Code Section 457(b) plan, all Code Section 457(b) plans are aggregated and the maximum deferral under all such plans shall not exceed the applicable limit described in Section 3.7(a), above, or if the special Section 457 or age 50 catch-up is utilized, the applicable limitation described in Section 3.7(b) or (c), above).
- (e) **Distribution of Excess Deferrals.** To the extent that any amount deferred under the Plan for any taxable year exceeds the limitations of this Section 3.7, any excess deferrals will be distributed pursuant to the applicable provisions of the Code, regulations, or other IRS guidance issued thereunder.

3.8 Vesting. A Participant shall be fully vested at all times in his or her accrued benefits under this Plan. Such accrued benefits shall be non-forfeitable at all times.

3.9 Plan-to-Plan Transfers to the Plan. To the extent provided in the Adoption Agreement and pursuant to the rules of each Investment Sponsor, a Participant, but not a Beneficiary, may elect to make contributions that are transferred directly from the Participant's prior employer's Eligible Governmental Deferred Compensation Plan under Section 457(b) of the Code. Notwithstanding the foregoing, transfers shall be permitted only to the extent (i) the transferor plan provides for such direct transfers, (ii) the receiving plan provides for the receipt of plan-to-plan transfers, and (iii) the Participant will have an amount deferred immediately after the transfer at least equal to the amount deferred with respect to that Participant immediately before the transfer, and (iv) the Participant gives written direction to the Employer or its designee in a satisfactory form to make such transfer. The Plan Administrator may require such documentation from the other plan as it deems necessary to effectuate the transfer in accordance with Section 457(e)(10) of the Code and Section 1.457-10(b) of the Treasury regulations and to confirm that the other plan is an eligible governmental plan as defined in Section 1.457-2(f) of the Treasury regulations.

The amount so transferred shall be credited to the Participant's Account Balance and shall be held, accounted for, administered and otherwise treated in the same manner as an Annual Deferral by the Participant under the Plan, except that the transferred amount shall not be considered an Annual Deferral under the Plan in determining the maximum deferral limit under Section 3.7. Such funds and the accumulation generated from them shall be fully vested and nonforfeitable at all times.

3.10 Acceptance of Rollover Contributions. If so provided in the Adoption Agreement and if an Active Participant is entitled to receive, and elects to receive, an eligible rollover distribution from any eligible retirement plan within the meaning of Section 402(c)(8)(B) of the Code, each Investment Sponsor shall, subject to the rules of such Investment Sponsor, accept such amount under this Plan, provided that the rollover to this Plan is made either directly from another such plan or by the Active Participant within sixty (60) days of the receipt of the distribution. Any such amounts rolled over from any such plan shall be made in the form of cash only and accounted for separately upon acceptance as a rollover under this Plan. Such funds and the accumulation generated from them shall be fully vested and nonforfeitable at all times and shall not be considered when calculating the maximum deferral limit under Section 3.7.

3.11 Qualified Military Service.

- (a) Notwithstanding any provision of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code.
- (b) A Participant whose employment is interrupted by qualified military service under Section 414(u) of the Code or who is on a leave of absence for qualified military service under Section 414(u) of the Code may elect to make additional Annual Deferrals upon resumption of employment with the Employer equal to the maximum Annual Deferrals that the Participant could have elected during that period if the Participant's employment with the Employer had continued (at the same level of Compensation) without the interruption or leave, reduced by the Annual Deferrals, if any, actually made for the Participant during the period of the interruption or leave. This right applies for five (5) years following the resumption of employment (or, if sooner, for a period equal to three (3) times the period of the interruption or leave).

ARTICLE IV - INVESTMENT OF CONTRIBUTIONS

4.1 Direction of Investment. A Participant may request that amounts contributed to the Plan on his or her behalf be allocated among the available Investment Options available under the Plan. The Investment Options shall include the Investment Options made available by TIAA-CREF and any other approved Investment Sponsors. The initial allocation request may be made at the time of enrollment. Once made, an investment allocation request shall remain in effect for all subsequent contributions until changed by the Participant.

4.2 Investment Changes. A Participant may change any investment allocation made by such Participant hereunder, or transfer existing accumulations to another Investment Option available under the Plan, by submitting a written request to the Employer or its designee on such form as may be required by the Employer or its designee. Any such changes shall become effective as soon as administratively feasible after the Employer or its designee receives a satisfactory written request.

ARTICLE V - DISTRIBUTIONS

5.1 Eligibility for Payment.

- (a) Subject to the terms of the Investment Options, distribution of benefits from the Plan shall be made no earlier than: (i) when the Participant has a Severance from Employment (other than due to death), (ii) Plan termination, (iii) the Participant has amounts separately held in a rollover account and, if elected in the Adoption Agreement: (iv) the calendar year in which the Participant attains age 70-1/2, (v) in the event of an approved financial hardship due to an Unforeseeable Emergency, or (vi) the Participant is eligible for an in-service distribution of his or her small Account Balance.
- (b) Notwithstanding the foregoing, if elected in the Adoption Agreement, with respect to amounts payable to a Participant who is classified as an independent contractor, as determined by the Plan Administrator in its sole and absolute discretion, no amount will be paid to the Participant before a date at least twelve (12) months after the day on which the contract expires under which services are performed for the Employer (or, in the case of more than one contract, all such contracts expire); and no amount payable to the Participant on that date will be paid to the Participant if, after expiration of the contract (or contracts) and before that date, the Participant performs services for the Employer as an independent contractor or an Employee.
- (c) "Severance from Employment" means the termination of a Participant's employment with the Employer for any reason including the Participant's death or retirement.
 - (1) A Participant will be deemed to have incurred a Severance from Employment without regard to whether such Participant continues in the same job for a different employer following liquidation, merger, consolidation, or other similar transaction.
 - (2) Pursuant to an election in the Adoption Agreement, "Severance from Employment" for a Participant classified as an independent contractor shall mean the cessation of services upon expiration of the contract (or in the case of more than one contract, all contracts) under which services are performed for the Employer provided the expiration constitutes a good-faith and complete termination of the contractual relationship. Expiration will not constitute a good-faith and complete termination of the contractual relationship if the Employer anticipates a renewal of the contractual relationship or the independent contractor becoming an Employee. For this purpose, an Employer is considered to anticipate the renewal of the contractual relationship with an independent contractor if it intends to contract again for the services provided under the expired contract, and

neither the Employer nor the independent contractor has eliminated the independent contractor as a possible provider of services under any such new contract. Further, an Employer is considered to intend to contract again for the services provided under an expired contract if the Employer's doing so is conditioned only upon incurring a need for the services, the availability of funds, or both.

(d) Special Considerations Relating to Military Service.

- (1) Unless otherwise elected in the Adoption Agreement, a Participant who dies (or becomes Disabled) on or after January 1, 2007, while performing qualified military service will be treated as if he/she had resumed employment with the Employer on the date preceding death (or Disability) and terminated employment on the actual date of death (or Disability).
- (2) If elected in the Adoption Agreement and notwithstanding anything herein to the contrary, a Participant shall be deemed as have had a Severance from Employment during any period the individual is performing service, for thirty (30) or more days, in the uniformed services described in Section 3401(h)(2)(A) of the Code, thereby enabling the Participant to take a distribution, but if the Participant elects such a distribution, the Participant may not make any Annual Deferrals to the Plan for a six-month period beginning on the date of distribution.
- (3) Unless otherwise elected in the Adoption Agreement, with respect to deaths occurring on and after January 1, 2007, and in accordance with Section 401(a)(37) of the Code, any additional benefits (other than benefit accruals relating to the period of qualified military service,) made available to the Beneficiary of a Participant who dies while in the active employment of the Employer shall be made available to the Beneficiary of an Active Participant who is on leave and dies while performing qualified military service (as defined in Section 414(u) of the Code). If the Employer elects to credit Participants who die while performing qualified military service with benefit accruals in the Adoption Agreement, any Employer contribution will comply with Section 401(a)(37) of the Code.

5.2 Small Balance In-Service Distributions. Subject to the terms of the Investment Options and if elected in the Adoption Agreement, a Participant may elect to receive an in-service distribution of the Participant's benefit under the Plan if the following requirements are met:

- (a) excluding rollover contributions held in a separate account, the total amount of the Participant's benefit under the Plan does not exceed \$5,000 (or the dollar limit under Section 411(a)(11) of the Code),

- (b) the Participant has not previously received a distribution under this provision of the Plan, and
- (c) no amounts have been deferred under the Plan with respect to the Participant during the two (2)-year period ending on the date of the in-service distribution.

5.3 In-service Distributions from a Rollover Account. If a Participant has a separate account attributable to rollover contributions to the Plan, the Participant may at any time elect to receive a distribution of all or any portion of the amount held in the rollover account.

5.4 Small Balance Distributions at Severance from Employment. Subject to the terms of the Investment Option and if elected in the Adoption Agreement, the Employer may direct the Investment Sponsor to distribute the total amount payable to a Participant who has a Severance from Employment in the form of a lump sum payment within sixty (60) days of the Participant's Severance from Employment, but only if the total amount does not exceed \$1,000. Further, if a Participant's Account Balance does not exceed \$5,000 (or the dollar limit under Section 411(a)(11) of the Code), the Employer may direct the Investment Sponsor to distribute the total amount payable to a Participant in a direct rollover to an individual retirement plan designated by the Employer or its designee. The determination of whether a Participant's Account Balance exceeds the small balance threshold shall be determined by including rollover contributions (and earnings attributable thereto) within the meaning of Sections 402(e), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16) of the Code.

5.5 Distribution Due to an Unforeseeable Emergency.

- (a) If elected in the Adoption Agreement, a Participant, but not a Beneficiary after the Participant's death, may request a distribution due to an "Unforeseeable Emergency", as defined by Section 1.457-6(c)(2) of the Treasury regulations, by submitting a written request to the Plan Administrator or its designee, accompanied by evidence to demonstrate that the circumstances being experienced qualify as an Unforeseeable Emergency. The Plan Administrator or its designee shall have the authority to require such evidence, as it deems necessary to determine if a distribution shall be warranted. If an application for a distribution due to an Unforeseeable Emergency is approved, the distribution shall be limited to an amount sufficient to meet the Unforeseeable Emergency.
- (b) Unless defined otherwise by the Code or regulations, "Unforeseeable Emergency" generally means a severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant's spouse, the Participant's dependent (as defined in Section 152 of the Code without regard to Section 152(b)(1), (b)(2), and (d)(1)(B)) or the Participant's primary beneficiary, loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant.

The circumstances that will constitute an Unforeseeable Emergency will depend upon the facts of each case, but, in any case, payment may not be made to the extent that such emergency is or may be relieved:

- (1) through reimbursement or compensation by insurance or otherwise;
- (2) by liquidation of the Participant's assets, to the extent that liquidation of such assets would not itself cause severe financial hardship; or
- (3) by cessation of deferrals under the Plan.

The purchase of a home and the payment of college tuition are not considered to be an Unforeseeable Emergency. Imminent foreclosure of or eviction from the Participant's primary residence, the need to pay for medical expenses, including prescription drug medication, or the need to pay the funeral expenses of the Participant's spouse, the Participant's dependent, or the Participant's primary Beneficiary may constitute an Unforeseeable Emergency.

5.6 Commencement of Distributions.

- (a) Subject to the terms of the Investment Options, upon Severance from Employment (other than due to death), a Participant may commence distribution of benefits at any time following Severance from Employment by submitting a request to the Investment Sponsor.
- (b) Notwithstanding the provisions of Section 5.6(a) above, in no event shall distribution of benefits commence with respect to any Participant later than the April 1st of the calendar year following the calendar year in which the Participant attains age 70 $\frac{1}{2}$, or if later, the April 1st of the calendar year following the calendar year in which the Participant incurs a Severance from Employment.

ARTICLE VI - FORM OF PAYMENT

6.1 Form of Payment. To the extent permitted by the Investment Options, distributions to Participants will be made in a single lump sum unless other distribution options are made available by any Investment Sponsor and selected for use under the Plan. These alternative distribution options may include:

- (a) **Single Life Annuity.** An annuity payable in equal installments for the life of the Participant that terminates upon the Participant's death.
- (b) **Joint Life Annuity.** An annuity payable in equal installments for the joint lives of the Participant and his or her Beneficiary.

- (c) **Fixed Period Payments.** Payments for a fixed period subject to the terms or limitations of the applicable Investment Sponsor or Investment Options.
- (d) Any other annuity or withdrawal options as provided under the Investment Options available under this Plan.

All forms of payments shall be subject to the limitations of the applicable Investment Sponsor and its Investment Options.

6.2 Limits on Income Options Under an Annuity Contract. Distributions from an annuity contract, if not made in a single lump sum, shall be made over a period that does not exceed:

- (a) the life of the Participant;
- (b) the lives of the Participant and his or her designated Beneficiary;
- (c) a period certain not extending beyond the life expectancy of the Participant; or
- (d) a period certain not extending beyond the life expectancies of the Participant and his or her designated Beneficiary.

6.3 Minimum Amounts to be Distributed.

- (a) If a Participant's retirement payments are to be distributed in a form other than a single lump sum, the amount to be distributed each year, and the times those amounts are paid, shall satisfy the requirements specified in Section 401(a)(9) of the Code and the regulations issued thereunder.
- (b) Notwithstanding the foregoing Section 6.3(a), a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Section 401(a)(9)(h) of the Code ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's designated Beneficiary, or for a period of at least ten (10) years ("Extended 2009 RMDs"), will not receive those distributions for 2009 unless the Participant or Beneficiary chooses to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect not to receive the distributions described in this Section 6.3(b).

In addition, notwithstanding anything in the Plan to the contrary, if a Beneficiary's balance is required to be distributed under Code Section 401(a)(9)(B)(ii), the 5-

year period described in such section shall be determined without regard to calendar year 2009.

6.4 Minimum Distribution Requirements During Participant's Lifetime.

- (a) **Requirements of Code and Related Regulations Incorporated.** All distributions required under this Section 6.4 will be determined and made in accordance with Section 401(a)(9) of the Code and the regulations issued thereunder.
- (b) **Time and Manner of Distribution.**
 - (1) **Required Beginning Date.** The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the April 1st of the calendar year following the calendar year in which the Participant attains age 70½, or if later, the April 1st of the calendar year following the calendar year in which the Participant incurs a Severance from Employment.
 - (2) **Amount of Required Minimum Distribution for Each Distribution Calendar Year.** During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year will be determined under the applicable provisions of Section 401(a)(9) of the Code and the Treasury regulations issued thereunder.
 - (3) **Lifetime Required Minimum Distributions Continue through Year of Participant's Death.** Required minimum distributions will be determined under this Section 6.4 beginning with the first (1st) distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death. Any amount due but untaken in the year of death, must be received by the Beneficiary, even if the Beneficiary elects to delay payments under the five (5) year rule under Section 7.2(b).

6.5 Election. Subject to the rules of the Investment Sponsor and the form(s) of distribution available under the Plan, a Participant or Beneficiary may elect the form of distribution of his or her benefits and may revoke that election at any time at least thirty (30) days before his or her benefits begin, or such other time as permitted by the Plan Administrator or its designee, by notifying the Investment Sponsor in writing of his or her new election. Unless otherwise set forth in the Adoption Agreement, all distributions of benefits paid pursuant to the terms of this Plan shall be paid directly by the applicable Investment Sponsor to the Participant or Beneficiary.

6.6 Failure to Make Election. If a Participant or Beneficiary fails to elect a form of payment in a timely manner, to the extent permitted by the Investment Option, benefits shall be paid in a single lump sum.

ARTICLE VII - DEATH BENEFITS

7.1 Form of Payment. Distributions to Beneficiaries will be made in a single lump sum to the designated Beneficiary as soon as administratively feasible following the death of the Participant unless the Beneficiary selects an alternative distribution option that is made available by any other Investment Sponsor and selected for use under the Plan. These alternative distribution options may include:

- (a) **Single Life Annuity.** An annuity payable in equal installments for the life of the Beneficiary that terminates upon the Beneficiary's death.
- (b) **Joint Life Annuity.** An annuity payable in equal installments for the joint lives of the Beneficiary and his or her beneficiary.
- (c) **Fixed Period Payments.** Payments for a fixed period subject to the terms or limitations of the applicable Investment Sponsor or Investment Options.
- (d) Any other annuity or withdrawal options provided under the Investment Options.

All forms of payments shall be subject to the limitations of the applicable Investment Sponsor and its Investment Options.

7.2 Death Distribution Requirements. Notwithstanding any other provisions in this Section, any distribution option selected by a Beneficiary must comply with the following distribution provisions:

- (a) **Death After Distributions Begin.** If the Participant dies after distribution of his or her interest has commenced, the remaining portion of such interest shall continue to be distributed at least as rapidly as the method of distribution being used prior to the Participant's death.
- (b) **Death Before Distributions Begin.** If the Participant dies before distribution of his or her interest has commenced, distribution of the Participant's entire interest shall be completed by the December 31st of the calendar year containing the fifth (5th) anniversary of the Participant's death, except to the extent that the recipient of such benefits elects to receive distributions in accordance with (1) or (2) below:
 - (1) If any portion of the Participant's interest is payable to a designated Beneficiary, distributions may be made in substantially equal annual payments over the life of the designated Beneficiary, or over a period certain not extending beyond the life expectancy of the designated Beneficiary, and commencing no later than the December 31st of the calendar year immediately following the calendar year in which the Participant died;

- (2) If the designated Beneficiary is the Participant's surviving spouse, the date distributions are required to begin in accordance with (1) above shall be the December 31st immediately following the calendar year in which the Participant died or, if later, the December 31st of the calendar year in which the Participant would have attained age 70½.
- (3) If the Participant has not made an election pursuant to this Section 7.2 by the time of his or her death, the Participant's designated Beneficiary must elect the method of distribution no later than the earlier of (a) the December 31st of the calendar year in which distributions would be required to begin under this Section 7.2, or (b) the December 31st of the calendar year which contains the fifth (5th) anniversary of the date of death of the Participant. If the Participant has no designated Beneficiary, or if the designated Beneficiary does not elect a method of distribution, distribution of the Participant's entire interest must be completed by the December 31st of the calendar year containing the fifth (5th) anniversary of the Participant's death.
- (c) For purposes of Section 7.2(b), if the surviving spouse dies after the Participant, but before payments to such spouse begins, the provisions of Section 7.2(b) with the exception of paragraph (2) shall be applied as if the surviving spouse were the Participant.
- (d) For purposes of this Section 7.2, any amount paid to a child of the Participant will be treated as if it had been paid to the surviving spouse if the amount becomes payable to the surviving spouse when the child reaches the age of majority.
- (e) For the purposes of this Section 7.2, distribution of a Participant's interest is considered to begin on the Participant's required beginning date (or, if applicable, the date distribution is required to begin to the surviving spouse). If distribution in the form of an annuity irrevocably commences to the Participant before the required beginning date, the date distribution is considered to begin is the date distribution actually commences.

7.3 Death of Beneficiary Before Benefits Commence. In the event that a Beneficiary dies after becoming entitled to receive benefits under this Plan but before distributions to the Beneficiary have commenced, the benefits due such Beneficiary shall be paid to the estate of the Beneficiary in a single lump sum payment as soon as administratively feasible following the Beneficiary's death. No other distribution elections shall be permitted.

ARTICLE VIII - TRANSFERS AND ROLLOVERS

8.1 Plan-to-Plan Transfers from the Plan.

- (a) If elected in the Adoption Agreement and subject to the terms of the Investment Option, any Participant (or Beneficiary upon the Participant's death) can elect to have his or her Account Balance transferred to another Eligible Governmental Deferred Compensation Plan (the "receiving plan") and the transfer satisfies the applicable requirements of Section 1.457-10(b) of the Treasury regulations.
- (b) Upon the transfer of assets under this Section 8.1, the Plan's liability to pay benefits to the Participant or Beneficiary under this Plan shall be discharged to the extent of the amount so transferred for the Participant or Beneficiary. The Plan Administrator or its designee may require such documentation from the receiving plan as it deems appropriate or necessary to comply with this Section 8.1 (for example, to confirm that the receiving plan is an eligible governmental plan under paragraph (a) of this Section 8.1, and to assure that the transfer is permitted under the receiving plan) or to effectuate the transfer.

8.2 Permissive Service Credit Transfers.

- (a) If elected in the Adoption Agreement, any Participant who participates in a tax-qualified defined benefit governmental plan (as defined in Code Section 414(d)) that provides for the acceptance of plan-to-plan transfers with respect to the Participant may elect to have any portion of the Participant's Account Balance transferred from this Plan to the defined benefit governmental plan. A transfer under this Section 8.2 may be made before the Participant has had a Severance from Employment.
- (b) A transfer may be made under this Section 8.2 only if the transfer is either for (i) the purchase of permissive service credit (as defined in Section 415(n)(3) of the Code) under the receiving defined benefit governmental plan; or (ii) the repayment of contributions and earnings related to a previous forfeiture of service credit under the defined benefit governmental plan.

8.3 Direct Rollovers. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this provision, a "distributee" may elect, at the time and in the manner prescribed by the Employer, to have all, or any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

For purpose of implementing the requirements of this provision, certain terms contained in this Section 8.3 shall be defined as follows:

- (a) **Eligible Rollover Distribution.** An eligible rollover distribution is any distribution of all or any portion of the Account Balance to the credit of the distributee, except that

an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated Beneficiary, or for a specified period of ten (10) years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; and any other exception permitted by law or the Internal Revenue Service. Any amount that is distributed on account of Unforeseeable Emergency shall not be an eligible rollover distribution (and the distributee may not elect to have any portion of such a distribution paid directly to an eligible retirement plan). For 2009 only, the following shall also be treated as an eligible rollover distribution: 2009 RMDs and Extended 2009 RMDs as defined in Section 6.4(b) of the Plan.

- (b) Eligible Rollover Distribution to a Roth IRA. Effective January 1, 2008, a Participant or any designated Beneficiary of the Participant may elect to roll over amounts in accordance with Section 408A(e) of the Code directly to a Roth IRA, provided that for any taxable year prior to January 1, 2010, the provisions of Section 408A(c)(3)(B) of the Code are satisfied.
- (c) Eligible Retirement Plan. An eligible retirement plan is any plan within the meaning of Section 402(c)(8)(B) of the Code that accepts the distributee's eligible rollover distribution. An eligible retirement plan shall also mean an Eligible Plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state, and which agrees to separately account for amounts transferred into such plan from this Plan. This definition of eligible retirement plan shall also apply in the case of a rollover request for a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relation order, as defined in Section 414(p) of the Code.

Effective for distributions after December 18, 2015, an "Eligible Retirement Plan" includes a SIMPLE IRA in accordance with Section 408(p)(1)(B) of the Code for purposes of a rollover contribution to such SIMPLE IRA, but only if such rollover contribution is made after December 18, 2015, and only if such rollover contribution occurs after the 2-year period described in Section 72(t)(6) of the Code.

(d) Distributee.

- (1) A distributee includes a Participant, a Participant's surviving spouse, a Participant's former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse. Effective beginning January 1, 2010, consistent with the provisions of Code Section 402(c)(11), in the case of a distribution to a designated Beneficiary for purposes of Code Section 401(a)(9) who at the time of the Participant's

death was neither the spouse of the Participant nor the spouse or former spouse of the Participant who is an alternate payee under a domestic relations order, a direct rollover is payable only to an individual retirement account, Roth IRA or individual retirement annuity (IRA) that has been established on behalf of the Beneficiary as an inherited IRA (within the meaning of Section 408(d)(3)(C) of the Code) and effective for distributions after December 18, 2015, a SIMPLE IRA but only if such contribution occurs after the 2-year period described in Section 72(t)(6) of the Code and is made in accordance with the Protecting Americans from Tax Hikes Act of 2015.

- (2) Although a non-spouse Beneficiary may directly rollover a distribution as provided in this subsection (d), any distribution made before January 1, 2010, is not subject to the direct rollover requirements of Code Section 401(a)(31) (including Code Section 401(a)(31)(B), the notice requirements of Code Section 402(f), or the mandatory withholding requirements of Code Section 3405(c)). If a non-spouse Beneficiary receives a distribution from the Plan, the distribution is not eligible for a "60-day" rollover.

Effective for distributions on or after January 1, 2015, for purposes of determining the portion of a disbursement of benefits from the Plan to a distributee that is not includible in gross income under Code Section 72, the guidance under I.R.S. Notice 2014-54 shall be followed.

ARTICLE IX - LOANS

9.1 Availability. If elected in the Adoption Agreement and subject to the terms of the Investment Options, a Participant who is an Active Participant may apply for and receive a loan from his or her Account Balance as provided in this Article IX. All loans must be subject to the terms of the Investment Options available under the Plan from which they are taken and subject to such rules and procedures as the Plan Administrator or its designee may adopt. Any such loan must be available to all Participants on a reasonably equivalent basis and may not be for an amount less than \$1,000. All applications for a loan shall be made to the Investment Sponsor sponsoring the Investment Option from which the loan is taken. Absent any contrary provision in the loan agreement with the Investment Sponsor or under the Investment Option, the terms of this Article IX will apply.

9.2 Maximum Loan Amount. No loan to a Participant hereunder may exceed the lesser of:

- (a) \$50,000, reduced by the greater of (i) the outstanding balance on any loan from the Plan to the Participant on the date the loan is made or (ii) the highest outstanding balance on loans from the Plan to the Participant during the one-year period ending on the day before the date the loan is approved by the Investment Sponsor (not taking into account any payments made during such one-year period), or

- (b) one-half of the value of the Participant's vested Account Balance (as of the Valuation Date immediately preceding the date on which such loan is approved by the Investment Sponsor).

For purposes of this Section 9.2, any loan from any other plan maintained by the Employer shall be treated as if it were a loan made from the Plan, and the Participant's vested interest under any such other plan shall be considered a vested interest under this Plan; provided, however, that the provisions of this paragraph shall not be applied so as to allow the amount of a loan under this Section 9.2 to exceed the amount that would otherwise be permitted in the absence of this paragraph.

9.3 Terms of Loan. The terms of the loan shall:

- (a) require level amortization with payments not less frequently than quarterly throughout the repayment period.
- (b) require that the loan be repaid within five (5) years unless the Participant certifies in writing to the Plan Administrator that the loan is to be used to acquire any dwelling unit which, within a reasonable time, is to be used (determined at the time the loan is made) as a principal residence of the Participant, in which case the loan may be repaid over a period not greater than ten (10) years.
- (c) provide for interest at a rate to be determined under the terms of the Investment Option or the loan procedures of the Investment Sponsor.

9.4 Extended Loan Term for Leaves of Absence due to Military Service. The Plan may suspend the obligation to repay a loan for any period during which a Participant is performing military service in accordance with Section 414(u)(4) of the Code, even if the service is not qualified military service as defined under the Uniformed Services Employment and Reemployment Rights Act of 1994. Loan repayments must resume upon the completion of the military service, and the loan must be repaid in full (including interest that accrues during the period of military service) by amortization in substantially level payments over a period that ends not later than five (5) years after the origination date of the loan (unless the loan is for the purchase of a principal residence) plus the period of the military service.

9.5 Loan Default. In the event that a Participant fails to make a loan payment under this Article IX by the end of the calendar quarter following the calendar quarter in which the loan payment was due, a default on the loan shall occur. Loan defaults shall be administered in accordance with specific rules documented under the Investment Options and the Code.

ARTICLE X - ROTH ELECTIVE DEFERRALS

10.1 General Application. This Article X will apply to contributions beginning with the effective date specified in the Adoption Agreement but in no event, before the first day of the first taxable year beginning on or after January 1, 2011.

- (a) As of the effective date under Section 10.1, the Plan will accept Roth Elective Deferrals made on behalf of Participants. A Participant's Roth Elective Deferrals will be allocated to a separate account maintained for such deferrals as described in Section 10.2.
- (b) Unless specifically stated otherwise, Roth Elective Deferrals will be treated as Annual Deferrals for all purposes under the Plan.

10.2 Separate Accounting.

- (a) Contributions and withdrawals of Roth Elective Deferrals will be credited and debited to the Roth Elective Deferral account maintained for each Participant.
- (b) The Plan will maintain a record of the amount of Roth Elective Deferrals in each Participant's account.
- (c) Gains, losses, and other credits or charges must be separately allocated on a reasonable and consistent basis to each Participant's Roth Elective Deferral account and the Participant's other accounts under the Plan.
- (d) No contributions other than Roth Elective Deferrals and properly attributable earnings will be credited to each Participant's Roth Elective Deferral Account.

10.3 Direct Rollovers and Roth Elective Deferral account.

- (a) Notwithstanding Section 8.3, a direct rollover of a distribution from a Roth Elective Deferral account under the Plan will only be made to another Roth Elective Deferral account under an Eligible Governmental Deferred Compensation Plan and only to the extent the rollover is permitted under the rules of Section 402(c) of the Code or as otherwise permitted by law.
- (b) Notwithstanding Section 3.10, unless otherwise provided by the Employer in the Adoption Agreement, the Plan will accept a rollover contribution to a Roth Elective Deferral account only if it is a direct rollover from another Roth Elective Deferral account under an Eligible Governmental Deferred Compensation Plan and only to the extent the rollover is permitted under the rules of Section 402(c) of the Code or as otherwise permitted by law.
- (c) Notwithstanding Section 8.3, if elected in the Addendum to the Adoption Agreement and subject to the terms of the Investment Options, a Participant may

elect an In-Plan direct rollover contribution of Annual Deferrals to the Participant's designated Roth Elective Deferral account if the rollover contribution meets the following requirements:

- (1) the rollover is from a non-designated Roth account in the Plan;
 - (2) the rollover is because of an event that triggered the availability of a distribution from the Plan;
 - (3) meets the rollover requirements of Section 402(c)(4) of the Code;
- (d) Any eligible rollover distributions from a Participant's Roth Elective Deferral account are taken into account in determining whether the total amount of the Participant's Account Balances under the Plan exceeds the threshold amount for purposes of distributions from the Plan pursuant to Section 5.4.
- (e) If subject to any minimum threshold for distributions that are direct rollovers that are imposed by the Plan Administrator or under the Investment Options, any amount distributed from the Participant's Roth Elective Deferral account is treated as a separate distribution from any amount distributed from the Participant's other accounts in the Plan, even if the amounts are distributed at the same time.

10.4 Definition of Roth Elective Deferrals. A Roth Elective Deferral is an elective deferral that is:

- (a) Designated irrevocably by the Participant in the Deferred Compensation Agreement as a Roth Elective Deferral that is being made in lieu of all or a portion of the pre-tax Annual Deferrals the Participant is otherwise eligible to make under the Plan; and
- (b) Treated by the Employer as includible in the Participant's income at the time the Participant would have received that amount in cash if the Participant had not made an agreement to defer this Compensation.

ARTICLE XI - BENEFICIARY INFORMATION

11.1 Designation. A Participant shall have the right to designate a Beneficiary, and amend or revoke such designation at any time prior to commencement of benefits, in writing and in a form approved by the Plan Administrator, its designee, or the Investment Sponsor. Such Beneficiary designations, amendments, or revocations will be maintained by the Investment Sponsor and shall be effective upon satisfactory receipt by the Investment Sponsor.

Notwithstanding the foregoing, if a Participant names his or her spouse as Beneficiary and the Participant is divorced from such spouse on the Participant's date of death, if the

provisions of state law so provide, the beneficiary designation will be considered revoked unless the laws of the state in which the Participant resides provide for an exception thereto and the requirements of the exception are met.

- 11.2 Failure to Designate a Beneficiary.** Absent any procedures set forth by the Investment Sponsor, benefits shall be paid to the Participant's estate if, prior to the date a Participant commences to receive payment of benefits under the Plan, the Participant has not designated a Beneficiary or no designated Beneficiary survives the Participant and benefits are payable following the Participant's death.

ARTICLE XII - PLAN ADMINISTRATION

- 12.1 Plan Administration.** The Employer shall be responsible for appointing a Plan Administrator to administer the Plan. The Plan Administrator may authorize a committee comprised (to the extent possible) of not less than three (3) persons, to act collectively with regard to administration of the Plan. The Plan Administrator shall have sole discretionary responsibility for the interpretation of the Plan, enrolling Participants in the Plan, sending contributions on behalf of each Participant to the applicable Investment Sponsor, and for performing other duties required for the operation of the Plan. Any action taken on any matter within the discretion of the Plan Administrator shall be made in its sole and absolute discretion based on this Plan document and the Adoption Agreement, and shall be final, conclusive, and binding on all parties. In order to discharge its duties hereunder, the Plan Administrator shall have the power and authority to delegate ministerial duties and to employ such outside professionals as may be required for prudent administration of the Plan. The Plan Administrator shall also have authority to enter into agreements on behalf of the Employer necessary to implement this Plan.
- 12.2 Accounts and Expenses.** The Employer or the Investment Sponsor shall establish and maintain book entry accounts on behalf of each Participant and Beneficiary after the death of the Participant. Such accounts shall be valued in accordance with the rules of the Investment Option, in which the accounts are invested. Each Participant shall receive a written notice of his or her Account Balance following such valuation or valuations, provided that such notice shall not be required to be given more than one time per calendar quarter. Each Participant's Account Balance shall reflect the aggregate of his or her Annual Deferrals, Employer non-elective contributions, Employer matching contributions, and plan-to-plan transfers and rollovers, if any, and shall also reflect investment experience attributable to such Account Balance and expense charges applied to, and distributions made from, such Account Balance.
- 12.3 Mistaken Contribution.** If any contribution (or any portion of a contribution) is made to the Plan by a good faith mistake of fact, then within one (1) year after the payment of the contribution, and upon receipt in good order of a proper request approved by the Plan Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) shall be returned directly to the Participant or, to the extent required or permitted by the Plan Administrator, to the Employer.

12.4 Domestic Relations Orders. Notwithstanding Sections 14.3 and 14.9, if a judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a spouse or former spouse, child, or other dependent of a Participant is made pursuant to the domestic relations law of any State ("domestic relations order" or "DRO"), then, unless otherwise elected in the Adoption Agreement, the amount of the Participant's Account balance shall be paid in the manner and to the person or persons so directed in the domestic relations order provided such domestic relations order is found to be qualified under the provisions of Section 414(p) of the Code ("QDRO"). Payment shall be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan. The Investment Sponsor shall establish reasonable procedures for determining the status of any such decree or order and for effectuating distribution pursuant to the domestic relations order. The Plan Administrator shall establish such procedures, in the absence of any procedures established by the Investment Sponsor. Effective April 6, 2007, a DRO that otherwise satisfies the requirements of a QDRO will not fail to be a QDRO solely because (a) the order is issued after or revises another DRO or QDRO, or (b) at the time the DRO is issued, including issuance after the starting date for the Participant's selected or defaulted form of distribution or the Participant's death. Any such DRO shall be subject to the same requirements and protections as any other QDRO.

Notwithstanding any provision of the Adoption Agreement and Plan document to the contrary, the Plan Administrator may, in conformity with applicable law, approve payments to an "alternate payee" pursuant to a domestic relations order as defined in, and in accordance with, Colorado Revised Statutes Section 14-10-113(6), provided that for an alternate payee who does not also meet the definition of an alternate payee under Code Section 414(p)(8) under a qualified domestic relations order pursuant to Code Section 414(p)(11), the payments shall not commence to such person until the payments commence to the Participant or Beneficiary.

12.5 IRS Levy. Notwithstanding Sections 14.3 and 14.9, the Plan Administrator may pay from a Participant's or Beneficiary's book entry account the amount that the Plan Administrator finds is lawfully demanded under a levy issued by the Internal Revenue Service with respect to that Participant or Beneficiary or is sought to be collected by the United States Government under a judgment resulting from an unpaid tax assessment against the Participant or Beneficiary.

12.6 Procedure When Distributee Cannot be Located. Absent any procedures from the Investment Sponsors, the Plan Administrator shall make all reasonable attempts to determine the identity and address of a Participant or a Participant's Beneficiary (the "distributee") entitled to benefits under the Plan. For this purpose a reasonable attempt means (a) the mailing by certified mail of a notice to the last known address shown on the Employer's or Plan Administrator's records, (b) notification sent to the Social Security Administration or the Pension Benefit Guaranty Corporation (under their program to identify payees under retirement plans), and (c) the distributee has not responded within six (6) months. If the Plan Administrator is unable to locate such person entitled to

benefits hereunder, or if there has been no claim has been made for such benefits, the Plan shall continue to hold the benefits due such person.

- 12.7 Payments to Minors and Incompetents.** Absent any procedures from the Investment Sponsors, if a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is adjudged to be legally incapable of giving valid receipt and discharge for such benefits, or is deemed so by the Plan Administrator or the Investment Sponsor, the Investment Sponsor shall make the distribution of benefits to the Participant's or Beneficiary's guardian, conservator, custodian, attorney-in-fact, or to any other legal representative adjudged to be appropriate upon receiving satisfactory evidence of such status or a court order to that effect.

ARTICLE XIII - AMENDMENT OR TERMINATION OF PLAN

- 13.1 Amendment of Plan.** While it is expected that this Plan will continue indefinitely, the Employer reserves the right at any time to amend or otherwise modify the Plan without any liability for such action. No amendment shall increase the duties or responsibilities of any Investment Sponsor without its prior consent thereto in writing.
- 13.2 Termination of Plan.** The Employer shall have the right at any time to terminate the Plan. No termination shall affect the amounts already deferred under the Plan. In order for the Plan to be considered terminated, funds deferred under the Plan must be distributed to all Plan Participants and Beneficiaries as soon as administratively practicable after termination of the Plan, in accordance with the terms of the Investment Option.

ARTICLE XIV - MISCELLANEOUS

- 14.1 Plan Non-Contractual.** Nothing contained in this Plan will be construed as a commitment or agreement on the part of any person to continue his or her employment with the Employer, and nothing contained in this Plan will be construed as a commitment on the part of the Employer to continue the employment or the rate of compensation of any person for any period, and all Employees of the Employer will remain subject to discharge to the same extent as if the Plan had never been put into effect.
- 14.2 Claims of Other Persons.** The provisions of the Plan will in no event be construed as giving any Participant or any other person, firm, corporation or other legal entity, any legal or equitable right against the Employer, its officers, employees, directors or trustees, except the rights as are specifically provided for in this Plan or created in accordance with the terms and provisions of this Plan.
- 14.3 Non-Assignability.** Except as otherwise provided in 12.4 and 12.5, the interest of each Participant or Beneficiary under the Plan is not subject to the claims of the Participant's or Beneficiary's creditors, and neither the Participant nor any Beneficiary shall have any right to sell, assign, transfer, or otherwise convey the right to receive payments

hereunder or any interest under the Plan, which payments and interest are expressly declared to be non-assignable and non-transferable.

- 14.4 Contracts.** The terms of each Investment Option offered to Participants as an investment option hereunder, the terms of a custodial agreement, or trust in which an Investment Option may be held, any contract issued on behalf of a Participant, certificate issued to a Participant, and any other written documents or instruments related to any such matters are a part of the Plan as if fully set forth in the Plan document and the provisions of which are hereby incorporated by reference into the Plan. In the case where there is any inconsistency or ambiguity between the terms of the Plan and those of any contract, certificate, custodial agreement, trust, or other such document or instrument if any, funding the Plan, the terms of the contract, certificate, custodial agreement, trust, or other such document or instrument will control to the extent not inconsistent with the applicable provisions of the Code and any applicable regulations issued thereunder.
- 14.5 Pronouns.** Whenever used herein, the masculine pronoun is deemed to include the feminine. The singular form, whenever used herein, shall mean or include the plural form where applicable, and vice versa.
- 14.6 Representations.** The Employer does not represent or guarantee that any particular Federal or State income, payroll, personal property, or other tax consequence will result from participation in this Plan. A Participant should consult with professional tax advisors to determine the tax consequences of his or her participation. Furthermore, the Employer does not represent or guarantee investment returns with respect to any Investment Option and shall not be required to restore any loss which may result from such investment or lack of investment.
- 14.7 Severability.** This Plan document is intended to comply with the applicable provisions of the Code, Treasury regulations, and other IRS guidance issued thereunder. To the extent not inconsistent with Section 14.4, if any provision in this Plan document is inconsistent therewith, the inconsistent provision shall be struck from the document and replaced with the applicable provision from the Code, Treasury regulation, or any other applicable IRS guidance. In addition, if a court of competent jurisdiction holds any provision of this Plan to be invalid or unenforceable, the remaining provisions of the Plan shall continue to be fully effective.
- 14.8 Applicable Law.** This Plan shall be construed in accordance with applicable Federal law and, to the extent otherwise applicable, the laws of the State in which the Employer is located.

Notwithstanding any provision in the Plan to the contrary, the terms “husband,” “wife,” “husband and wife,” “marriage,” and “spouse” shall be defined and construed in accordance with federal tax law, including I.R.S. Revenue Ruling 2013-17 and subsequent regulations and rulings.

14.9 Trust Fund. To the extent the trust requirements of Section 457(g)(3) of the Code are not satisfied through one or more annuity contracts or custodial agreements satisfying the requirements of Section 401(f) of the Code, all amounts of deferrals and contributions to the Plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property, or rights shall be held and invested in the "Trust Fund" in accordance with this Plan and any trust agreement. The Trust Fund, and any subtrust established under the Plan, shall be established pursuant to a written agreement that constitutes a valid trust under the laws of the state in which the Employer is located. The trustee shall ensure that all investments, amounts, property, and rights held under the Trust Fund are held for the exclusive benefit of the Participants and their Beneficiaries. The Trust Fund shall be held in trust pursuant to a trust agreement for the exclusive benefit of Participants and their Beneficiaries and defraying reasonable expenses of the Plan and of the Trust Fund. It shall be impossible prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries, for any part of the assets and income of the Trust Fund to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries.

14.10 Electronic Media. Effective for applicable notices, elections and consents provided or made for a Participant, Beneficiary, Alternate Payee or individual entitled to benefits under the Plan, the use of electronic media to provide such applicable notices and make such elections and consents as described in section 1.401(a)-21 of the Treasury Regulations, is permitted.

14.11 Revenue Credit Account(s). The assets in the Revenue Credit Account(s) shall be used as directed by the Employer, to pay direct, reasonable, and necessary expenses of the Plan no later than June 30th of the Plan Year when the revenue sharing is credited to the Revenue Credit Account. The assets of the Revenue Credit Account shall be invested as determined by the Employer.

IN WITNESS WHEREOF, this Plan Document has been executed this 15 day of June, 2017

ARAPAHOE COUNTY SCHOOL DISTRICT #6 DBA LITTLETON PUBLIC SCHOOLS

By: 

Printed Name: MICHAEL D JONES

Title: ASSIST. SUPERINTENDENT