October 20, 2022

ADDENDUM No. 1

RFP No.: 22-23/07, 457 (b) Deferred Compensation Administration and Recordkeeping Services

This Addendum modifies the original RFP Documents for the above-mentioned RFP. Acknowledge receipt of this addendum in the space provided on the RFP Acknowledgement and Signature Form (Attachment 3). Failure to do so may disqualify your proposal.

The following corrections have been made to the above referenced RFP:

A. Companies that downloaded copies of the RFP prior to 09/28/22 are missing Attachment 12 and Attachment 14. The Port notified all affected firms and updated the RFP document. If you are still missing Attachment 12 and 14, a copy is attached to this addendum for your convenience.

B. Please delete Attachment 13 (that was included with the RFP) in its entirety and replace with the revised Attachment 13 included in this addendum.

C. New Attachment--Group Deferred Stable Assent Fund Annuity Contract Information. Please note page numbering stops at Page 26 of 28 due to numbering error but it is a complete copy.

D. New Link--Port of Oakland Stable Value Fund Information: (Please copy and paste into your browser.)

https://docs.retirementpartner.com/fundov/FUNDOV_PNP_POKSVF_ALL_ALL.PDF?ti me=20221020142811

E. In reference to Attachment 14, The Investment Policy Statement Section D.2 references a separate Investment Guidelines for the Stable Value Fund. Attached in this addendum is the “Investment Guidelines for Port of Oakland Stable Value Fund (Separate Account)”.

There were no other corrections to this RFP.

The following questions were submitted by the deadline and are answered in this addendum.

1. **Question:** We have reviewed the RFP document on 09/28/2022 morning; on Page 44 it mentions there is a Plan Document attached for the Port of Oakland Deferred
Compensation Plan. Listed as Attachment 12. I rechecked the website but did not see the attachment. Would it be possible to send a copy to us?

Answer: All firms that download the RFP document before the update beginning 09/23/2022 to 09/28/2022 were notified that they are missing Attachment 12 and Attachment 14. The Port corrected this error and uploaded a revised RFP document on the Port website.

2. Question: What is the reason for issuing the RFP? (e.g., contract expiration of current vendor)

Answer: The Port’s current contract will be expiring. Consistent with our fiduciary responsibilities to our Plan participants, we issued an RFP for administration and recordkeeping services.

3. Question: Which firm or firms are currently providing these services?

Answer: Great-West Life & Annuity Insurance Company (Empower Retirement).

4. Question: Is the firm (or firms) eligible to rebid?

Answer: Yes.

5. Question: If our RFP response refers to separate PDF attachments or exhibits, can these attachments or exhibits be in addition to the 26-page maximum or must they be included within the 26-page maximum?

Answer: Any attachments that are required for this RFP (listed in the “Attachment” table) and stated “Must be returned with your Proposal” will not count against the 26-page maximum. Any other attachments will count towards the 26-page maximum.

6. Question: Who from the Port can the references expect to be contacted by?

Answer: Our project manager, a member of the Deferred Compensation Advisory Committee, and/or our CFO.

7. Question: On PDF page 2 of the RFP, there is mention of a slight delay between uploading the document to Liquid Files and submission to the client. Can you please confirm how long the delay is?

Answer: The delay can be several minutes, so please submit your proposal early. We recommend submitting your proposal a day in advance if possible.

8. Question: Per the submittal format, the 8 sections must not be longer than 26 pages. Are we able to provide additional attachments outside of this page count such as an executive summary, the requested samples and the requested fee chart?

Answer: See answer to question 5.
9. **Question:** If our company is not a small local business, but we affirm that we will commit to supporting the values of the Port of Oakland, what percentage of points will we receive?

**Answer:** A company that is not a certified small local business cannot receive points by simply committing to support the values of the Port of Oakland. Under the Port’s Non-Discrimination and Small Local Business Utilization Policy, examples of how a company can earn a maximum of three (3) points through demonstrating their commitment to the Port’s community values and programs include: a) mentoring small or very small local firms; b) committing to hiring local interns, and students; c) participation in trade fairs or job fairs targeted to LIA businesses and job seekers; and d) Participate in other activities which are dedicated to the economic development of LIA businesses, citizens and students.

10. **Question:** Please confirm the total value of current assets held in the Port of Oakland Stable Value fund.

**Answer:** As of June 30, 2022, the market value of assets held in the Port of Oakland Stable Value Fund was approximately $24.97M.

11. **Question:** Please confirm the current crediting rate of the Port of Oakland Stable Value fund.

**Answer:** Please see answer to question 33.

12. **Question:** If the Port terminated their Stable Value fund, what are plan level exit provisions? Is there a potential market value adjustment, installment payout or 12-month put?

**Answer:** The Stable Value Fund is subject to the terms of a Group Deferred Stable Asset Fund Annuity Contract, which provides for a potential market value adjustment and 60-day notice period. For more details, please refer to the Contract, which is attached to this Addendum.

13. **Question:** Is the Port looking to maintain the existing investment lineup?

**Answer:** The Plan’s investment menu has been designed and developed over time and is reviewed regularly by the Deferred Compensation Advisory Investment Subcommittee for updates and changes as needed. The Deferred Compensation Advisory Committee intends to maintain the same investment menu going forward. Also, see answer to question 48.

14. **Question:** Does the Port currently utilize a managed account solution? If so, please confirm the total amount of assets using the service.

**Answer:** Yes, participants may elect to enroll in managed account services provided by a third party. See answer to question 26.

15. **Question:** Does the Port offer a self-directed option? If so, how many participants utilize the feature and who is the provider?
**Answer: No.**

16. **Question:** Is payroll centralized? What is the frequency and how is payroll submitted?

   **Answer:** Yes, payroll is centralized and processed bi-weekly.

17. **Question:** When does the Port’s current contract with Empower expire?

   **Answer:** December 31, 2024.

18. **Question:** If the Port elects to leave Empower, what is the preferred implementation date for the new provider?

   **Answer:** The implementation date will be discussed with the selected provider and mutually agreed to by both parties. A preferred implementation date should allow for a reasonable and customary amount of overlapping time with the current provider.

19. **Question:** Does the Port have tentative dates scheduled for finalist interviews and an award date?

   **Answer:** If needed, the Port tentatively plans to complete all interviews by the end of December 2022.

20. **Question:** Will the Port consider Fixed Income Annuities?

   **Answer:** The Deferred Compensation Advisory Committee considers investment options that offer different levels of risk and historical returns so that participants have choices to match their risk tolerance. In general, the Committee considers all investment options that represent the major asset classes and asset categories as defined by Morningstar®. Fixed Income Annuities are not prohibited by the Plan’s investment policy.

21. **Question:** How many plan eligible/permanent employees work for the Port?

   **Answer:** All current employees are eligible to participate in the Plan. The Port has currently budgeted 539 fulltime employees. Not all positions are filled at any given time and the actual headcount fluctuates. The Port’s headcount as of September 30, 2022, was 440.

22. **Question:** How many on-site service days are desired per year?

   **Answer:** The Deferred Compensation Advisory Committee holds a minimum of four committee meetings per year. Currently, the Committee meetings are being held via video conference but the meetings could return to on-site meetings should the Committee feel it is warranted. Additionally, prior to COVID, at least one on-site educational event and quarterly on-site meetings for participants to meet with an account representative were held. The Committee intends to restart these on-site events for the participants. Please also see answers to questions 24 and 39.

23. **Question:** Please share the CUSIP and current yield for the stable value fund.
Answer: The Stable Value Fund CUSIP is POKSVF and the yield as of June 30, 2022, based on book value of assets, was 1.72%.

24. Question: Is there a desired number of onsite education days per year? How many is Empower currently providing?

Answer: Please see answer to question 39.

25. Question: Can you provide a breakdown of the current value of plan assets by investment option by provider or vendor offered under the plan(s)?

Answer: Attachment 13 of the RFP has been updated to provide the value of Plan assets as of June 30, 2022.

26. Question: Are managed account services currently available under the plans? If yes, please provide the following:
   • The identity of the current advice provider (e.g., Financial Engines, Morningstar, etc.)
   • The number of participants enrolled in service
   • The amount of assets under the service.

Answer: Managed account services are currently provided by Advised Assets Group, LLC. As of June 30, 2022, 35 participants have enrolled in these services. The total amount of assets managed under this service is unknown, however, the average account balance for participants using this service is approximately $150,000.

27. Question: Are self-directed brokerage accounts (also known as self-managed accounts) currently available under the plan(s)? If yes, please provide the following:
   • Which brokerage firm(s) are the accounts held at?
   • How many active accounts currently exist?
   • What is the total amount of plan assets held in such accounts?

Answer: No.

28. Question: Are you currently utilizing an LBA / LIA in the performance of the current contract? If so, who is the local business/what services are being provided?

Answer: No.

29. Question: Can you please provide a Fund One Pager describing the Port of Oakland Stable Value Fund (POKSVF)?

Answer: Please copy and paste the the below URL into your browser to view the Port of Oakland Stable Value Fund Information:

https://docs.retirementpartner.com/fundov/FUNDOV_PNP_POKSVF_ALL_ALL.PDF?time =20221020142811
30. **Question:** Can you please provide a recent Fund Balance for Port of Oakland Stable Value Fund (POKSVF)?

   **Answer:** Please see answer to question 10 and 29.

31. **Question:** Can you please provide the current Market to Book ratio for Port of Oakland Stable Value Fund (POKSVF)?

   **Answer:** The Market to Book ratio for the Port of Oakland Stable Value Fund as of June 30, 2022, was 95.1%.

32. **Question:** Can you please provide a description of the Fund's Termination Options for Port of Oakland Stable Value Fund (POKSVF)?

   - If a market value payment and/or adjustment is offered, can you please provide a recent full cash out estimate and notice requirement under each option?
   - If a 12-month put is offered - has the put been exercised and if so, when?
   - Can you please provide a description/notice period of any other termination options including book value termination of contract?

   **Answer:** See answer to question 12. There is no full cash out estimate available at this time. Please refer to the attached Group Deferred Stable Asset Fund Annuity Contract, which contains more details on termination options.

33. **Question:** Can you please provide current net crediting rate and the rate reset frequency?

   **Answer:** The crediting rate as of June 30, 2022 was 0.90%. The crediting rate is set quarterly.

34. **Question:** Please provide the assets by fund as of 6/30/2022.

   **Answer:** Please see answer to question 25.

35. **Question:** Can you please describe the current fixed account or stable value options offered by the provider(s)? Please include current crediting rates, minimum guarantees, withdrawal restrictions, market value adjustments, surrender charges, required put notices or any other encumbrance to liquidation.

   **Answer:** Please see the answers to questions 12, 29, 32, and 33.

36. **Question:** Please provide the number of participants making deferrals.

   **Answer:** In January 2022, approximately 290 participants were actively making deferrals.

37. **Question:** Please provide the dollar amount of annual distributions for 2019, 2020, and 2021.
**Answer:** Total annual distributions for the calendar years ending December 31, 2019, 2020 and 2021, was approximately $5.3M, $6.3M, and $7.9M, respectively.

**38. Question:** In the scope of services section, there is a reference to a percentage-based fee collected on behalf of the Port that is used to pay for other Plan expenses. Would you like us to factor in this fee, and if so can you provide the percentage-based fee amount?

**Answer:** Do not factor this fee in your proposal.

**39. Question:** Under General Services you request assistance with one-on-one and/or group participant education meetings, how many days of education are currently being provided annually?

**Answer:** Participant education events vary in format and frequency depending on participant outreach and educational needs. At a minimum, one or two group educational meetings should be held annually, however, this could change if participation declines or the need for education increases. For example, educational needs could increase if new services are added, or significant changes are made to the Plan. Some, but not all educational events, may include the creation and direct distribution of materials to current and eligible participants. Some may be best held on-site for maximum outreach to eligible participants, as determined by the Port. Additionally, the Port hosts quarterly on-site, one-on-one meetings, for the participants to meet with an account representative.

**40. Question:** How many education days would you like us to provide annually?

**Answer:** See answer to question 39. The number of educational days varies annually depending on the needs of the Plan, as determined by the Port.

**41. Question:** Would you like educational services provided on-site, virtually or both?

**Answer:** Both, see answer to question 39.

**42. Question:** Would you like to provide participant investment advisory services and/or comprehensive financial planning services? Would you like these services provided on-site, virtually or both?

**Answer:** No, these are not within the scope of the requested services.

**43. Question:** Would you like education and advisory services provided to retirees with a balance?

**Answer:** Advisory services are not within the scope of the requested services. Education should be made available to all participants in the Plan, including retirees with a balance in the Plan.

**44. Question:** The Investment Policy Statement section D.2 references separate Investment Guidelines for the Stable Value Fund. Can you provide a copy of these Investment Guidelines?
Answer: See attached Investment Guidelines.

45. Question: Is there a consultant involved with this RFP?
   
   Answer: No.

46. Question: Does the current provider offer managed accounts to participants? If so, can you share the number of managed accounts and the total assets in managed accounts?
   
   Answer: Please see answer to question 26.

47. Question: How often are the current provider’s advisors on site annually?
   
   Answer: Due to the COVID pandemic, the Port has not held any on-site events in the last three years. However, some eligible participants would benefit from access to an advisor on-site, as determined by the Port. Refer to question 22.

48. Question: The RFP states that the Port wishes to maintain its current fund line up. If a new provider is selected, does the Port intend keep the 5 Empower Managed Portfolios to be maintained by the new provider and will a new provider have an opportunity to offer participants their own managed accounts or managed portfolios?
   
   Answer: A new provider will have an opportunity to recommend similar managed portfolios, if those portfolios offer similar risk profiles, are ranked similar to or above their peers, and have similar returns and expenses.

49. Question: Can you share the recordkeeping/administrative fee currently charged by the current provider?
   
   Answer: The current recordkeeping fee is 0.08% of Plan assets; the investment management fee for the Stable Value Fund is 0.50%.

50. Question: Pain points with current plan/provider?
   
   Answer: Please refer to question 53.

51. Question: Are there any anticipated changes and or streamlining of the plan design provisions at conversion?
   
   Answer: The Deferred Compensation Advisory Committee is always open to considering streamlining efforts, to the extent that they benefit the participants and Port staff assisting with the administration of the Plan.

52. Question: Are custom data feeds used today with the current recordkeeper?
   
   Answer: Yes.

53. Question: Are there any administrative or operational challenges to be aware of?
**Answer:** None to be noted at this time. Please also refer to question 2.

54. **Question:** Please provide additional information regarding the employer match calculation, is this prepared by the employer or by the recordkeeper?

**Answer:** The Plan does not have a match calculation.

55. **Question:** Who calculates eligibility, is it the client or recordkeeper?

**Answer:** The Port determines eligibility. All current Port employees are eligible to participate in the Plan and retirees may hold balances in the Plan.

56. **Question:** Please provide a breakdown of assets by investment with the Tickers/CUSIPs for the plan.

**Answer:** Please see answers to questions 23 and 25.

57. **Question:** Please provide the total meeting education days needing for pricing.

**Answer:** Please refer to question 39.

58. **Question:** Please provide the total contribution payrolls processed annually.

**Answer:** 26.

59. **Question:** Please provide the net cash flow for the employer plan.

**Answer:**

<table>
<thead>
<tr>
<th>Cash Flow by Calendar Year</th>
<th>12/31/2021</th>
<th>12/31/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions by Participants</td>
<td>$4,212</td>
<td>$4,382</td>
</tr>
<tr>
<td>Distributions to Participants</td>
<td>(7,902)</td>
<td>(6,313)</td>
</tr>
<tr>
<td>Plan Administration and transactional fees</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>Net Loan Activity</td>
<td>12</td>
<td>78</td>
</tr>
<tr>
<td>Investment Income and Fair Market Value Adjustments</td>
<td>16,343</td>
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</tr>
<tr>
<td>Net Change</td>
<td>$12,673</td>
<td>$15,260</td>
</tr>
</tbody>
</table>

60. **Question:** Does your SVF or Fixed Account currently have a MVA or surrender charge associated with it? How much is invested in the SVF/Fixed currently?

**Answer:** Please see answers to questions 10 and 12.
61. **Question:** Debarment Statement (page 13) - please clarify if we are able to confirm compliance and utilize the overall RFP authorized signature or do you need a standalone certification?

   **Answer:** The Port would like a separate Debarment Statement that your company has not been debarred from providing services to any State or Federal Agency within the last five (5) years. Please sign and date your statement. If your company has been debarred, you will need to provide background information and the reason(s) for the debarment. Provide the name and contact information for the agency that debarred your company.

62. **Question:** How many education days are needed - in-person and virtual options? Are you looking for the recordkeeper to provide individual planning for the participants?

   **Answer:** Please see answers to questions 26, 39, and 42.

63. **Question:** Are you working with a consultant currently or have you in the past? If so, who?

   **Answer:** The Deferred Compensation Advisory Committee is not currently working with a consultant and has not recently worked with a consultant.

64. **Question:** Please clarify - are original signatures required since this is an electronic submission or is digital acceptable?

   **Answer:** Digital signatures are acceptable.

65. **Question:** We understand you would like to keep the existing fund lineup but notice it includes some R2E funds and Empower proprietary funds – please clarify.

   **Answer:** Please see answer to question 48.

66. **Question:** What is the anticipated decision and go-live date?

   **Answer:** Please see answers to questions 18 and 19.

**There are no other questions to RFP No. 22-23/07.**
RFP No.: 22-23/07, 457(b) Deferred Compensation Administration and Recordkeeping Services

Attachment 12
Port of Oakland Deferred Compensation Plan
AMENDMENT ONE
DEFERRED COMPENSATION PLAN OF PORT OF OAKLAND

WHEREAS, the Port of Oakland sponsors the Deferred Compensation Plan of Port of Oakland ("Plan"), an eligible governmental deferred compensation plan; and

WHEREAS, Section 11.02 of the Plan's basic plan document allows Port of Oakland to amend the Plan; and

WHEREAS, Port of Oakland wishes to make the following amendments to the Plan's basic plan document, effective as of the __ day of ____, 2013.

NOW, THEREFORE, the Plan is amended as follows:

1. Section 1.06, is hereby amended to add the following additional paragraph:

   If no estate executor or administrator is appointed within six months after the Participant's death, then the Participant's beneficiary or beneficiaries shall be those individuals who can verify by affidavit or court order to the satisfaction of the Advisory Committee that they are legally entitled to the benefits hereunder.

2. Section 5.04(c), is hereby removed in its entirety.

3. Section 5.05(a), is hereby amended to replace Section 5.05(a) with the following text:

   (a) If the Participant or the Participant’s “Primary Beneficiary” has an Unforeseeable Emergency before retirement or other Severance from Employment by Participant, the Participant may elect to receive a lump sum distribution equal to the amount requested or, if less, the maximum amount determined by the Administrator to be permitted to be distributed under this Section 5.05 and Treasury Regulation § 1.457-6(c). For purposes of this section, the “Primary Beneficiary” will be the primary beneficiary named on the participant’s most recent beneficiary designation, as determined by the plan administrator. Notwithstanding the foregoing, distribution under this section due to Unforeseeable Emergency of a Participant’s Primary Beneficiary will be made only if the Participant’s Primary Beneficiary was properly designated pursuant to this Plan as the Participant’s Primary Beneficiary at the time the events giving rise to the Unforeseeable Emergency occurred.

Effective this __ day of ____, 2013

EMPLOYER’S AUTHORIZED SIGNOR:

By: ___________________________

[Signature]

Its: ___________________________

Date: 8-1-13

Page 1 of 1
ADOPTION AGREEMENT

GREAT-WEST RETIREMENT SERVICES®

SECTION 457(b)

ELIGIBLE DEFERRED COMPENSATION PLAN

FOR GOVERNMENTAL EMPLOYERS

Adopted By: Port of Oakland
Employer

Deferred Compensation Plan of Port of Oakland
Plan Name
GREAT-WEST RETIREMENT SERVICES
SECTION 457(b)
ELIGIBLE DEFERRED COMPENSATION PLAN
FOR GOVERNMENTAL EMPLOYERS

The Employer named below is a governmental "eligible employer" within the meaning of Code § 457(e)(1)(A) and hereby establishes (or, as applicable, amends and restates) a deferred compensation plan for eligible Employees as provided in this Adoption Agreement and the accompanying 2012 Great-West Retirement Services Section 457(b) Eligible Deferred Compensation Plan sample Basic Plan Document.

A. EMPLOYER INFORMATION.

1. EMPLOYER’S NAME AND ADDRESS:
   Port of Oakland
   530 Water Street
   Oakland, CA 94607

2. TELEPHONE NUMBER: (510) 627-1519

3. TAX ID NUMBER: 94-1746312

4. NAME OF PLAN: Deferred Compensation Plan of Port of Oakland

5. NAME OF PLAN ADMINISTRATOR (the Employer unless another person(s) is appointed as set forth in Section 9.02 of the Plan):
   Port of Oakland

B. EFFECTIVE DATE. (Check box 1 OR box 2 and fill in the blank(s).)

1. [ ] This is a new Plan having an effective date of the date the Employer executes this Adoption Agreement or, if later: ____________________________.

2. [X] This is an amended and restated Plan.

   The effective date of the original Plan was January 5, 1977.

   The effective date of the amended and restated Plan is the date the Employer executes this Adoption Agreement.
C. CUSTODY OF ASSETS. *(Check each box that applies.)*

Internal Revenue Code ("Code") § 457(g) shall be satisfied by setting aside Plan assets for the exclusive benefit of Participants and Beneficiaries, as follows:

1. [ ] in a Trust pursuant to the provisions of Article VII of the Plan. The Employer, or certain employees (or holders of certain positions with Employer) as named in this Adoption Agreement shall be the Trustee. *Note: if the Employer is the Trustee, it is the responsibility of the Employer to determine that it has the authority under applicable law to act as Trustee.*

2. [ ] in a Trust pursuant to a separate written trust agreement entered into between the Employer and the bank or trust company named in this Adoption Agreement.

3. [X] in one or more annuity contracts meeting the requirements of Code § 401(f).

4. [X] in a custodial account meeting the requirements of Code § 401(f), pursuant to a separate written agreement with the Custodian named in this Adoption Agreement.

D. ELIGIBLE EMPLOYEES. *(Check each box that applies.)*

"Employee" shall mean:

1. [ ] any full-time employee
2. [ ] any permanent part-time employee
3. [ ] any seasonal, temporary or similar part-time employee
4. [ ] any elected or appointed official
5. [ ] any independent contractor
6. [X] other employees: *All individuals who perform service for Employer and who are classified by Employer, in its discretion, as regular or permanent full-time or part-time employees, who work at least 50% of the scheduled work hours, for their job classification for each pay period.*

If Box D.4. is not checked, elected or appointed officials will not be treated as Employees and will not be eligible to participate in the Plan, without regard to whether they are treated as common-law employees or independent contractors for other purposes.

The following are the additional requirements or limitations, if any, for one or more of the specified class(es) of employees to be eligible to participate in the Plan:

*In the event the classification of an individual who is excluded from the definition of Employee is determined to be erroneous or is retroactively revised, the individual shall nonetheless continue to be
excluded from the definition of Employee and shall be ineligible for benefits for all periods prior to the date Employer determines its classification of the individual is erroneous or should be revised.

E. PARTICIPANT LOANS. (Check Box 1 OR Box 2.)

1. [X] The Administrator MAY direct the Trustee to make Participant loans in accordance with Article IV of the Plan.

2. [ ] The Administrator MAY NOT direct the Trustee to make Participant loans in accordance with Article IV of the Plan.

F. DISTRIBUTION OF SMALL ACCOUNT BALANCES. (Check Box 1, 2 OR 3.)

1. [ ] The Administrator SHALL direct the Trustee to distribute account balances of $1,000 or less meeting the requirements of Section 5.03(b) of the Plan without Participant consent.

2. [ ] The Administrator SHALL direct the Trustee to distribute account balances in excess of $1,000 but not exceeding $5,000 meeting the requirements of Section 5.03(b) of the Plan without Participant consent.

3. [X] The Administrator SHALL NOT direct the Trustee distribute any account balances without Participant consent.

G. IN-SERVICE DE MINIMIS DISTRIBUTIONS. (Check Box 1, 2, 3 OR 4.)

1. [ ] The Administrator SHALL direct the Trustee to distribute account balances of $1,000 or less meeting the requirements of Section 5.04(b) of the Plan without Participant consent.

2. [ ] The Administrator SHALL direct the Trustee to distribute account balances in excess of $1,000 but not exceeding $5,000 meeting the requirements of Section 5.04(b) of the Plan without Participant consent.

3. [X] The Administrator SHALL NOT direct the Trustee to distribute any account balances without Participant consent. Administrator directs the Trustee to distribution any account balances with Participant consent meeting the requirements of Section 5.04(a).

4. [ ] The Administrator SHALL NOT direct the Trustee to distribute any account balances meeting the requirements of Section 5.04(a) or 5.04(b).

H. ROLLOVERS. (Check each box that applies.)

1. [X] Rollovers from eligible Code § 457(b) plans SHALL BE allowed pursuant to Section 6.01 of the Plan.

2. [X] Rollovers from plans qualified under Code §§ 401(a), 401(k), 403(a) and 403(b) SHALL BE allowed pursuant to Section 6.01 of the Plan.

3. [X] Rollovers from Individual Retirement Accounts and Annuities described in Code §§ 408(a) and (b) SHALL BE allowed pursuant to Section 6.01 of the Plan.
4. [X] If Box 1 of Section M is checked, eligible rollovers contributions of designated Roth contributions made from an applicable retirement plan described in §402A(e)(1) SHALL BE allowed.

I. QUALIFIED DOMESTIC RELATIONS ORDERS. (Check Box 1 OR Box 2.)

1. [X] The Plan SHALL accept qualified domestic relations orders as provided in Section 13.02 of the Plan.

2. [ ] The Plan SHALL NOT accept qualified domestic relations orders as provided in Section 13.02 of the Plan.

J. FICA REPLACEMENT ("3121") PLAN.

Check each box that applies if this Plan is a retirement system providing FICA replacement retirement benefits pursuant to regulations under Code § 3121(b)(7)(F).

1. Eligible Employees (check each box that applies):
   a. [ ] full-time employees and/or
   b. [ ] part-time employees, and complete the following.

2. Contributions (check each box that applies and fill in the appropriate blank):
   a. [ ] The Employer shall make an annual contribution to each Participant’s account equal to ______ percent of such Participant’s Compensation.
   b. [ ] Each Participant is required to make an annual contribution of ______ percent of Compensation.

(Note: The total percentage of a and b must equal at least 7.5%)

In the event that this Plan is a retirement system providing FICA replacement retirement benefits as described above, all references in the Plan Document to in-service distributions for De Minimis accounts, age 70 ½ and Unforeseeable Emergency distributions shall be null and void. In addition, Permissive Service Credit Transfers in Section 6.04 may not be made prior to Severance of Employment.

K. NONELECTIVE EMPLOYER CONTRIBUTIONS. (Note any Employer contribution will reduce, dollar for dollar, the amount a Participant can contribute.)

(Check Box 1 OR Box 2 AND complete Box 3.)

1. [ ] The Employer will not make any nonelective employer contributions to the Plan.

2. [X] The Employer will make nonelective employer contributions to the Plan. Such contributions are vested at 100% upon contribution to the plan for the following Eligible Employees: (Complete Box a, b or c.)
a. [ ] all Eligible Employees checked in Section D. above and for the following amount $ ________________.

b. [ ] only the following class(es) of Eligible Employees and amounts set forth below:

[c] to Eligible Employees selected by the employer in its sole discretion and in such amounts as the Employer may determine at its sole discretion.

3. Employees designated as eligible to receive nonelective employer contributions [X] are [ ] are not required to complete enrollment forms in order to receive such contributions.

L. AUTOMATIC ENROLLMENT. (Check Box 1 OR Box 2.)

1. [ ] Effective for Plan Years beginning on and after ________________, this Plan will use an automatic enrollment feature.

2. [X] This Plan will NOT use automatic enrollment.

M. ROTH CONTRIBUTIONS. (Check Box 1 OR Box 2.)

   (Enter either January 1, 2011, or a date later than January 1, 2011.)

2. [ ] Participant Roth Contributions SHALL NOT BE allowed.

N. PAYMENT OPTIONS. (Check each box that applies.)

The following forms of payment will be allowed under the Plan to the extent consistent with the limitations of Code § 401(a)(9) and proposed or final Treasury regulations thereunder.

[X] A single lump-sum payment;

[X] Installment payments for a period of years;

[X] Partial lump-sum payment of a designated amount, with the balance payable in installment payments for a period of years;

[X] Annuity payments (payable on a monthly, quarterly, or annual basis) for the lifetime of the Participant or for the lifetimes of the Participant and Beneficiary;

[X] Such other forms of installment payments as may be approved by the Employer.
A Participant who is an eligible retired public safety officer, as defined under Code § 402(1)(4)(B), may elect to have distributions made directly to an insurer to pay qualified health insurance premiums for coverage for the eligible retired public safety officer, his/her spouse and dependents by an accident or health insurance plan or qualified long-term care insurance contract as defined in Code § 7703B(b).

O. IN-PLAN ROTH ROLLOVERS. (Check Box 1 OR Box 2.)

1. [X] If box 1 of Section M is checked, In-Plan Roth Rollovers SHALL BE allowed in accordance with Section 6.01 after January 1, 2013. (Enter either January 1, 2011, or a date later than January 1, 2011.)

2. [ ] In-Plan Roth Rollover SHALL NOT BE allowed.

This Adoption Agreement to the sample Basic Plan Document attached hereto is duly executed on behalf of the Employer by the undersigned authorized signors.

The Employer further understands and acknowledges that:

- The sample Basic Plan Document including this Adoption Agreement is a sample provided as a courtesy to the Employer and has not been approved by the Internal Revenue Service. Obtaining such approval, if desired by the Employer, is solely the responsibility of the Employer.
- Great-West Retirement Services is not a party to the Plan and shall not be responsible for any tax or legal aspects of the Plan. The Employer assumes responsibility for these matters.
- Employer has counseled to the extent necessary, with its own legal and tax advisors.
- Great-West Retirement Services will send courtesy amendments for changes in applicable law to Employer's adopting this sample Basic Plan Document until a restated sample Basic Plan Document is made available. We will cease providing amendments to prior versions of the sample Basic Plan Document and only those Employers adopting the restated sample Basic Plan Document will receive sample amendments.

EMPLOYER'S AUTHORIZED SIGNORS:

By: ___________________________ By: ___________________________

Title: ____________________________ Date: ___________________________

Date: 8-1-13
CUSTODIAN

[Complete this section only if box C.4 was checked.]

Employer has elected to meet the trust requirement of Code § 401(f) by setting Plan assets aside for the exclusive benefit of Participants and Beneficiaries in a custodial account meeting the requirements of Code § 457(g)(3). The bank or trust company custodian named below shall be the “deemed trustee” of Plan assets held pursuant to the custodial agreement. Note: for a list of entities qualified to act as a custodian for this purpose, please refer to IRS Announcement 2007-47, or its successor.

A. Effective January 1, 2002, the following named bank or trust company is hereby appointed as custodian of all or a portion of the assets of the Employer’s § 457(b) Deferred Compensation Plan:

Wells Fargo

B. INDIVIDUAL(S) AUTHORIZED TO ISSUE INSTRUCTIONS TO CUSTODIAN/TRUSTEE:

Stacie Chestnut, Human Resources Supervisor
Sara Lee, Chief Financial Officer

This appointment is duly signed on behalf of the Employer and the Custodian.

EMPLOYER

By: [Signature]

[Title]

8-1-13

[Date]

CUSTODIAN

By: [Signature]

[Title]

8-14-2013

[Date]

03/2012 Basic 457(b) Adoption Agreement for Governmental Employers
GREAT-WEST RETIREMENT SERVICES®

SECTION 457(b)

ELIGIBLE DEFERRED COMPENSATION PLAN

FOR GOVERNMENTAL EMPLOYERS

BASIC PLAN DOCUMENT
INTRODUCTION TO GREAT-WEST
SECTION 457(b) ELIGIBLE DEFERRED COMPENSATION PLAN
FOR GOVERNMENTAL EMPLOYERS

The attached sample Basic Plan Document may be used together with the related Adoption Agreement by eligible governmental employers and their counsel as a model in preparing a deferred compensation plan document intended to satisfy § 457(b) of the Internal Revenue Code of 1986, as amended. In general, under a § 457(b) plan, which is also referred to as an “eligible deferred compensation plan,” a participant may defer amounts of compensation (and income earned on those deferrals) and avoid federal income taxation until those amounts are paid to the participant.

The following types of governmental entities may establish eligible § 457(b) plans:

1. The 50 states of the United States and the District of Columbia;
2. A political subdivision of a state (for example, a county or municipality); and
3. Any agency or instrumentality of a state or a political subdivision of a state.

This sample Basic Plan Document contains provisions that may be included in an eligible governmental deferred compensation plan. No local, state or federal government has passed on the legal sufficiency (including the conformity with § 457) of this sample Basic Plan Document. It was prepared for your convenience and is not intended to provide you with legal or accounting advice, nor should it be implemented without regard to your particular needs or any applicable laws of your state or local jurisdiction. Neither Great-West Retirement Services, a unit of Great-West Life & Annuity Insurance Company, nor any of its affiliated companies, (collectively referred to herein as “Great-West”) assumes any liability to any person or entity with respect to the adequacy of this document for any purpose, or with respect to any tax, accounting or legal ramifications arising from its use. You and your counsel should review and, where appropriate, modify the provisions to meet your particular needs and applicable local laws. Alterations to the Adoption Agreement are permissible, but any such alteration that requires a Plan amendment must be set forth in a separate amendment attached to the front of the plan document.

Great-West is not a party to any plan which you may adopt, and Great-West has no responsibility, accountability, or liability to you, any employer, any participant or any beneficiary with regard to the operation or adequacy of this sample plan document, any § 457(b) plan prepared from this sample Basic Plan Document or any future amendments made to this sample Basic Plan Document including amendments to satisfy any changes in applicable law. You should consult with your legal counsel prior to adopting any plan document.
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SECTION 457(b) ELIGIBLE DEFERRED COMPENSATION PLAN

INTRODUCTION

In accordance with the provisions of § 457 of the Internal Revenue Code of 1986, as amended, the Employer named in the Adoption Agreement hereby establishes this § 457(b) Eligible Deferred Compensation Plan, hereinafter referred to as the “Plan.” Nothing contained in this Plan shall be deemed to constitute an employment agreement between any Participant and Employer, and nothing contained herein shall be deemed to give a Participant any right to be retained in the employ of Employer.

I. DEFINITIONS

1.01 “Account Balance.” The bookkeeping 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, the Participant’s Designated Roth Contributions if allowed by the plan, the earnings or loss of the Fund (net of Fund expenses) allocable to the Participant, any transfers for the Participant’s benefit and any distribution made to the Participant or the Participant’s Beneficiary. If a Participant has more than one Beneficiary at the time of the Participant’s death, then each Beneficiary’s share of the Account Balance shall be treated as a separate account for each Beneficiary. The Account Balance includes any account established under Article VI for rollover contributions and plan-to-plan transfers made for a Participant, the account established for a Beneficiary after a Participant’s death, any account or accounts established for an Alternate Payee (as defined in Code § 414(p)(8)), and any amounts treated as an in-plan Roth direct rollover.

1.02 “Administrator.” Administrator means the person, persons or entity appointed by the Employer to administer the Plan as set forth in the Adoption Agreement. Administrator shall not include the recordkeeper or any company which issues policies, contracts or investment media to the Plan in respect of a Participant.

1.03 “Adoption Agreement.” Adoption Agreement means the agreement which, together with this sample Basic Plan Document, constitutes the Plan.

1.04 “Alternate Payee.” Alternate Payee means the spouse, former spouse, child or other dependent of a Participant who has acquired an interest in the Participant’s account pursuant to a Qualified Domestic Relations Order (QDRO) pursuant to Section 13.02. Alternate Payees shall be treated as Beneficiaries for all purposes under the Plan except that Alternate Payees shall be allowed to request a distribution of all or a portion of their account balance at any time, subject to the terms of the QDRO.

1.05 “Annual Deferral.” The amount of Compensation deferred in any taxable year as a pre-tax deferral, Roth contribution, or both, if allowed by the Plan.
1.06 “Beneficiary.” The designated person (or, if none, the Participant’s surviving spouse, if any, and then the Participant’s estate) who is entitled to receive benefits under the Plan after the death of a Participant.

1.07 “Code.” The sections of the Internal Revenue Code of 1986, as now in effect or as hereafter amended or recodified. References herein to specific section numbers of the Code shall be deemed to include Treasury regulations and Internal Revenue Service guidance thereunder as in effect now, as amended or recodified in corresponding provisions of any future United States internal revenue law.

1.08 “Compensation.” All cash compensation for services to the Employer, including salary, wages, fees, commissions, bonuses and overtime pay, that is includible in the Employee’s gross income for the calendar year, plus amounts that would be cash compensation for services to the Employer includible in the Employee’s gross income for the calendar year but for a compensation reduction election under Code §§ 125, 132(f), 401(k), 403(b), or 457(b) (including an election to defer compensation under Article III). To the extent permitted by Treasury regulations or other similar guidance (including, without limitation, the requirements contained in Treasury Regulations §§ 1.457-4(d)(1) and 1.415-2(e)(3)(i)), accrued bona fide sick, vacation or other leave pay so long as the Participant would have been able to use the leave if employment had continued and it is paid within the longer of two and one-half (2 ½) months after the Participant’s severance from employment or the end of the calendar year in which the Participant severs employment with the Employer.

For Plan Years after December 31, 2008, to the extent permitted by the applicable Code provisions and Treasury regulations, Compensation shall include pay received by a Participant from the Employer while performing Qualified Military Service but only to the extent the pay does not exceed the amounts the Participant would have received if the Participant had continued to perform services for the employer rather than entering Qualified Military Service.

1.09 “Custodian.” The bank, trust company or other person, if any, selected by the Employer in the Adoption Agreement and who is authorized to hold Plan assets in a custodial account in accordance with regulations issued by the Secretary of the Treasury pursuant to Code § 401(f).

1.10 “Employee.” Each natural person (individual) who is employed by the Employer, either as a common law employee or an independent contractor, including elected or appointed individuals, as selected in the Adoption Agreement. 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 shall be excluded.

1.11 “Employer.” The eligible governmental entity sponsoring the Plan as named in the Adoption Agreement.
1.12 “Includible Compensation.” An employee’s actual wages in Box 1 of Form W-2 for a year for services to the Employer, but subject to a maximum of $200,000 (or such higher maximum as may apply under Code § 401(a)(17)) and increased (up to the applicable limit contained in Code § 401(a)(17)) by any compensation reduction election under Code §§ 125, 132(f), 401(k), 403(b), or 457(b) (including an election to defer Compensation under Article III).

1.13 “Nonelective Employer Contribution.” Nonelective Employer Contribution is a contribution made by an Employer for the Participant with respect to which the Participant does not have the choice to receive the contribution in cash or property. Such term may also include an employer matching contribution.

1.14 “Normal Retirement Age.” Normal Retirement Age means age 70½, unless the Participant has elected an alternate Normal Retirement Age and delivered such election to the Administrator prior to beginning Special § 457 Catch-up contributions as described in Section 3.03 of the Plan. Once a Participant has begun making Special § 457 Catch-up contributions, his Normal Retirement Age may not be changed.

For Participants eligible to receive benefits under the Employer’s basic defined benefit pension plan or a money purchase pension plan (herein collectively referred to as “pension plan”), a Participant’s alternate Normal Retirement Age may not be earlier than the earliest date the Participant has the right to retire and receive immediate retirement benefits under such pension plan, without actuarial or similar reduction because of retirement before some later specified age, and the date selected may not be later than age 70 ½.

If the Participant is not eligible to receive benefits under a basic defined benefit pension plan or money purchase pension plan, the Participant’s alternate Normal Retirement Age may not be earlier than age 65 nor later than age 70 ½.

A special rule shall apply to qualified police or firefighters under the Plan, if any. Any qualified police or firefighter, as defined under Code § 415(b)(2)(H)(ii)(I), who is participating in the Plan may choose a Normal Retirement Age that is not earlier than age 40 nor later than age 70 ½.

1.15 “Participant.” An individual who is currently deferring Compensation, or who has previously deferred Compensation under the Plan by salary reduction or received a Nonelective Employer Contribution and who has not received a distribution of his or her entire benefit under the Plan. Except for purposes of Articles II, IV, and X, the term “Participant” shall include a former Participant. The Administrator, if he or she is otherwise eligible, may participate in the Plan.

1.16 “Participation Agreement.” The agreement entered into and filed by an Employee with the Employer pursuant to Article II, in which the Employee elects to become a Plan Participant.
1.17 “Plan.” The Plan named in the Adoption Agreement and consisting of the Adoption Agreement and this Sample Basic Plan Document.

1.18 “Plan Year.” The calendar year.

1.19 “Qualified Military Service.” Any service in the uniformed service (as defined in Chapter 43 of Title 38 of the United States Code as in effect as of December 12, 1994) by any individual if such individual is entitled to reemployment rights under such Chapter with respect to such service.

1.20 “Severance from Employment.” The date the Employee dies, retires, or otherwise has a severance from employment with the Employer, as determined by the Administrator (and taking into account guidance issued under the Code). An Employee whose employment is interrupted by Qualified Military Service under Code § 414(u) shall be deemed severed from employment until such time as he or she is reemployed following the term of duty. Effective for Plan Years after December 31, 2008, if a Participant called to Qualified Military Service receives a distribution from the Plan due to severance, the Participant’s deferrals to the Plan shall be suspended for six-months following the date of the distribution. All other Participants shall be deemed to have severed his employment with the Employer for purposes of this Plan when both parties consider the employment relationship to have terminated and neither party anticipates any future employment of the Participant by the Employer.

In the case of a Participant who is an independent contractor, Severance from Employment shall be deemed to have occurred when the Participant’s contract for services has completely expired and terminated, there is no foreseeable possibility that the Employer shall renew the contract or enter into a new contract for services to be performed by the Participant, and it is not anticipated that the Participant shall become an Employee of the Employer.

1.21 “Trust or Custodial Agreement.” The written agreement (or declaration) made by and between the Employer and the Trustee under which the Trust Fund is maintained. Custodial accounts and annuity contracts described in Code § 401(f) may be treated as trusts under the rules described in Treasury Regulation § 1.457-8(a)(3).

1.22 “Trust Fund.” The trust fund created under and subject to the Trust Agreement or Custodial Agreement, as selected in the Adoption Agreement.

1.23 “Trustee.” The Trustee duly appointed and currently serving under the Trust Agreement if selected in the Adoption Agreement.

1.24 “Valuation Date.” Each business day.
II. PARTICIPATION AND CONTRIBUTIONS

2.01 Eligibility. Individuals performing services for the Employer, as selected in the Adoption Agreement, shall be eligible to participate in the Plan upon becoming employed by the Employer unless specifically restricted in the Adoption Agreement.

2.02 Election Required for Participation. An Employee may elect to become a Participant by executing a Participation Agreement to defer a portion of his or her Compensation (and have that amount contributed as an Annual Deferral on his or her behalf) and filing it in good order with the Administrator. In entering into the Participation Agreement, the Participant elects to participate in this Plan and consents to the deferral by the Employer of the amount specified in the Participation Agreement from the Participant’s gross compensation for each payroll period and agrees to be bound by all the terms and conditions of the Plan. Such deferral shall continue in effect until modified, disallowed or revoked in accordance with the terms of this Plan or until the Participant ceases employment with the Employer.

Any prior Employee who was a Participant in the Plan and is rehired by Employer may resume participation in the Plan by entering into a Participation Agreement so long as any distributions being taken from this Plan are terminated prior to the resumption of deferrals under the Plan.

The Employer retains the right to establish minimum deferral amounts per payroll period, and to change such minimums from time to time and to limit the number and/or timing of enrollments into the Plan in the Participation Agreement. No adjustment in future deferrals shall be made if a periodic deferral is missed or is less than the amount elected. The Employer or Administrator shall have the right to modify or disallow the periodic deferral of Compensation elected by the Participant:

(a) in excess of the limitations stated in Article III;

(b) in excess of the Participant’s net Compensation for any payroll period;

(c) upon any change in the length of the payroll period utilized by Employer. In such case the periodic deferral shall be adjusted so that approximately the same percentage of pay shall be deferred on an annual basis;

(d) in order to round periodic deferrals to the nearest whole dollar amount;

(e) to reduce the future deferrals in the event that the amount actually deferred for any payroll period exceeds, for any reason whatsoever, the amount elected by the Participant. In the alternative, such amount of excess deferral may be refunded to the Participant; or

(f) if the deferral elected for any payroll period is less than the minimum amount specified by the Employer or Administrator.
The participation election, or such other form as approved by the Administrator, shall include the Employee’s designation of investment funds. Any such election shall remain in effect until a new election is filed. A change in the investment direction shall take effect as of the date provided by the Administrator on a uniform basis for all Employees.

The Participant may also designate a Beneficiary(ies) to receive any amounts that may be distributed in the event of death of the Participant prior to the complete distribution of benefits. A Participant may change the designated Beneficiary(ies) at any time by filing such change with the Administrator in a manner approved by the Administrator. A change in the Beneficiary designation shall take effect when the election is accepted by the Administrator. If no such designation is in effect on the Participant’s death, the Beneficiary shall be the Participant’s surviving spouse, if any, or if none, the Participant’s estate.

2.03 Nonelective Employer Contributions. If selected in the Adoption Agreement, the Employer may make nonelective contributions to the Plan in the amounts and to the Employees designated under the Adoption Agreement.

2.04 Commencement of Participation.

(a) Voluntary Enrollment. An Employee shall become a Participant as soon as administratively practicable following the date the Employee files a participation election pursuant to Section 2.02. Such election shall become effective no earlier than the calendar month following the month in which the election is made. A new Employee may defer compensation payable in the calendar month during which the Participant first becomes an Employee if an agreement providing for the deferral is entered into on or before the first day on which the Participant performs services for the Employer.

(b) Automatic Enrollment. Notwithstanding Section 2.01 and Section 2.02, to the extent permitted by applicable law, the Administrator may establish procedures whereby, as a term or condition of employment, each employee is deemed to have elected to participate in the Plan and consents to the deferral by the Employer of a specified amount (or a uniform percentage of Compensation for an Eligible Automatic Contribution Arrangement intended to satisfy Code § 414(w)) for any payroll period for which a Participation Agreement is not in effect. If such procedures are in place, a Participant may elect a different deferral amount per payroll period, including zero, by entering into a Participation Agreement. This last sentence is not applicable to Participants in a Plan that is a retirement system providing FICA replacement retirement benefits pursuant to regulations under Code § 3121(b)(7)(F).

For Eligible Automatic Contribution Arrangements intended to satisfy Code § 414(w), in addition to the above, the Administrator shall provide to each Participant affected by this Section 2.04(b) with an annual notice that satisfies the
requirements contained in Code § 414(w) and any applicable guidance issued thereunder. These requirements include:

(1) A description of the Participant’s rights and obligations under the automatic arrangement that is sufficiently accurate to apprise the Participant of such rights and obligations;

(2) Satisfying the requirements for notice contained in Treasury Regulation § 1.401(k)-3(d)(2)(ii);

(3) Describing the level of elective contributions that will be made on the Participant’s behalf in the event the Participant does not make an affirmative election;

(4) Describing the Participant’s rights to not have automatic elective contributions made to the Plan on the Participant’s behalf;

(5) Describing how contributions will be invested absent the Participant’s affirmative investment election;

(6) Describing the Participant’s right to make a permissive withdrawal of the automatic elective contributions and the applicable rules governing such withdrawals; and

(7) Providing the notice to Participants within a reasonable period of time prior to each Plan Year (or in the year the Employee first becomes eligible to enroll in the Plan, within a reasonable period of time prior to becoming an Eligible Employee).

For automatic enrollment arrangements not intending to satisfy Code § 414(w), the Employer must satisfy the requirements of IRS Revenue Ruling 2000-33.

2.05 Information Provided by the Participant. Each Employee enrolling in the Plan should provide to the Administrator at the time of initial enrollment, and later if there are any changes, any information necessary or advisable, in the sole discretion of the Administrator, for the Administrator to administer the plan, including, without limitation, whether the Employee is a participant in any other eligible plan under Code § 457(b).

2.06 Contributions Made Promptly. Annual Deferrals by the Participant under the Plan shall be transferred to the Trust Fund within a period that is not longer than is reasonable for the proper administration of the Participant’s Account Balance in a manner consistent with the requirements contained in Treasury Regulation § 1.457-8(a)(2)(ii). For this purpose, Annual Deferrals shall be treated as contributed within a period that is not longer than is reasonable for the proper administration if the contribution is made to the Trust Fund within 15 business days following the end of the month in which the amount would otherwise have been paid to the Participant.
2.07 Amendment of Annual Deferrals Election. Subject to other provisions of the Plan, a Participant may at any time revise his or her participation election, including a change of the amount of his or her Annual Deferrals. Unless the election specifies a later effective date, a change in the amount of the Annual Deferrals shall take effect as of the first day of the next following month or as soon as administratively practicable if later. A revocation of deferrals shall take effect as soon as administratively practicable under the Employer’s payroll system. Notwithstanding the above, if a negative election procedure has been implemented pursuant to Section 2.04(b), a Participant may enter into or modify a Participation Agreement at any time to provide for no deferral; provided that Participants in a Plan that is a retirement system providing FICA replacement retirement benefits pursuant to regulations under Code § 3121(b)(7)(F) are not permitted to modify their Participation Agreement to provide for no deferrals or to revoke their Participation Agreement.

2.08 Leave of Absence. Unless an election is otherwise revised, if a Participant is absent from work by leave of absence, Annual Deferrals under the Plan shall continue to the extent that Compensation continues.

2.09 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 contributions to the Plan and has not had a Severance from Employment.

2.10 Revocation of Deferrals. In addition to a Participant’s ability to change or revoke an election as described in Section 2.07, a Participant’s request for a distribution in the event of an Unforeseeable Emergency as defined in Section 5.05(b) shall in addition be treated as a request for revocation of deferrals as of a date determined by the Administrator for the period of time determined under Section 5.05(f). Revocation of deferrals is not a distributable event, however, and the Participant’s Account may only be distributed as provided in Article V.

2.11 Re-Enrollment. A Participant who revokes the Participation Agreement may again become a Participant at the times and in the manner authorized by the Administrator, by entering into a new Participation Agreement to defer Compensation payable no earlier than the first payroll period after the first day of the month after such new Participation Agreement is entered into by the Participant and accepted by the Administrator.

2.12 Designated Roth Contributions.

(a) Designated Roth Contributions. If authorized by the Employer in the Adoption Agreement, each Participant may make designated Roth Contributions; provided, however, that a Participant shall not make a Roth Contribution to the Plan for any Plan Year to the extent such Roth Contribution would exceed the limitations of Article III.
(1) General Application. This Subsection will apply to designated Roth 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.

(i) As of the effective date under (1), the Plan will accept elective deferrals designated as Roth Contributions made on behalf of Participants. A Participant’s designated Roth Contributions will be allocated to a separate account maintained for such deferrals as described in (2).

(ii) Unless specifically stated otherwise, designated Roth Contributions will be treated as Elective Deferrals for all purposes under the Plan.

(2) Separate Accounting. Contributions and withdrawals of designated Roth Contributions will be credited and debited to the Roth Contribution Account maintained for each Participant.

(i) The Plan will maintain a record of the amount of designated Roth Contributions in each Participant’s Roth Contribution Account.

(ii) Gains, losses and other credits or charges must be separately allocated on a reasonable and consistent basis to each Participant’s Roth Contribution Account and the Participant’s other accounts under the Plan.

(iii) No contributions other than designated Roth Contributions and properly attributable earnings will be credited to each Participant’s Roth Contribution Account.

(3) Designated Roth Contributions Defined. A Designated Roth Contribution is an elective deferral that is:

(i) Designated irrevocably by the Participant at the time of the deferral election as a Roth Contribution that is being made in lieu of all or a portion of the pre-tax deferrals the Participant is otherwise eligible to make under the Plan; and

(ii) Treated by the Employer as includible in the Participant’s income at the time the Participant would have received that amount in cash if the Participant had not made a deferral election.
III. LIMITATIONS ON AMOUNTS DEFERRED

3.01 Basic Annual Limitation Effective for Calendar Years On and After January 1, 2002. The maximum amount of the Annual Deferral under the Plan for any calendar year shall not exceed the lesser of (i) the Applicable Dollar Amount or (ii) the Participant’s Includible Compensation for the calendar year. The Applicable Dollar Amount is the amount established under Code § 457(e)(15) applicable as follows:

- $11,000 for 2002;
- $12,000 for 2003;
- $13,000 for 2004;
- $14,000 for 2005;
- $15,000 for 2006 and thereafter.

After 2006, the Applicable Dollar Amount is adjusted for cost-of-living under Code § 457(e)(15)(B). The Annual Deferral amount does not include any rollover amounts received by the Plan under Treasury Regulation § 1.457-10(e).

3.02 Age 50 Catch-up Annual Deferral Contributions. A Participant who will attain age 50 or older by the end of the calendar year is permitted to elect an additional amount of Annual Deferrals, up to the maximum age 50 catch-up Annual Deferrals for the year. The maximum dollar amount of the age 50 catch-up Annual Deferrals for a year is as follows:

- $1,000 for 2002;
- $2,000 for 2003;
- $3,000 for 2004;
- $4,000 for 2005;
- $5,000 for 2006 and thereafter. After 2006, the $5,000 amount is adjusted for cost-of-living under Code § 414(v)(2)(C). Age 50 catch-up contributions are subject to the requirements of Code § 414(v).

3.03 Special § 457 Catch-up Limitations for Calendar Years Beginning On and After January 1, 2002. If the applicable year is one of a Participant’s last three calendar years ending before the year in which the participant attains Normal Retirement Age and the amount determined under this Section exceeds the amount computed under Sections 3.01 and 3.02, then the Annual Deferral limit under this Section shall be the lesser of:

(a) an amount equal to two times the Section 3.01 applicable dollar limit for such year; or
(b) the sum of:

(1) An amount equal to the aggregate Section 3.01 limit for the current year plus each prior calendar year beginning after December 31, 2001, during which the Participant was an Employee under the Plan, minus the aggregate amount of Compensation that the Participant deferred under the Plan during such years, plus
(2) An amount equal to the aggregate limit referred to in Code § 457(b)(2) for each prior calendar year beginning after December 31, 1978, and before January 1, 2002, during which the Participant was an Employee (determined without regard to Sections 3.02 and 3.03), minus the aggregate contributions to Pre-2002 Coordination Plans for such years.

However, in no event can the deferred amount be more than the Participant’s Compensation for such years unless the Employer is making non-elective Employer contributions.

3.04 Coordination of Age 50 Catch-up with Special § 457 Catch-up. The Age 50 Catch-up does not apply for any taxable year for which a higher limitation applies under the Special § 457 Catch-up described in Section 3.03. A Participant who is eligible for the Age 50 Catch-up for a Plan Year and for whom the Plan Year is also one of the Participant’s last three taxable years ending before the Participant attains Normal Retirement Age is eligible for the larger of:

(a) The basic annual limitation described in Section 3.01 and the Age 50 Catch-up described in Section 3.02, or

(b) The Special § 457 Catch-up described in Section 3.03.

3.05 Special Rules. For purposes of this Article III, the following rules shall apply:

(a) Participant Covered By More Than One Eligible Plan. If the Participant is or has been a participant in one or more other eligible plans within the meaning of Code § 457(b), then this Plan and all such other plans shall be considered as one plan for purposes of applying the foregoing limitations of this Article III. For this purpose, the Administrator shall take into account any other such eligible plan maintained by the Employer and shall also take into account any other such eligible plan for which the Administrator receives from the Participant sufficient information concerning his or her participation in such other plan.

(b) Pre-Participation Years. In applying Section 3.03, a year shall be taken into account only if the Participant was eligible to participate in the Plan during all or a portion of the year and Compensation deferred, if any, under the Plan during the year was subject to the Basic Annual Limitation described in Section 3.01 or any other plan ceiling required by Code § 457(b).

(c) Pre-2002 Coordination Years. For purposes of Section 3.03(b)(2), “contributions to Pre-2002 Coordination Plans” means any employer contribution, salary reduction or elective contribution under any other eligible Code § 457(b) plan, or a salary reduction or elective contribution under any Code § 401(k) qualified cash or deferred arrangement, Code § 402(h)(1)(B) simplified employee pension (SARSEP), Code § 403(b) annuity contract, and Code § 408(p) simple retirement account, or under any plan for which a deduction is allowed because of a
contribution to an organization described in Code § 501(c)(18), including plans, arrangements or accounts maintained by the Employer or any employer for whom the Participant performed services. However, the contributions for any calendar year are only taken into account for purposes of Section 3.03(b)(2) to the extent that the total of such contributions does not exceed the aggregate limit referred to in Code § 457(b)(2) for that year.

(d) Disregard Excess Deferral. For purposes of Sections 3.01, 3.02 and 3.03, an individual is treated as not having deferred Compensation under a plan for a prior taxable year to the extent Excess Deferrals under the plan are distributed, as described in Section 3.06. To the extent that the combined deferrals for pre-2002 years exceeded the maximum deferral limitations, the amount is treated as an Excess Deferral for those prior years.

3.06 Correction of Excess Deferrals. If the Annual Deferral on behalf of a Participant for any calendar year exceeds the limitations described above, or the Annual Deferral on behalf of a Participant for any calendar year exceeds the limitations described above when combined with other amounts deferred by the Participant under another eligible deferred compensation plan under Code § 457(b) for which the Participant provides information that is accepted by the Administrator, then the Annual Deferral, to the extent in excess of the applicable limitation (adjusted for any income or loss in value, if any, allocable thereto in accordance with applicable guidance), shall be distributed to the Participant.

3.07 Protection of Persons Who Serve in a Uniformed Service. An Employee whose employment is interrupted by qualified military service under Code § 414(u) may elect to make additional Annual Deferrals upon resumption of employment with the Employer equal to the maximum Annual Deferrals that the Employee could have elected during that period if the Employee'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 Employee during the period of the interruption or leave. This right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption or leave).

IV. LOANS

If so specified in the Adoption Agreement, a Participant who is an Employee may apply for and receive a loan from his or her Account Balance as provided in this Article IV or pursuant to a loan policy executed by the Plan Administrator. Any such loan may not be for an amount less than the minimum amount specified by the Administrator. If not specified by the Administrator, the minimum loan amount shall be $1,000.

Except as modified by the loan policy adopted by the Plan Administrator from time to time, the following rules shall apply to loans under the Plan. Any loans that are issued under the Plan shall be administered in a manner consistent with the requirements
4.01 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 Administrator (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.

For purposes of this Section 4.02, any loan from any other plan maintained by the Employer shall be treated as if it were a loan made from this 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 4.02 to exceed the amount that would otherwise be permitted in the absence of this paragraph.

4.02 Loan Provisions. The terms of the loan shall:

(a) require level amortization with payments not less frequently than quarterly throughout the repayment period, except that alternative arrangements for repayment may apply in the event that the borrower is on a bona fide unpaid leave of absence for a period not to exceed one year for leaves other than a qualified military leave within the meaning of Code § 414(u) or for the duration of an interruption of employment which is due to qualified military service;

(b) require that the loan be repaid within five years unless the Participant certifies in writing to the 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; and

(c) provide for a reasonable rate of interest to be fixed by the Administrator from time to time. The Administrator shall not discriminate among Participants in the matter of interest rates, but loans granted at different times may bear different interest rates based upon prevailing rates at the time.

A loan to a Participant shall be considered a directed investment option for such Participant’s account balance.

4.03 Security for Loan; Default.

(a) Security. Any loan to a Participant under the Plan shall be secured by the pledge of the portion of the Participant's interest in the Plan invested in such loan.
(b) **Default.** In the event that a Participant fails to make a loan payment under this Article IV by the end of the calendar quarter following the calendar quarter in which such payment was due, a default on the loan shall occur. In the event of such default;

(1) all remaining payments on the loan shall be immediately due and payable;

(2) interest will continue to accrue on the unpaid balance until the loan is repaid in full; and

(3) the Participant shall be permanently ineligible for any future loans from the Plan unless, in the Administrator’s sole discretion, the Participant is deemed to be credit worthy and agrees to repay the loan through payroll deduction.

In the case of any default on a loan to a Participant, the Administrator shall apply the portion of the Participant's interest in the Plan held as security for the loan in satisfaction of the loan on the date of Severance from Employment. In addition, the Administrator shall take any legal action it shall consider necessary or appropriate to enforce collection of the unpaid loan, with the costs of any legal proceeding or collection to be charged to the Account Balance of the Participant.

Notwithstanding anything elsewhere in the Plan to the contrary, in the event a loan is outstanding hereunder on the date of a Participant's death, his or her estate shall be his or her Beneficiary as to the portion of his or her interest in the Plan invested in such loan (with the Beneficiary or Beneficiaries as to the remainder of his or her interest in the Plan to be determined in accordance with otherwise applicable provisions of the Plan).

4.04 **Repayment.** The Participant shall be required, as a condition to receiving a loan, to enter into an irrevocable agreement authorizing Employer to make payroll deductions from his or her Compensation so long as the Participant is an Employee and to transfer such payroll deduction amounts to the Trustee in payment of such loan plus interest. Repayments of a loan shall be made by payroll deduction of equal amounts (comprised of both principal and interest) from each paycheck, with the first such deduction to be made as soon as practicable after the loan funds are disbursed; provided, however, a Participant may prepay the entire outstanding balance of his loan at any time; and provided, further, that if any payroll deductions cannot be made in full because a Participant is on an unpaid leave of absence or is no longer employed by the Employer or the Participant's paycheck is insufficient for any other reason, the Participant shall pay directly to the Plan the full amount that would have been deducted from the Participant's paycheck, with such payment to be made by the last business day of the calendar month in which the amount would have been deducted. Loan repayments are, at the Employer’s election, suspended for Qualified Military Service as permitted by Code § 414(u)(4).
V. BENEFIT DISTRIBUTIONS

5.01 Distributions from the Trust. The payment of benefits from the Trust in accordance with the terms of the Plan may be made by the Trustee, or by any custodian or other person so authorized by the Employer to make such distribution. Neither the Administrator, the Trustee, the Custodian nor any other person shall be liable with respect to any distribution from the Trust made at the direction of the Employer or a person authorized by the Employer to give disbursement direction.

5.02 Conditions for Distributions.

(a) § 457(b) Deferred Compensation. Payments from a Participant’s § 457(b) Deferred Compensation account shall not be made to the Participant or Beneficiary earlier than:

(1) the Participant’s Severance from Employment or death pursuant to Sections 5.03 and 5.06;

(2) the Participant’s account meets all of the requirements for an in-service de minimis distribution pursuant to Section 5.04(a) and/or (b);

(3) the Participant incurs an approved Unforeseeable Emergency pursuant to Section 5.05;

(4) the Participant at anytime elects to receive a distribution of all or any portion of the amount of rollover contributions held in the separate rollover account(s) pursuant to Section 5.04(c);

(5) the calendar year in which an in-service Participant attains age 70 ½ pursuant to Section 5.04(d); or

(6) Plan termination under Section 11.01.

(b) Latest Distribution Date. To comply with Code § 401(a)(9) and the Treasury regulations issued thereunder, in no event, shall any distribution to a Participant under this Article V begin later than the April 1 of the year following the calendar year in which the participant attains age 70 ½ or April 1 of the year following the year in which the Participant retires or otherwise has a Severance from Employment, whichever is later. If the Participant delays the distribution due in the calendar year he turns age 70 ½ or severs employment, as applicable, to the following calendar year, a second required minimum distribution must be taken by the end of that calendar year. Such distributions must be made in accordance with Section 5.06.
5.03 Severance from Employment for Any Reason, Including Retirement.

(a) Subject to Section 5.03(b), distributions to a Participant shall commence following Severance from Employment, on the regular distribution commencement date (as the Employer or Administrator may establish from time-to-time) elected by the Participant, in a form and manner determined pursuant to Sections 5.07, 5.08 and 5.09. If the Participant does not elect otherwise, the distribution shall be paid commencing on the Participant’s Required Beginning Date under a payment method meeting the requirements of Code § 401(a)(9) and the regulations thereunder.

(b) If, in the Adoption Agreement, the Plan elected mandatory distributions of Account Balances of $1,000 or less and if the Participant does not elect to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly, then the Administrator will pay the distribution in a lump sum to the Participant at the Participant’s last known mailing address.

If, in the Adoption Agreement, the Plan elected mandatory distributions of amounts greater than $1,000 but not greater than $5,000, and if the Participant does not elect to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly, then the Administrator will pay the distribution amount in a direct rollover to an individual retirement plan designated by the plan administrator.

5.04 In-Service Distributions.

(a) Voluntary In-Service Distribution of De Minimis Accounts. A Participant who is an active Employee may elect to receive a distribution of the total amount payable to the Participant under the Plan if the following requirements are met:

1. the portion of the total amount payable to the Participant under the Plan does not exceed an amount specified from time to time by the Administrator (not in excess of $5,000 or other applicable limit under the Code);

2. the Participant has not previously received an in-service distribution of the total amount payable to the Participant under the Plan; and

3. no amount has been deferred under the Plan with respect to the Participant during the two-year period ending on the date of the in-service distribution.

(b) Involuntary In-Service Distribution of De Minimis Accounts. If so elected in the Adoption Agreement, the Administrator shall distribute the total amount payable
under the Plan to a Participant who is an active Employee if the following requirements are met:

(1) the Participant has not previously received an in-service distribution of the total amount payable to the Participant under the Plan;

(2) no amount has been deferred under the Plan with respect to the Participant during the two-year period ending on the date of the in-service distribution; and

(3) the total amount payable to the Participant under the Plan, does not exceed the amount selected in the Adoption Agreement.

If, in the Adoption Agreement, the Plan elected mandatory distributions of $1,000 or less, and if the Participant does not elect to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly, then the Administrator will pay the distribution in a lump sum to the Participant at the Participant’s last known mailing address.

If, in the Adoption Agreement, the Plan elected mandatory distributions greater than $1,000 but not greater than $5,000, and if the Participant does not elect to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly, then the Administrator will pay the distribution in a direct rollover to an individual retirement plan designated by the plan administrator.

(c) **Rollovers.** 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(s).

(d) **Calendar Year Participant Attains Age 70 ½.** The Participant may request an in-service distribution in the calendar year the Participant will/has attained age 70 ½ or older,

(e) **FICA Replacement Plan Exception.** As indicated in the Adoption Agreement, Participants in a Plan intended to qualify as a retirement system providing FICA replacement retirement benefits pursuant to regulations under Code § 3121(b)(7)(F) are not eligible for In-Service De Minimis or in-service age 70 ½ distributions prior to severance.

5.05 **Unforeseeable Emergency Distributions.**

(a) **Distribution.** If the Participant or Beneficiary has an Unforeseeable Emergency before retirement or other Severance from Employment by Participant, the Participant may elect to receive a lump sum distribution equal to the amount requested or, if less, the maximum amount determined by the Administrator to be
permitted to be distributed under this Section 5.05 and Treasury Regulation § 1.457-6(c).

(b) **Unforeseeable Emergency Defined.** Pursuant to Treasury Regulation § 1.457-6(c)(2), An unforeseeable emergency must be defined in the plan as a severe financial hardship of the participant or beneficiary resulting from an illness or accident of the participant or beneficiary, the participant's or beneficiary's spouse, or the participant's or beneficiary's dependent (as defined in section 152, and, for taxable years beginning on or after January 1, 2005, without regard to section 152(b)(1), (b)(2), and (d)(1)(B)); loss of the participant's or beneficiary's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, such as damage that is the result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant or the beneficiary. For example, the imminent foreclosure of or eviction from the participant's or beneficiary's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Finally, the need to pay for the funeral expenses of a spouse or a dependent (as defined in section 152, and, for taxable years beginning on or after January 1, 2005, without regard to section 152(b)(1), (b)(2), and (d)(1)(B)) of a participant or beneficiary may also constitute an unforeseeable emergency. Except as otherwise specifically provided in this paragraph (c)(2)(i) of Treasury Regulation § 1.457-6, the purchase of a home and the payment of college tuition are not unforeseeable emergencies under paragraph (c)(2)(i) of Treasury Regulation § 1.457-6.

(c) **Unforeseeable Emergency Distribution Standard.** A distribution on account of Unforeseeable Emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship or by cessation of deferrals under the Plan.

(d) **Distribution Necessary to Satisfy Emergency Need.** Distributions because of an Unforeseeable Emergency may not exceed the amount reasonably necessary to satisfy the emergency need (which may include any amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution).

(e) The Administrator shall have the right to request and review all pertinent information necessary to assure that Unforeseeable Emergency withdrawal requests are consistent with the provisions of Code § 457.

(f) The Employer or Administrator may suspend the Participant’s salary deferral election during the pendency of the Participant’s request for an Unforeseeable
Emergency distribution. Payment of an Unforeseeable Emergency distribution shall result in mandatory suspension of deferrals for a minimum of six months from the date of payment (or such other period as mandated in applicable Treasury regulations).

(g) As indicated in the Adoption Agreement, Participants in a Plan that is a retirement system providing FICA replacement retirement benefits pursuant to regulations under Code § 3121(b)(7)(F) are not eligible for Unforeseeable Emergency distributions.

5.06 Death Benefit Distributions. Upon receipt of satisfactory proof of the Participant’s death, the Participant’s remaining Account Balance shall be paid under a method satisfying the required minimum distribution rules of Code § 401(a)(9) and the Treasury regulations thereunder. In the case of a Participant who dies while performing Qualified Military Service under Code § 414(u), the Beneficiaries of the Participant shall, to the extent required by Code § 401(a)(37), be entitled to any additional benefits (other than benefit accruals relating to the period of Qualified Military Service) that would be provided under the Plan had the Participant resumed and then terminated employment on account of death.

(a) Death of Participant Before Participant’s Required Beginning Date. If the Participant dies before the required beginning date, the Participant’s entire interest will be distributed, or begin to be distributed, no later than as follows:

(1) If the Participant's surviving spouse is the Participant’s sole designated Beneficiary, then, except as provided in Section 5.06(e) and unless the surviving spouse elects the five-year rule, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.

A Beneficiary is deemed to elect the five-year rule if distributions do not begin by the required beginning date provided in this Section.

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

A Beneficiary is deemed to elect the five-year rule if distributions do not begin by the required beginning date provided in this Section.
(3) If there is no designated Beneficiary as of September 30 of the year following the year of the Participant’s death, the Participant’s entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(4) If the Participant’s surviving spouse is the Participant’s sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this Section 5.06(a), other than Section 5.06(a)(1), will apply as if the surviving spouse were the Participant.

For purposes of this Section 5.06(a) and Section 5.06(e) unless Section 5.06(a)(4) applies, distributions are considered to begin on the Participant's required beginning date. If Section 5.06(a)(4) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Section 5.06(a)(1). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant’s surviving spouse before the date distributions are required to begin to the surviving spouse under Section 5.06(a)(1)), the date distributions are considered to begin is the date distributions actually commence.

(b) Forms of Distribution. Unless the Participant’s interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with Section 5.06. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code § 401(a)(9) and the Treasury regulations.

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

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

(2) if the Participant’s sole designated Beneficiary for the distribution calendar year is the Participant’s spouse, the quotient obtained by dividing the Participant’s Account Balance by the number in the Joint and Last Survivor Table set forth in Treasury Regulation § 1.401(a)(9)-9, using the Participant’s and spouse’s attained ages as of the Participant’s and spouse’s birthdays in the distribution calendar year.
(d) **Lifetime Required Minimum Distributions Continue Through Year of Participant’s Death.** Required minimum distributions will be determined under Sections 5.06(c) and (d) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant’s date of death.

(e) **Amount of Required Minimum Distribution Where Death Occurs On or After Participant’s Required Beginning Date.**

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

(i) The Participant’s remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant’s surviving spouse is the Participant’s sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant’s death using the surviving spouse’s age as of the spouse’s birthday in that year. For distribution calendar years after the year of the surviving spouse’s death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse’s birthday in the calendar year of the spouse’s death, reduced by one for each subsequent calendar year.

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

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

(f) **Amount of Required Minimum Distribution Where Death Occurs Before Participant’s Required Beginning Date.**

(1) **Participant Survived by Designated Beneficiary.** If the Participant dies before the required beginning date and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the calendar year of the Participant’s death is the quotient obtained by dividing the Participant's Account Balance by the remaining life expectancy of the Participant’s designated Beneficiary, determined as provided in Section 5.06(e).

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

(3) **Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin.** If the Participant dies before the required beginning date, the Participant’s surviving spouse is the Participant’s sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under Section 5.06(a)(1), this Section 5.06(f)(3) will apply as if the surviving spouse were the Participant.

(g) **Designated Beneficiary.** The individual who is designated as the Beneficiary under the Plan and is the designated Beneficiary under Code § 401(a)(9) and Treasury Regulation § 1.401(a)(9)-1, Q&A-4.

(h) **Distribution Calendar Year.** A calendar year for which a minimum distribution is required. For distributions beginning before the Participant’s death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant’s death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 5.06(a). The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's required beginning date occurs, will be made on or before December 31 of that distribution calendar year.
(i) **Life Expectancy.** Life expectancy as computed by use of the Single Life Table in Treasury Regulation § 1.401(a)(9)-9.

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

(k) **Required Beginning Date.** The date specified under Code § 401(a)(9) when distributions are required to begin, which, for a Participant, is April 1 following the year the Participant attains age 70 ½ or retires and severs service with the Employer, whichever is later.

5.07 **Payment Options.** A payee’s election of a payment option must be made prior to the date that the payment of benefits is to commence or such earlier date as may be permitted by the Plan. If a timely election of a payment option is not made, benefits shall be paid in accordance with Section 5.08. Subject to applicable law and the other provisions of this Plan, distributions may be made in accordance with one of the following payment options if selected in the Adoption Agreement.

(a) A single lump-sum payment of the entire Account Balance;

(b) Installment payments for a period of years (payable on a monthly, quarterly, semi-annual, or annual basis) which extends no longer than the life expectancy of the payee as permitted under Code § 401(a)(9) using the Tables in Treasury Regulation § 1.401(a)(9)-9. The Account Balance for this calculation (other than the final installment payment) is the Account Balance as of the end of the year prior to the year for which the distribution is being calculated;

(c) Partial lump-sum payment of a designated amount, with the balance payable in installment payments for a period of years, as described in subsection (b);

(d) Annuity payments (payable on a monthly, quarterly or annual basis) for the lifetime of the payee or for the lifetimes of the payee and Beneficiary in compliance with Code § 401(a)(9);

(e) Such other forms of installment payments as may be approved by the Employer consistent with the requirements of Code § 401(a)(9); or

(f) A Participant who is an eligible retired public safety officer, as defined under Code § 402(l)(4)(B), may elect to have distributions made directly to an insurer to
pay qualified health insurance premiums for coverage for the eligible retired public safety officer, his/her spouse and dependents, by an accident of health insurance plan or qualified long-term care insurance contract as defined in Code § 7703B(b). Any elections and distributions under this Section 5.07(f) shall be made in a manner consistent with the requirements and limits contained in Code § 402(l) and any applicable guidance issued thereunder.

5.08 Default Distribution Option. In the absence of an effective election by the Participant as to the commencement and/or form of benefits, distributions shall be made in accordance with the applicable requirements of Code §§ 401(a)(9) and 457(d), and final Treasury regulations thereunder. In the absence of an effective election by the Beneficiary or Alternate Payee as to the commencement and/or form of benefits, distribution shall be made in a lump sum.

5.09 Limitations on Distribution Options. Notwithstanding any other provision of this Article V, Plan distributions shall satisfy the requirements of this Section 5.09.

(a) No distribution option may be selected by a payee under this Article V unless it satisfies the applicable requirements of Code §§ 401(a)(9) and 457(d), and final Treasury regulations thereunder.

(b) The terms of this Article V shall be construed in accordance with all applicable Code sections.

5.10 Eligible Rollover Distributions.

(a) General. Notwithstanding any provision of the Plan to the contrary that would otherwise limit an election under this Section, a Participant, the surviving spouse of a Participant (or a Participant’s former spouse who is the Alternate Payee under a qualified domestic relations order as defined in Code § 414(p)) (herein collectively called “distributee”) may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan in a direct rollover or an in-plan Roth direct rollover. A non-spousal Beneficiary may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid in a direct rollover to an inherited IRA referred to in Code § 402(c)(11).

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

(1) Eligible Rollover Distribution. An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee or the non-spousal Beneficiary, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee’s designated Beneficiary, or for a specified period of 10 years or more; any distribution
to the extent such distribution is required under Code § 401(a)(9); any
deemed distribution under the provisions of Code § 72(p); the portion of
any distribution that is not includable in gross income; any distribution of
excess deferrals; and any distribution on account of an Unforeseeable
Emergency.

(2) **Eligible Retirement Plan.** An eligible retirement plan is any plan
described in Code § 402(c)(8). An eligible retirement plan is described as
an individual retirement account described in Code § 408(a), an individual
retirement annuity described in Code § 408(b), a Roth IRA* described in
Code §408A, an annuity plan described in Code § 403(a), a qualified trust
described in Code § 401(a) (including § 401(k)), a tax-sheltered annuity
described in Code § 403(b) or another eligible deferred compensation plan
described in Code § 457(b) that accepts the distributee’s eligible rollover
distribution. *Effective for distributions made on/after January 1, 2008,
an eligible retirement plan includes a Roth IRA described in Code § 408A.

(3) **Distributee.** A distributee includes an Employee or former Employee, the
Employee’s or former Employee’s surviving spouse and the Employee’s
or former Employee’s spouse or former spouse who is the Alternate Payee
under a qualified domestic relations order, as defined in Code § 414(p),
are distributees with regard to the interest of the spouse or former spouse.

(4) **Direct Rollover.** A direct rollover is a payment by the Plan to the eligible
retirement plan specified by the distributee or to the inherited IRA
specified by the non-spousal Beneficiary.

5.11 **Elections.** Elections under this Section shall be made in such form and manner as the
Administrator may specify from time to time. To the extent permitted by and in
accordance with the Code, any irrevocable elections as to the form or timing of
distributions executed prior to January 1, 2002, are hereby revoked.

5.12 **Practices and Procedures.** The Employer or Plan Administrator may adopt practices and
procedures applicable to existing and new distribution elections.

5.13 **Taxation of Distributions.** To the extent required by law, income and other taxes shall be
withheld from each benefit payment and payments shall be reported to the appropriate
governmental agency or agencies.

5.14 **Required Minimum Distribution Waiver of 2009.** Notwithstanding any other provisions
of Article V. of the Plan, a Participant or Beneficiary who would have been required to
receive required minimum distributions for 2009 but for the enactment of section
401(a)(9)(H) of the Code (“2009 RMDs”), and who would have satisfied that
requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or
more payments in a series of substantially equal distributions (that include the 2009
RMDs) made at least annually and expected to last for the life (or life expectancy) of the
Participant’s designated Beneficiary, or for a period of at least 10 years (“Extended 2009 RMDs”), will receive those distributions for 2009 unless the Participant or Beneficiary chooses not to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence. If the Participant or Beneficiary has not elected to receive a 2009 RMD or Extended 2009 RMD then the Participant or Beneficiary will not receive a 2009 or Extended 2009 RMD unless the Participant elects to receive the distribution(s).

VI. ROLLOVERS AND TRANSFERS

6.01 Eligible Rollover Contributions to the Plan.

(a) If so specified in the Adoption Agreement, and only to the extent so specified, a Participant who is entitled to receive an eligible rollover distribution from another eligible retirement plan may request to have all or a portion of the eligible rollover distribution paid to the Plan. The Administrator may require such documentation from the distributing plan as it deems necessary to effectuate the rollover in accordance with Code § 402 and to confirm that such plan is an eligible retirement plan within the meaning of Code § 402(c)(8)(B).

(b) In-Plan Roth Rollover. If so specified in the Adoption Agreement, and only to the extent so specified, a Participant, the surviving spouse of a Participant (or a Participant’s former spouse who is the Alternate Payee under a qualified domestic relations order as defined in Code § 414(p)) (herein collectively called “distributee”) may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid to the Plan in an in-plan Roth rollover to the distributee’s Designated Roth Contribution Account. A loan transferred in an in-plan Roth direct rollover without changing the repayment schedule is not treated as a new loan for purposes of Code § 72(p). The amount rolled over in an in-plan Roth direct rollover continues to be taken into consideration for mandatory distributions.

(c) For purposes of Section 6.01(a), an eligible rollover distribution means any distribution of all or any portion of a Participant's benefit under another eligible retirement plan, as defined in Section 5.10(b)(2), except that an eligible rollover distribution does not include:

1. any installment payment for a period of 10 years or more,
2. any distribution made as a result of an unforeseeable emergency or other distribution which is made upon hardship of the employee,
3. any deemed distribution under the provisions of Code § 72(p),
4. the portion of any distribution that is not includable in gross income,
(5) any distribution of excess deferrals or

(6) for any other distribution, the portion, if any, of the distribution that is a required minimum distribution under Code § 401(a)(9).

(c) Notwithstanding any other provisions of Section 6.01 of the Plan, and solely for purposes of applying the rollover provisions of the Plan, 2009 RMDs and Extended 2009 RMDs, will be treated as eligible rollover distributions.

(d) The Plan shall establish and maintain for the Participant a separate account for any eligible rollover distribution paid to the Plan from any eligible retirement plan that is not an eligible governmental plan under Code § 457(b). The Plan shall establish and maintain a separate account for any Roth Contributions paid to the Plan from any eligible retirement plan that is not an eligible governmental plan under Code §457(b). In addition, the Plan shall establish and maintain for the Participant a separate account for any eligible rollover distribution paid to the Plan from any eligible governmental plan under Code § 457(b). The Plan shall establish and maintain a separate account for any Roth Contributions paid to the Plan from any eligible retirement plan that is an eligible governmental plan under Code §457(b).

(e) Notwithstanding the above, unless otherwise provided by the Employer in the Adoption Agreement, the Plan will accept a rollover contribution from another Roth Contribution Account under an applicable retirement plan described in Code § 402A(e)(1) and only to the extent the rollover is permitted under the rules of Code § 402(c) and § 1.402A-2 of the Treasury regulations. The Plan Administrator or other responsible party must provide the Plan with a statement indicating the first year of the five-taxable-year period and the portion of the rollover distribution that is attributable to investment in the contract under Code § 72 or a statement that the distribution is a qualified distribution.

6.02 Plan-to-Plan Transfers to the Plan. At the direction of the Employer, the Administrator may permit a class of Participants who are participants in another eligible governmental plan under Code § 457(b) to transfer assets to the Plan as provided in this Section 6.02. Such a transfer is permitted only if the other plan provides for the direct transfer of each Participant's interest therein to the Plan. The Administrator may require in its sole discretion that the transfer be in cash or other property acceptable to the Administrator. The Administrator may require such documentation from the other plan as it deems necessary to effectuate the transfer in accordance with Code § 457(e)(10) and Treasury Regulation § 1.457-10(b) and to confirm that the other plan is an eligible governmental plan as defined in Treasury Regulation § 1.457-2(f). 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 under Article III.
6.03 Plan-to-Plan Transfers from the Plan.

(a) At the direction of the Employer, the Administrator may permit a class of Participants and Beneficiaries to elect to have all or any portion of their Account Balance transferred to another eligible governmental plan within the meaning of Code § 457(b) and Treasury Regulation § 1.457-2(f). An in-service transfer is permitted under this Section only if the Participant is transferring to another eligible governmental plan maintained by Employer. In all other circumstances, a transfer is permitted under this Section 6.03(a) for a Participant only if the Participant has had a Severance from Employment with the Employer and is an Employee of the entity that maintains the other eligible governmental plan. Further, a transfer is permitted under this Section 6.03(a) only if the other eligible governmental plan provides for the acceptance of plan-to-plan transfers with respect to the Participants and Beneficiaries and for each Participant and Beneficiary to have an amount deferred under the other plan immediately after the transfer at least equal to the amount transferred.

(b) Upon the transfer of assets under this Section 6.03, 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 Administrator may require such documentation from the receiving plan as it deems appropriate or necessary to comply with this Section 6.03 (for example, to confirm that the receiving plan is an eligible governmental plan under paragraph (a) of this Section 6.03 and to assure that the transfer is permitted under the receiving plan) or to effectuate the transfer pursuant to Treasury Regulation § 1.457-10(b).

6.04 Permissive Service Credit Transfers.

(a) If a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in Code § 414(d)) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant may elect to have any portion of the Participant's Account Balance transferred to the defined benefit governmental plan. A transfer under this Section 6.04(a) may be made before the Participant has had a Severance from Employment.

(b) A transfer may be made under Section 6.04(a) if the transfer is either for the purchase of permissive service credit (as defined in Code § 415(n)(3)(A)) under the receiving defined benefit governmental plan or a repayment to which Code § 415 does not apply by reason of Code § 415(k)(3) or as otherwise allowed by the Internal Revenue Service.

(c) As indicated in the Adoption Agreement, Participants in a Plan that is a retirement system providing FICA replacement retirement benefits pursuant to regulations
under Code §3121(b)(7)(F) are not eligible for permissive service credit transfers prior to a Severance of Employment.

VII. CREATION OF TRUST AND TRUST FUND

7.01 Trust Fund. All amounts of Annual Deferrals, 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 the Trust Agreement. The Trust Fund, and any sub trust established under the Plan, shall be established pursuant to a written agreement that constitutes a valid trust under applicable state law. The Trustee shall ensure that all investments, amounts, property and rights held under the Trust Fund are held for the exclusive benefit of Participants and their Beneficiaries. The Trust Fund shall be held in trust pursuant to the 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.

The trust requirement of Code § 457(g) may be satisfied by a trust agreement, a custodial agreement or the annuity contract, if any. The trust requirement shall be satisfied in the manner specified in the Adoption Agreement. If so elected in the Adoption Agreement, the Employer or certain Employees of (or holders of certain positions with) the Employer shall be named as Trustee in the Adoption Agreement and Plan assets shall be set aside in trust pursuant to this Article VII.

If the Employer does not elect to self-truste the Plan, the Employer must elect one of the following options in the Adoption Agreement:

(a) Plan assets will be set aside in trust pursuant to a separate written trust agreement entered into between the Employer and the bank or trust company named as Trustee named in the Adoption Agreement. The Employer shall enter into a separate written trust agreement with the Trustee.

(b) Plan assets shall be set aside in one or more annuity contracts issued by an insurance company qualified to do business in the state where the contract is issued. The owner of the annuity contract is the “deemed trustee” of the assets invested under the contract for purposes of Code § 457(g).

(c) Plan assets shall be set aside in one or more custodial accounts described in Code § 401(f) with the bank or trust company named in the Adoption Agreement as Custodian and “deemed trustee” for purposes of Code § 457(g). The Employer shall enter into a separate written custodial agreement with the Custodian.
7.02 **Establishment of Trust.** The Employer or named Employees of Employer (or certain holders of positions with the Employer) named in the Adoption Agreement shall serve as Trustee of a Trust hereby created to hold all of the assets of the Plan for the exclusive benefit of Participants and Beneficiaries. The Trust shall consist of all contributions made under the Plan and the investment earnings thereon. All contributions and the earnings thereon less payments made under the terms of the Plan, including fees and expenses, shall constitute the Trust. Except to the extent that the Employer enters into a separate written trust agreement with a bank or trust company Trustee, the assets in Trust shall be administered as provided in this sample Basic Plan Document.

7.03 **Appointment and Termination of Trustee.** A Trustee may be named by the Employer and may be a Participant. The Trustee shall remain in office at the will of the Employer and may be removed from office at any time by the Employer, with or without cause. Such removal shall be effective upon delivery of written notice to the Trustee or at such later time as may be designated in such notice; provided that any such notice of removal shall take effect no sooner than 30 days and no later than 60 days after the delivery thereof, unless such 30 or 60 day period shall be waived. The Trustee may resign at any time upon giving written notice to the Employer or at such later time as may be designated in the notice of resignation; provided that (a) any such notice of resignation shall take effect no sooner than 30 days and no later than 60 days after the delivery thereof, unless such 30 day or 60 day period shall be waived and (b) upon such resignation or removal the Employer shall have the power and the duty to designate and appoint a successor Trustee, and the actual appointment of a successor Trustee is a condition that must be fulfilled before the resignation or removal of the Trustee shall become effective.

Upon appointment, the successor Trustee shall have all the rights, powers, privileges, liabilities and duties of the predecessor Trustee. The Trustee so resigned or removed shall take any and all action necessary to vest the rights, powers, privileges, liabilities and duties of the Administrator in his, her or its successor.

7.04 **Acceptance.** By signing the Adoption Agreement the Trustee accepts the Trust created under the Plan and agrees to perform the obligations imposed.

7.05 **Control of Plan Assets.** The assets of the Trust or evidence of ownership shall be held by the Trustee, under the terms of the Plan and under either this Article VII or under the separate written trust agreement with a bank or trust company. If the assets represent amounts transferred from a former plan, the Trustee shall not be responsible for the propriety of any investment under the former plan.

7.06 **General Duties of the Trustee.** The Employer or named individuals in the employ of the Employer named as Trustee(s) in the Adoption Agreement shall be responsible for the administration of investments held in the Plan. The Trustee’s duties shall include:

(a) receiving contributions under the terms of the Plan;
(b) making distributions from Plan assets held in Trust in accordance with written instructions received from an authorized representative of the Employer;

(c) keeping accurate records reflecting its administration of the Trust assets and making such records available to the Employer for review and audit. Within 90 days after each Plan Year, and within 90 days after its removal or resignation, the Trustee shall file with the Employer an accounting of its administration of the Trust assets during such year or from the end of the preceding Plan Year to the date of removal or resignation. Such accounting shall include a statement of cash receipts and disbursements since the date of its last accounting and shall contain an asset list showing the fair market value of investments held in the Trust as of the end of the Plan Year.

The value of marketable investments shall be determined using the most recent price quoted on a national securities exchange or over the counter market. The value of non-marketable investments shall be determined in the sole judgment of the Trustee which determination shall be binding and conclusive. The value of investments in securities or obligations of the Employer in which there is no market shall be determined in the sole judgment of the Employer and the Trustee shall have no responsibility with respect to the valuation of such assets. The Employer shall review the Trustee’s accounting and notify the Trustee in the event of its disapproval of the report within 90 days, providing the Trustee with a written description of the items in question. The Trustee shall have 60 days to provide the Employer with a written explanation of the items in question; and

(d) employing such agents, attorneys or other professionals as the Trustee may deem necessary or advisable in the performance of its duties.

The Trustee’s duties shall be limited to those described above. The Employer shall be responsible for any other administrative duties required under the Plan or by applicable law.

7.07 Investment Powers of the Trustee. The Trustee shall implement an investment program based on the Employer’s investment objectives. If either the Employer or the Participant fails to issue investment directions as provided in Sections 8.01 and 8.02, the Trustee shall have authority to invest the Trust assets in its sole discretion. In addition to powers given by law, the Trustee may:

(a) invest the Trust assets in any form of property, including common and preferred stocks, exchange and trade put and call options, bonds, money market instruments, mutual funds (including Trust assets for which the Trustee or its affiliates serve as investment advisor), Treasury bills, deposits at reasonable rates of interest at banking institutions including but not limited to savings accounts and certificates of deposit, and other forms of securities or investment of any kind, class, or character whatsoever, or in any other property, real or personal, having a ready market;
(b) invest and reinvest all or any part of the Trust assets in any insurance policies or other contracts with insurance companies including but not limited to individual or group annuity, deposit administration, and guaranteed interest contracts. Such contracts shall be held in the name of the Trustee;

(c) transfer any assets of the Trust to any group or common, collective or commingled fund that is maintained by a bank or other institution that is established to permit the pooling of assets of separate Trusts so long as such fund is available to § 457(b) plans;

(d) hold cash un-invested and deposit same with any banking or savings institution at reasonable interest;

(e) deposit fees earned from revenue sharing, 12(b)(1) fees, any investment gains and any otherwise unallocated trust assets into an account to be invested in any employer-directed investment option available under the Plan;

(f) join in or oppose the reorganization, recapitalization, consolidation, sale or merger of corporations or properties, including those in which it is interested as a Trustee, upon such terms as it deems wise;

(g) hold investments in nominee or bearer form;

(h) to vote or refrain from voting any stocks, bonds, or other securities held in the Trust, to exercise any other right appurtenant to any securities or other property held in the Trust, to vote or refrain from voting proxies;

(i) exercise all ownership rights with respect to assets held in the Trust; and

(j) do any and all other acts that may be deemed necessary in the performance of the Trustee’s duties hereunder.

7.08 Trustee Fees and Expenses. All reasonable costs, charges and expenses incurred by the Trustee in connection with the administration of the Trust assets (including fees for legal services rendered to the Trustee) may be paid by the Employer, but if not paid by the Employer when due, shall be paid from the Trust. Such reasonable compensation to a bank or trust company Trustee as may be agreed upon from time to time between the Employer and the Trustee may be paid by the Employer, but if not paid by the Employer when due, shall be paid by the Trust. The Trustee shall have the right to liquidate Trust assets to cover its fees. Notwithstanding the foregoing, no compensation other than reimbursement for expenses shall be paid to a Trustee who is the Employer or a full-time Employee. In the event any part of the Trust assets become subject to tax, all taxes incurred shall be paid from the Trust unless the Administrator advises the Trustee not to pay such tax. If pursuant to 7.07(e) an account holding un-invested trust assets is in existence at anytime during the Plan Year, all amounts in the account shall be first used
7.09 **Exclusive Benefit Rules.** No part of the Trust assets shall be used for, or diverted to, purposes other than for the exclusive benefit of Participants, former Participants with an interest in the Plan and the Beneficiary or Beneficiaries of a deceased Participant having an interest in the Trust assets at the death of the Participant.

7.10 **Trustee Actions.** Every action taken by the Trustee shall be presumed to be a fair and reasonable exercise of the authority vested in or the duties imposed upon him, her or it. The Trustee shall be deemed to have exercised reasonable care, diligence and prudence and to have acted impartially as to all persons interested, unless the contrary be proven by affirmative evidence. The Trustee shall not be liable for amounts of Compensation deferred by Participants or for other amounts payable under the Plan.

7.11 **Delegation.** Subject to any applicable laws and any approvals required by the Employer, the Trustee may delegate any or all powers and duties hereunder to another person, persons or entity and may pay reasonable compensation for such services as an administrative expense of the Plan to the extent such compensation is not otherwise paid.

7.12 **Division of Duties and Indemnification.**

(a) The Trustee shall have the authority and discretion to manage and govern the Trust assets to the extent provided in this instrument, but does not guarantee the Trust in any manner against investment loss or depreciation in asset value or guarantee the adequacy of the Trust assets to meet and discharge all or any liabilities of the Plan.

(b) The Trustee shall not be liable for the making, retention or sale of any investment or reinvestment made by it, as herein provided, or for any loss to, or diminution of the Trust assets or for any other loss or damage which may result from the discharge of its duties hereunder except to the extent it is judicially determined that the Trustee has failed to exercise the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims.

(c) The Employer warrants that all directions issued to the Trustee by it or the Administrator shall be in accordance with the terms of the Plan and not contrary to the provisions of the Code.

(d) The Trustee shall not be answerable for any action taken pursuant to any direction, consent, certificate or other paper or document on the belief that the same is genuine and signed by the proper person. All directions by the Employer or the Administrator shall be in writing from the authorized individual or individuals named in the Adoption Agreement.
(e) The duties and obligations of the Trustee shall be limited to those expressly
imposed upon it by this instrument or subsequently agreed upon by the parties.
Responsibility for administrative duties required under the Plan or applicable law
not expressly imposed upon or agreed to by the Trustee shall rest solely with the
Employer.

(f) The Trustee shall be indemnified and held harmless by the Employer from and
against any and all liability to which the Trustee may be subjected, including all
expenses reasonably incurred in its defense, for any action or failure to act
resulting from compliance with the instructions of the Employer, the Employees
or agents of the Employer, the Administrator, or any other fiduciary to the Plan,
and for any liability arising from the actions or inactions of any predecessor
Trustee, custodian or other fiduciaries of the Plan.

(g) The Trustee shall not be responsible in any way for the application of any
payments it is directed to make or for the adequacy of the Trust assets to meet and
discharge any and all liabilities under the Plan.

VIII. INVESTMENTS

8.01 Investment Options. Employer shall have the sole discretion to select one or more
investment options to be offered under the Plan. These investment options may include
specified life insurance policies, annuity contracts or investment media issued by an
insurance company. It shall be the sole responsibility of the Employer to ensure that all
investment options offered under the Plan are appropriate and in compliance with any
and all state laws pertaining to such investments.

8.02 Participant Investment Direction. If the Employer chooses to designate one or more
investment options in which Participants may direct investment of their Account(s),
Participants shall have the option to direct the investment of their Account(s) from among
the investment options designated by the Employer. The Participant’s right to transfer
among or out of any such investment options shall be subject to any timing or other
restrictions imposed upon Participants by the providers of the investment options chosen
by the Participant, including, but not limited to market-timing restrictions, excessive
trading restrictions and redemption fees. The Trustee or Custodian, as applicable, shall
hold title to such investment options. A Participant’s right to direct the investment of
Account balances shall apply only to making selections among the options made
available under the Plan and only to the extent specified by the Employer pursuant to
uniform rules. The terms of this paragraph, including any trading restrictions or fees,
shall also apply to Beneficiary and Alternate Payee accounts.

(a) Each Participant shall designate on the form prescribed by the Administrator the
one or more investment options in which he or she wishes to have his Account
invested and may change such investment directions in accordance with and at the
time or times specified under uniform rules established by the Administrator or the investment provider, as applicable. The Participant’s Account shall be debited or credited as appropriate to reflect all gains or losses on such investments. If a Participant has the right to direct the investment of his Account but does not provide such direction pursuant to uniform rules established by Employer, the Participant’s Account shall be invested in the investment option selected by the Plan.

(b) Neither the Employer, the Administrator, the Trustee, the Custodian nor any other person shall be liable for any loss incurred by virtue of following the Participant’s directions or by reason of any reasonable administrative delay in implementing such directions.

(c) The Employer may from time to time change the investment options made available under the Plan pursuant to uniform rules established by the Administrator. If the Employer eliminates an investment option, all Participants who had chosen that investment option shall select another option. If the Participant does not select a new option, money remaining in the eliminated investment option shall be reinvested at the direction of the Employer. The Participants shall have no right to require the Employer to select or retain any investment option. Any change with respect to investment options made by the Employer or a Participant, however, shall be subject to the terms and conditions (including any rules or procedural requirements) of the affected investment options.

8.03 Employer Investment Direction.

(a) To the extent the Employer chooses not to allow Participant direction of the investment of his or her Account, the Employer shall have the right to direct the Trustee or Custodian with respect to investments of the Trust assets, may appoint an investment manager to direct investments or may give the Trustee sole investment management responsibility. The Employer or investment manager shall make any investment directive in writing. Such instructions regarding the delegation of investment responsibility shall remain in force until revoked or amended in writing. The Trustee shall not be responsible for the propriety of any investment made at the direction of the Employer or an investment manager and shall not be required to consult with or advise the Employer regarding the investment quality of any directed investment held hereunder. In the absence of such written directive, the Trustee shall automatically invest the available cash in its discretion in an appropriate interim investment until specific investment directions are received.
(b) If the Employer fails to direct the investment of Trust assets or name an investment manager and the Trustee or Custodian do not have investment authority, the Administrator shall have full investment authority.

8.04 Participant Accounts. The Administrator shall maintain or cause to be maintained one or more individual accounts for each Participant. Such accounts shall include separate accounts, as necessary, for Code § 457(b) Deferred Compensation, Code § 457(b) rollovers, IRA rollovers, other qualified plan and Code § 403(b) plan rollovers and such other accounts as may be appropriate from time to time for plan administration. At regular intervals established by the Administrator, each Participant’s account(s) shall be credited with the amount of any Deferred Compensation paid into the Trust; debited with any applicable administrative or investment expense, including, but not limited to, fees charged to Participants, allocated on a reasonable and consistent basis; credited or debited with investment gain or loss, as appropriate; and debited with the amount of any distribution. Each Participant shall be notified in writing of the balance in his Account at least once a year.

IX. Administration

9.01 Administrator. Employer shall be the Administrator unless another person or persons is appointed by the Employer in the Adoption Agreement pursuant to Section 9.02.

9.02 Appointment and Termination of Administrator. An Administrator may be named in the Adoption Agreement by the Employer and may be a Participant. The Administrator shall remain in office at the will of the Employer and may be removed from office at any time by the Employer, with or without cause. Such removal shall be effective upon delivery of written notice to the Administrator or at such later time as may be designated in such notice; provided that any such notice of removal shall take effect no later than 60 days after the delivery thereof, unless such 60 day period shall be waived. The Administrator may resign at any time upon giving written notice to the Employer or at such later time as may be designated in the notice of resignation provided that; (a) any such notice of resignation shall take effect no later than 60 days after the delivery thereof, unless such 60 day period shall be waived; and (b) upon such resignation or removal the Employer shall have the power and the duty to designate and appoint a successor Administrator, and the actual appointment of a successor Administrator is a condition that must be fulfilled before the resignation or removal of the Administrator shall become effective. Upon appointment, the successor Administrator shall have all the rights, powers, privileges, liabilities and duties of the predecessor Administrator. The Administrator so resigned or removed shall take any and all action necessary to vest the rights, powers, privileges, liabilities and duties of the Administrator in the successor.

9.03 Duties of Administrator. Subject to any applicable laws and any approvals required by the Employer, the Administrator shall have full power and authority to adopt rules, regulations and procedures for the administration of the Plan, and to interpret, alter,
amend, or revoke any rules, regulations or procedures so adopted. The Administrator’s duties shall include:

(a) appointing the Plan’s attorney, accountant, actuary, custodian or any other party needed to administer the Plan or the Plan assets;

(b) directing the Trustee or Custodian with respect to payments from the Plan assets held in Trust;

(c) communicating with Employees regarding their participation and benefits under the Plan, including the administration of all claims procedures;

(d) filing any returns and reports with the Internal Revenue Service or any other governmental agency;

(e) reviewing and approving any financial reports, investment reviews, or other reports prepared by any party appointed under paragraph (a);

(f) establishing a funding policy and investment objectives consistent with the purposes of the Plan; and

(g) construing and resolving any question of Plan interpretation. The Administrator’s interpretation of Plan provisions including eligibility and benefits under the Plan is final.

9.04 Administrative Fees and Expenses. All reasonable costs, charges and expenses incurred by the Administrator in connection with the administration of the Plan (including fees for legal services rendered to the Administrator) may be paid by the Employer, but if not paid by the Employer when due, shall be paid from Plan assets. Such reasonable compensation to the Administrator as may be agreed upon from time to time between the Employer and Administrator may be paid by the Employer, but if not paid by the Employer when due shall be paid from Plan assets. Notwithstanding the foregoing, no compensation other than reimbursement for expenses shall be paid to an administrator who is the Employer or a full-time Employee of the Employer. In the event any part of the assets in the Plan become subject to tax, all taxes incurred shall be paid from the Plan assets unless the Administrator instructs the Trustee or Custodian not to pay such tax.

9.05 Actions of Administrator. Every action taken by the Administrator shall be presumed to be a fair and reasonable exercise of the authority vested in or the duties imposed upon him, her or it. The Administrator shall be deemed to have exercised reasonable care, diligence and prudence and to have acted impartially as to all persons interested, unless the contrary be proven by affirmative evidence. The Administrator shall not be liable for amounts of Compensation deferred by Participants or for other amounts payable under the Plan.
9.06 **Delegation.** Subject to any applicable laws and any approvals required by the Employer, the Administrator may delegate any or all powers and duties hereunder to another person, persons or entity, and may pay reasonable compensation for such services as an administrative expense of the Plan to the extent such compensation is not otherwise paid.

9.07 **Investment and Service Providers.** Any company which issues policies, contracts or investment media to the Employer or in respect of a Participant is not a party to this Plan and such company shall have no responsibility, accountability or liability to the Employer, the Administrator, any Participant or any Beneficiary with regard to the operation or adequacy of this Plan, including any future amendments made thereto.

X. LEAVE OF ABSENCE

10.01 **Paid Leave of Absence.** If a Participant is on an approved leave of absence from the Employer with Compensation, or on approved leave of absence without Compensation that does not constitute a Severance from Employment, which under the Employer’s current practices is generally a leave of absence without Compensation for a period of one year or less, said Participant’s participation in the Plan may continue.

10.02 **Unpaid Leave of Absence.** If a Participant is on an approved leave of absence without Compensation and such leave of absence continues to such an extent that it becomes a Severance from Employment, said Participant shall have separated from service with the Employer for purposes of this Plan. Upon termination of leave without pay and return to active status, the Participant may enter into a new Participation Agreement to be effective when permitted by Section 2.11.

XI. AMENDMENT OR TERMINATION OF PLAN

11.01 **Termination.** The Employer may at any time terminate this Plan; provided, however, that no termination shall affect the amount of benefits, which at the time of such termination shall have accrued for Participants or Beneficiaries. Such accrued benefit shall include any Compensation deferred before the time of the termination and income thereon accrued to the date of the termination. Such amount shall be calculated in accordance with Section 8.04 and the terms and conditions of the affected investment option. Upon such termination, each Participant in the Plan shall be deemed to have revoked his agreement to defer future Compensation as provided in Section 2.10 as of the date of such termination. Each Participant’s full Compensation on a nondeferred basis shall be restored. Upon plan termination, all amounts deferred will be distributed to Participants or Beneficiaries as soon as administratively practicable after the termination date.

11.02 **Amendment.** The Employer may amend the provisions of this Plan at any time; provided, however, that no amendment shall affect the amount of benefits which at the time of such amendment shall have accrued for Participants or Beneficiaries, to the extent
of Compensation deferred before the time of the amendment and income thereon accrued to the date of the amendment, calculated in accordance with Section 8.04 and the terms and conditions of the investment options hereunder; and provided further, that no amendment shall affect the duties and responsibilities of the Trustee or Custodian unless executed by the Trustee or Custodian.

To the extent permitted by applicable law, the Employer delegates to the Administrator the authority to adopt rules, regulations or procedures from time to time as may be necessary or desirable to conform Plan provisions to, or to elaborate Plan provisions in light of, technical amendments to the Code, Treasury regulations or other guidance issued under the Code, and such rules, regulations or procedures are hereby ratified by the Employer as having the force and effect of Plan amendments.

11.03 Copies of Amendments. The Administrator shall provide a copy of any Plan amendment to any Trustee or custodian and to the issuers of any investment options selected pursuant to Section 8.01.

XII. TAX TREATMENT OF AMOUNTS CONTRIBUTED

It is intended that pursuant to Code § 457, the amount deferred shall not be considered current compensation for purposes of federal income taxation except to the extent that the amount deferred is Designated Roth Contributions. This rule shall also apply to state income taxation unless applicable state laws provide otherwise. Such amounts shall, however, be included as compensation to the extent required under the Federal Insurance Contributions Act (FICA). Payments under this Plan shall supplement retirement and death benefits payable under the Employer’s group insurance and retirement plans, if any.

XIII. NON-ASSIGNABILITY

13.01 Non-Assignability. Except as provided in Sections 13.02 and 13.03, the interests of each Participant or Beneficiary under the plan are 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 any payments hereunder or any interest under the Plan, which payments and interest are expressly declared to be non-assignable and non-transferable.

13.02 Qualified Domestic Relations Orders. If so specified in the Adoption Agreement, domestic relations orders approved by the Administrator shall be administered as follows.

(a) Notwithstanding Section 13.01, if a final judgment, decree, or order (including approval of a property settlement) that is related 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 (herein called an Alternate Payee) is made pursuant to the domestic relations law of any State and meets the
requirements of Code § 414(p), then such order shall be referred to as a Qualified Domestic Relations Order ("QDRO"). If a QDRO is duly filed upon the Administrator, then the amount of the Participant’s Account Balance shall be paid to or set aside in a separate account for Alternate Payee(s) as elected by the Alternate Payee. Payments to the Alternate Payee shall be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan. The Administrator shall establish reasonable procedures for determining the status of any such decree or order and for effectuating distribution pursuant to the QDRO and may charge the Participant and Alternate Payee a fee as established from time to time.

Where necessary to carry out the terms of such a QDRO, a separate account shall be established with respect to the Alternate Payee(s) and such person shall be entitled to make investment selections with respect thereto in the same manner as the Participant, except to the extent restricted by the employer or a specific investment option under the plan. All costs and charges incurred in carrying out the investment selection shall be deducted from the account created for the spouse, former spouse or child making the investment selection. The Alternate Payee may select from among the forms of payment available to Participants except a joint and survivor annuity naming the Alternate Payee and a subsequent spouse. Withholding and income tax reporting shall be done with respect to the Alternate Payee under the terms of the Code as amended from time to time.

(b) The Employer’s liability to pay benefits to a Participant shall be reduced to the extent that amounts have been paid or set aside for payment to a spouse, former spouse or child pursuant to this Section. No amount shall be paid or set aside unless the Employer, or its agents or assigns, has been provided with satisfactory evidence releasing them from any further claim by the Participant with respect to these amounts. The Participant shall be deemed to have released the Employer from any claim with respect to such amounts in any case in which the Employer has been notified of or otherwise joined in a proceeding relating to a QDRO which sets aside a portion of the Participant’s account for a spouse, former spouse or child, and the Participant fails to obtain an order of the court in the proceeding relieving the Employer from the obligation to comply with the QDRO.

(c) The Employer shall not be obligated to comply with any judgment, decree or order that attempts to require the Plan to violate any Plan provision or any provision of Code § 457. Neither the Employer nor its agents or assigns shall be obligated to defend against or set aside any judgment, decree, or order described herein or any legal order relating to the division of a Participant’s benefits under the Plan unless the full expense of such legal action is borne by the Participant. In the event that the Participant’s action (or inaction) nonetheless causes the Employer, its agents or assigns to incur such expense, the amount of the expense may be charged against the Participant’s account and thereby reduce Employer’s obligation to pay benefits to the Participant. In the course of any proceeding relating to divorce, separation, or child support, the Employer, its agents and
assigns shall be authorized to disclose information relating to Participant’s individual account to the Participant’s spouse, former spouse or child (including the legal representatives of the spouse, former spouse or child), or to a court.

13.03 **IRS Levy.** Notwithstanding Section 13.01, the Administrator may pay from a Participant’s or Beneficiary’s Account Balance the amount that the 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.

13.04 **Mistaken Contributions.** If any contribution (or any portion of a contribution) is made to the Plan by a good faith mistake of fact, then within one year after the payment of the contribution, and upon receipt in good order of a proper request approved by the Administrator, the amount of the mistaken contributions (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 Administrator, to the Employer.

If the Plan utilizes an Eligible Automatic Contribution Arrangement intended to satisfy Code § 414(w), the Participant may elect a return of their elective deferrals (as adjusted for applicable earnings and losses), if such election is made prior to the 91st day after the date of the first elective contribution is deducted from the employee’s Compensation. Any employer contributions shall be forfeited. Any forfeitures arising under the Plan shall be subject to the provisions of Sections 7.07 and 7.08 applicable to unallocated trust assets.

13.05 **Payments to Minors and Incompetents.** To the extent the Employer or Administrator determines that the following procedure meets applicable state or local law, 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, benefits will be paid to such person as the Administrator may designate for the benefit of such Participant or Beneficiary. Such payments shall be considered a payment to such Participant or Beneficiary and shall, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.

13.06 **Procedure When Distributee Cannot Be Located.** The Administrator shall make all reasonable attempts to determine the identity and address of a participant or a Participant’s Beneficiary 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 Administrator’s records,

(b) notification sent to the Social Security Administration, Internal Revenue Service or the Pension Benefit Guaranty Corporation (under their program to identify payees under retirement plans) and
(c) the payee has not responded within six months.

If the Administrator is unable to locate such a person entitled to benefits hereunder, or if there has been no claim made for such benefits, the trust fund shall continue to hold the benefits due such person until in the Employer’s or Administrator’s sole discretion, the Plan is required to take other action under applicable law except that if, in the Adoption Agreement, the Plan elected mandatory distributions greater than $1,000, then the Administrator will pay the distribution for such person in a direct rollover to an individual retirement plan designated by the plan administrator.

XIV. DISCLAIMER

14.01 The Employer and the Administrator make no endorsement, guarantee or any other representation and shall not be liable to the Plan or to any Participant, Beneficiary or any other person with respect to:

(a) the financial soundness, investment performance, fitness, or suitability (for meeting a Participant’s objectives, future obligations under the Plan, or any other purpose) of any investment option offered pursuant to Section 8.01 or any investment vehicle in which amounts deferred under the Plan are actually invested or

(b) the tax consequences of the Plan to any Participant, Beneficiary or any other person.

EMPLOYER PARTICIPATION

15.01 Notwithstanding any other provisions of this Plan and if so specified in the Adoption Agreement, the Employer may contribute additional amounts into the Plan on behalf of any Participant, so long as the total amount contributed by the Employer when added to the Annual Deferral made by the Participant does not exceed the maximum deferral permitted by Article III for the calendar year. The amount of such Employer contribution and the Employees or independent contractors eligible to receive such contributions shall be detailed in an amendment attached to this Plan document. Such Employer contributions shall be wages for services rendered by the Participant to the Employer during the payroll period contributed.

INTERPRETATION

16.01 Governing Law. This Plan shall be construed under the laws of the state in which the Employer is located.
16.02 **Internal Revenue Code § 457.** This Plan is intended to be an eligible deferred compensation plan within the meaning of Code § 457 and shall be interpreted so as to be consistent with such Section and all regulations promulgated thereunder.

16.03 **Word Usage.** Words used herein in the singular shall include the plural and the plural the singular where applicable, and one gender shall include the other genders where appropriate.

16.04 **Headings.** The headings of sections, sections or other subdivisions hereof are included solely for convenience of reference. If there is any conflict between such headings and the text of the Plan, the text shall control.

16.05 **Entire Agreement.** This Plan, the executed Adoption Agreement and any properly adopted amendment thereof, shall constitute the total agreement or contract between the Employer and the Participant regarding the Plan. No oral statement regarding the Plan may be relied upon by the Participant. This Plan and any properly adopted amendment shall be binding on the parties hereto and their respective heirs, administrators, Trustees, successors, assigns and on all designated Beneficiaries of the Participant.
### RFP No.: 22-23/07, 457(b) Deferred Compensation Administration and Recordkeeping Services

**Addendum No. 1 - (Attachment 13)**

Port of Oakland Deferred Compensation Plan Investment Options

*(dollars in thousands)*

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<td>WAMCX</td>
<td>Wasatch Ultra Growth</td>
<td>1,208</td>
</tr>
<tr>
<td>PCKAX</td>
<td>PIMCO StocksPLUS® Small A</td>
<td>695</td>
<td>WAPSX</td>
<td>Western Asset Core Plus Bond IS</td>
<td>415</td>
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<tr>
<td>PIREX</td>
<td>Principal Real Estate Securities Inst</td>
<td>680</td>
<td>WHIA X</td>
<td>Delaware Ivy High Income Fund Class A</td>
<td>164</td>
</tr>
</tbody>
</table>
RFP No.: 22-23/07, 457(b) Deferred Compensation Administration and Recordkeeping Services

Attachment 14
Investment Policy Statement
INVESTMENT POLICY STATEMENT

A. PURPOSE:

This Investment Policy Statement ("Policy Statement") sets forth the goals and objectives for the investment options available under the Port of Oakland Deferred Compensation Plan (the "Plan"). The purpose of this Policy Statement is to guide the Advisory Committee (the "Committee") and the Investment Sub-Committee in effectively supervising, monitoring and managing the investment options available under the Plan. This Policy Statement is designed to allow for sufficient flexibility in the management oversight process, while also setting forth reasonable parameters to promote the exercise of reasonable prudence and care with respect to the investment options available under the Plan. This Policy Statement provides a framework for the selection of investment options, a procedure for the ongoing evaluation of the investment options available under the Plan, and guidelines for terminating and replacing any available investment option(s).

However, and for the avoidance of doubt, no provision or provisions within this Policy Statement shall, in and of itself/themselves, be construed as obligating the Committee or Investment Sub-Committee to take or omit to take any particular action in any case whatsoever, and the Committee and Investment Sub-Committee reserve the right to exercise their absolute discretion in making decisions as to the Plan’s investment options to the fullest extent permissible under applicable law or regulation, and any instrument(s) governing the Plan.

B. BACKGROUND:

The Plan was established and is administered by the Committee and is intended to qualify as a Section 457 plan. The Plan is intended to provide eligible employees with a means to save monies on a tax-advantaged basis in order to assist the employee in reaching his/her retirement goals. The Plan allows each eligible employee to direct how contributions made to his or her Plan account are invested among a diverse menu of investment options selected by the Committee.

The Committee shall choose which investment options shall be available under the Plan and shall monitor the investment options’ compliance with this Policy Statement.

The Committee and the Plan’s recordkeeper do not provide investment advice to any participant or assist any participant in deciding how to allocate contributions to the participants’ Plan accounts. No fiduciary shall be responsible for any financial loss that may be incurred by any participant as a result of the participant’s investment direction or as a result of any action taken in accordance with the participant’s investment direction.

C. INVESTMENT OPTION SELECTION:

The Committee recognizes that there is investment risk inherent in all investment options. Furthermore, the Committee recognizes that individual participants each have their own level of risk tolerance. The Committee shall, therefore, select a broad array of investment options providing different levels of risk and historical return. To this end, the Committee shall generally endeavor to select investment options based upon the following criteria:
1. Selected investment options shall generally represent the major asset classes, and may represent the major asset categories, as set forth below. As deemed appropriate, both active and passive management styles will generally be utilized. For purposes of this Policy Statement, the following shall be considered major asset classes (by roman numeral) and asset categories (by letter), as defined by Morningstar® (an independent fund evaluation company), provided that subsequent changes to such asset classes and categories by Morningstar® shall not be deemed to change these guidelines except to the extent that this Policy Statement is specifically amended to reflect the same:

i. **International**
   a. Foreign Large Growth
   b. Foreign Large Blend
   c. World Stock
   d. European Stock

ii. **Domestic Equity**
   a. Small Cap Growth
   b. Small Cap Blend
   c. Small Cap Value
   d. Mid Cap Growth
   e. Mid Cap Blend
   f. Mid Cap Value
   g. Large Cap Growth
   h. Large Cap Blend
   i. Large Cap Value
   j. Specialty Real Estate
   k. Specialty Technology
   l. Specialty Utilities

iii. **Balanced**
   a. Allocation
   b. Target Date

iv. **Taxable Bond**
   a. High-Yield Bond
   b. Intermediate-Term Bond
   c. Intermediate Government Bond

v. **Money Market**

vi. **Stable Value**

2. The Committee shall select investment options based upon such administrative, quantitative and qualitative criteria as are set forth in this Policy Statement, and/or as the Committee shall otherwise deem appropriate in each particular case.

3. The expense ratio of the investment options must be competitive with other investment options with similar objectives as measured by the applicable Morningstar® Category average.

*Investment Policy Statement*  
*(rev Nov 2017)*
4. Wherever advisable and practicable, the Committee will choose investment options that are offered by companies that have a reputation as being among the industry’s leaders.

5. Wherever advisable and practicable, the selected investment options shall have at least three years of investment history. Furthermore, the Committee will attempt to choose investment options where the investment manager exhibits style (i.e., growth or value, large cap or small cap) consistency over at least a three-year period of time. Lastly, wherever advisable and practicable, the specific fund manager shall have managed the fund for at least two years.

6. Subject to the above criteria, the Committee shall endeavor to choose investment options that exhibit competitive historical returns on both a total return and risk-adjusted basis (applying similar standards to those set forth in the next following Section), over such time frames as the Committee shall deem appropriate in each particular case, and with the understanding that past performance is not necessarily indicative of future performance.

D. INVESTMENT OPTION PERFORMANCE STANDARDS:

The Committee shall review each of the selected investment options at least annually to evaluate the investment option’s performance. The Committee may utilize a qualified, knowledgeable third party to assist in the evaluation process. The investment option review shall incorporate statistical analysis provided by an independent third party. The Committee shall utilize the following performance benchmarks:

1. Actively Managed and Passive Funds: Each Fund shall be benchmarked against its respective peer group as determined by the Morningstar® Category. The Morningstar® Category identifies funds based on their actual investment styles as measured by the underlying portfolio holdings over the trailing 36-month period.

   - Return Composite: The Return Composite measures the fund’s performance relative to its peer group on a net-of-fee basis. It is calculated by taking the equally weighted average of the 3, 5 and 10 year return percentiles.

   - Sharpe Composite: The Sharpe Composite measures the fund’s risk-adjusted performance relative to its peer group. It is calculated by taking the equally weighted average of the 3 and 5 year Sharpe percentiles.

   - Overall Composite: The average of the Return Composite and the Sharpe Composite determines the Overall Composite where an Overall Composite above the 50.0% percentile is considered above benchmark.

   - Morningstar® Ratings: The Morningstar® Rating is a quantitative measure of risk-adjusted returns. This rating shows how well a fund has balanced risk and return relative to other funds in the same Morningstar® Category. The Morningstar® Rating is calculated over a 3, 5 and 10 year time period on a 1 through 5 scale. A 3, 4 or 5 rating is considered “Above Benchmark,” while a 1 or 2 rating is considered “Below Benchmark.”
• Overall Rating: The below matrix combines the Overall Composite with the Morningstar® Rating to determine if a fund is Above Benchmark, Neutral or Below Benchmark for the most recent quarter-end time period.

<table>
<thead>
<tr>
<th>Overall Composite</th>
<th>Morningstar® Rating</th>
<th>Overall Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;= 50.0%</td>
<td>AND</td>
<td>3, 4 or 5</td>
</tr>
<tr>
<td>&gt;= 50.0%</td>
<td>OR</td>
<td>3, 4 or 5</td>
</tr>
<tr>
<td>&lt; 50.0%</td>
<td>AND</td>
<td>1 or 2</td>
</tr>
</tbody>
</table>

• Long-Term Rolling Analysis

To assess the long-term consistency of fund performance, the previous 12 quarters are examined based on the accumulated Overall Ratings:

<table>
<thead>
<tr>
<th>Consecutive Quarters Below Benchmark</th>
<th>Quarters Below out of trailing 12</th>
<th>Long-Term Rolling Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 4 Quarters</td>
<td>AND</td>
<td>&lt; 7</td>
</tr>
<tr>
<td>&gt;= 4 Quarters</td>
<td>OR</td>
<td>&gt;= 7 Quarters</td>
</tr>
<tr>
<td>Overall Rating: &lt;= 25.0%</td>
<td>OR</td>
<td></td>
</tr>
</tbody>
</table>

2. Fixed Income Fund (Stable Value Fund): The performance of the Stable Value Fund (after fees) shall be compared to the yield of three-year Treasury notes, on a constant maturity basis. The requirements pertaining to the investment of the assets of the Stable Value Fund shall be set forth in separate Investment Guidelines.

The Committee recognizes that fund and investment manager performance can move in cycles over time and that each particular investment option’s performance cannot be expected to always be superior. Likewise, the Committee recognizes that removing an underperforming fund may be advisable in certain cases, but will also “lock in” previous losses with respect to the particular fund. As such, the Committee will generally monitor selected investment option performance on a periodic basis, but not less frequently than annually. In light of these considerations, the Committee may choose to give fund managers sufficient time to remedy any underperformance before the investment option is deleted from the available investment option array available under the Plan, as it may determine in its sole discretion.

While the primary analysis of each investment option will be quantitative, the Committee reserves the right to make decisions regarding the investment options based upon administrative, qualitative and/or other criteria that it believes will be in the best interest of the Plan and its participants.

Within the guidelines set forth above, the Committee will evaluate investment options with the assistance of a knowledgeable third party. Investment options that do not perform at or above their respective benchmark will be subject to the Plans’ policies regarding underperforming investment options.

Investment Policy Statement
(rev Nov 2017)
E. UNDERPERFORMING INVESTMENT OPTIONS:

The Committee may take the following steps in the event that an investment option’s Overall Rating is “Below Benchmark” for the current quarter, and/or where the option’s Long-Term Rolling Analysis is “Fail.”

1. If an investment option’s Overall Rating is “Below Benchmark” for the current quarter, the investment option may be placed on a “watch list.” Additional information will be gathered as to why the investment option is underperforming. The Committee may, in its discretion, invite the fund manager to meet and explain the reasons for the investment option’s underperformance and its future expectations. Should an investment option that was on the “watch list” subsequently exceed performance standards, it will generally be taken off the “watch list.”

2. If the investment option’s Overall Rating continues “Below Benchmark” for four consecutive quarters or seven out of the trailing twelve quarters, or receives an Overall Rating of 25% or less, then the investment option’s Long-Term Rolling Analysis is “Fail.” The Committee may, in its discretion, (i) close the investment option to new contributions; (ii) select a new investment option in the same asset class and/or asset category; and/or (iii) terminate the investment option. If an investment option is terminated, the Committee will transfer its assets after designating an existing or new investment option to receive the assets from the terminated option. To the extent practical and advisable, and in recognition of the Committee’s belief that stability as to investment options is generally in the best interests of Plan participants, termination of investment options will generally occur only once per calendar year, unless the Committee determines in its discretion that particular circumstances prevailing would indicate that an earlier termination would be advisable.

F. OTHER CONSIDERATIONS:

The Committee, in its discretion, may conduct informal reviews and evaluations of an investment option at any time. The Committee may place an investment option under formal review, or immediately terminate an investment option for any reason, including, but not limited to, the following:

1. The investment option has changed managers, or such a change appears imminent;
2. The investment option or its manager has had a significant change in ownership or control;
3. The investment option has changed its investment mandate or has experienced style drift, departing from the investment objectives or parameters set forth in its prospectus at the time it was selected for the Plan;
4. The investment option has experienced substantial portfolio turnover;
5. The investment option has experienced difficulty in transacting trades, fund transfers, or pricing;
6. The investment option has experienced other changes or problems in its procedures, operations, investing, reporting, or lack of employee participation, which in the Committee’s view, has or could detract from the objectives of the Plan;
7. Any other circumstance regarding the investment option that the Committee determines is in conflict with this Policy Statement; or
8. Where the investment option, its manager or fund complex has been involved in a scandal, lawsuit, legal or regulatory violation, or similar circumstance that may be detrimental to the marketing of the Plan to participants, or that otherwise may reflect poorly on its professionalism or trustworthiness.

G. CHANGES TO POLICY STATEMENT:

This Policy Statement has been formulated by the Committee based on its consideration of a wide range of policies, and describes the prudent investment process that the Committee deems most appropriate for the Plan. The Committee shall review this Policy Statement at least annually. The Committee may amend this Policy Statement as it deems advisable from time to time.

H. AGREEMENT:

This amended Policy Statement was adopted by the Committee on November 20, 2017 and supersedes any previously negotiated Investment Policy Statements, and shall remain in force until amended or revoked.

Signed ____________________________ Date 12/5/17

Committee Chairperson
Group Deferred Stable Asset Fund Annuity Contract

RFP No.: 22-23/07, 457(b) Deferred Compensation Administration and Recordkeeping Services

Addendum No. 1
Group Deferred Stable Asset Fund Annuity Contract
Great-West Life & Annuity Insurance Company

Application for Group Deferred Stable Asset Fund Annuity Contract

The Group Policyholder indicated below (hereinafter called the Applicant) hereby applies to Great-West Life & Annuity Insurance Company (hereinafter called the Company) for a Group Deferred Stable Asset fund Annuity Contract, form number STAC 1-95, (hereinafter called the Group Annuity Contract). The Group Annuity contract is not in force until this application is accepted by the Company at its Home Office in Greenwood Village, Colorado.

The effective date of the Group Annuity Contract is the Group Annuity Contract Date, which is: April 11, 2016 or the later date signed by both parties.

PLEASE NOTE, THE ANNUITY CONTRACT MAY PROVIDE FOR PAYMENTS OR VALUES WHICH ARE NOT GUARANTEED AS TO FIXED DOLLAR AMOUNT, BUT MAY INCREASE OR DECREASE ACCORDING TO THE INVESTMENT EXPERIENCE OF A VARIABLE ANNUITY ACCOUNT.

Basic Applicant Information

Full Legal Name of Applicant: the City of Oakland, a Municipal Corporation doing business by and through its Board of Port Commissioners

Full Legal Name of Plan: Deferred Compensation Plan of Port of Oakland

State of Situs: California

Check one of the following:

☑ IRC 457 Plan, or

☐ IRC 401(a) or 401(k) Plan

Federal Tax I.D. #: 94-1746312

PLEASE NOTE, IRC sec. 401(a)/401(k) plans are subject to the provisions of ERISA. It is suggested that a Plan Document, and if applicable, an Application for Determination, be submitted to the Internal Revenue Service prior to enrollment. It is required that you provide Great-West Life & Annuity Insurance Company with a copy of the Plan document and Application for Determination submitted to the Internal Revenue Service when the Determination is received.

Affiliated Corporations, Groups or Service Organizations:

Applicant’s Address: 530 Water Street, Oakland, California 94607

Signature of Applicant

Print Name of Applicant

Jr. Christopher Little

Title

Executive Director

N/A

Great-West Life & Annuity Representative Signature

Dated

N/A

Great-West Life & Annuity Representative Name (Printed)

License ID Number

PPO 1-94-DC
GROUP POLICYHOLDER: the City of Oakland, a Municipal Corporation doing business by and through its Board of Port Commissioners

GROUP POLICY NUMBER: 98458-01

GROUP ANNUITY CONTRACT DATE: April 11, 2016 or the later date signed by both parties

Group Deferred Stable Asset Fund Annuity Contract, Non-Participating

The provisions on the following pages, together with the Application for this Group Annuity Contract, are part of this Group Annuity Contract.

For the purposes of this Group Annuity Contract, "Plan" means the plan and adoption agreement that the Group Policyholder has designated as the Port of Oakland 457 Deferred Compensation Plan.


General Counsel and Secretary
President and Chief Executive Officer

For the Actuary

This Group Annuity Contract is a legal contract between the Group Policyholder and the Great-West Life & Annuity Insurance Company. PLEASE READ THIS ANNUITY CONTRACT CAREFULLY. IT IS A CONTRACT WHICH MAY PROVIDE FOR PAYMENTS OR VALUES WHICH ARE NOT GUARANTEED AS TO FIXED-DOLLAR AMOUNT BUT MAY INCREASE OR DECREASE, ACCORDING TO THE INVESTMENT EXPERIENCE OF A VARIABLE ANNUITY ACCOUNT.

Group Deferred Stable Asset Fund Annuity Contract
Form No. STAC 1-95
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PERIODIC PAYMENT OPTION RIDERS
SECTION 1. DEFINITIONS

Accumulation Period - the period during which the Participant is covered under this Group Annuity Contract prior to the Participant's Annuity Commencement Date.

Administrative Offices - 8515 East Orchard Road, Greenwood Village, Colorado 80111.

Annuitant - the person upon whose life the payment of an annuity is based.

Annuity Commencement Date - the date on which annuity payments commence under a payment option, which for any Participant is the date required under the Group Policyholder's Plan.

Annuity Payment Period - the period during which the Participant is covered under this Group Annuity Contract after the Participant's Annuity Commencement Date.

Book Value of Participant Annuity Accounts - the sum of the Participant Annuity Account Values on any date during the Accumulation Period.

Book Value of the Separate Account - determined monthly and defined in greater detail in Section 5.5 of the Contract.

Company - Great-West Life & Annuity Insurance Company.

Competing Fund - any of the following types of funds offered by the Group Policyholder:
  a) any fund with a known or periodically declared rate of interest, or
  b) any money market fund, or
  c) any bond fund with a duration of 3 years or less.

Deposit - contributions, transfers and other amounts deposited to the Stable Asset Fund.

Group Annuity Contract Date - the effective date indicated by the Group Policyholder on the Application for this Group Annuity Contract, or such other date which is acceptable to the Company.

Group Policyholder - the employer of a Participant and the applicant for this Group Annuity Contract.

Interest Rate(s) - an annual effective rate of interest to be determined by the Company prior to the last day of each calendar quarter, effective for Deposits in the next calendar quarter and money already included in the Participant Annuity Account Value. This annual effective rate will never be less than the Minimum Guaranteed Interest Rate and will be compounded daily. Should the interest crediting method be modified by the Company, the Company will provide the Group Policyholder with notice of the changes.

Letter Agreement - a formal written agreement signed by the Company and the Group Policyholder which is used to clarify or modify certain provisions of the Contract and will be attached to and form a part of this Group Annuity Contract.

Market Value of the Separate Account - is determined monthly and defined in greater detail in Section 5.4 of the Contract.

Minimum Guaranteed Interest Rate - equal to 0%.

Participant - an employee who has met the eligibility requirements under the Plan and for whom the Group Policyholder has applied for coverage.

Participant Annuity Account - a separate record in the name of each Participant which reflects his or her pro-rata share in the Stable Asset Fund.

Participant Annuity Account Value - the dollar value of the Participant Annuity Account.

Participant Effective Date - the date on which the first Deposit is credited to a Participant Annuity Account.

Payee - the Group Policyholder or the person, including the Participant, designated to receive the value of the Participant Annuity Account.

Plan - the underlying plan document of the Group Policyholder written in accordance with Section 457, Section 401(a), or Section 401(k) of the Internal Revenue Code. Although the Company may have knowledge of certain provisions of the Plan, the legal sufficiency of the Plan remains solely the responsibility of the Group Policyholder.
SECTION 1. DEFINITIONS (continued)

*Premium Tax* - the amount of tax, if any, charged by a state or other governmental authority on premiums.

*Request* - any request in a form, either written, telephoned or computerized, satisfactory to the Company and received by the Company at its Administrative Offices from the Owner, or the Owner’s designee, as required by any provision of this Contract, or as required by the Company.

*Rollover* - Amounts moved from or into the Stable Asset Fund in connection with an eligible plan under Section 401(a) or 401(k) of the Internal Revenue Code. Such amounts shall be moved only upon Request from the Group Policyholder on behalf of a Participant.

*Stable Asset Fund* - is the Stable Asset Fund separate account, a segregated investment account established by Great-West Life & Annuity Insurance Company under Colorado law. Assets within the Stable Asset Fund will be invested in either securities backed by the full faith and credit of the U.S. government or its agencies or instrumentalities or in investment grade corporate bonds at the time of purchase according to the investment guidelines agreed to by the Group Policyholder and the Company.

*Transaction Date* - Deposits and Requests will be processed on the date received by the Company at its Administrative Offices provided that its offices are open. Deposits and Requests received after 4:00 p.m. EST/EDT shall be deemed to have been received on the next business day.

*Transfer to Other Companies* - amounts moved from the Stable Asset Fund to another company upon each Request from the Group Policyholder on behalf of the Participant.
SECTION 2. OWNERSHIP PROVISIONS

2.1 Ownership of the Stable Asset Fund
The Company has absolute ownership of the assets of the Stable Asset Fund. The portion of the assets of the Stable Asset Fund equal to the reserves and other contract liabilities of the Stable Asset Fund are not chargeable with liabilities arising out of any other business the Company may conduct.

2.2 Ownership of the Group Annuity Contract
Upon the Group Policyholder's Application for this Group Annuity Contract, the Group Policyholder becomes the owner of the Group Annuity Contract. It alone has all rights, remedies and recourse given in the Group Annuity Contract, and, while the Group Annuity Contract and the Participant Annuity Accounts are held in respect of Participants, there is no contractual relationship between the Company and the Participants. While the Group Policyholder may request the opinion of the Participant on matters and transactions affecting the Participant Annuity Account, the Group Policyholder may act according to the dictates of its own judgment and discretion.

SECTION 3. GENERAL PROVISIONS

3.1 The Group Annuity Contract
The Group Annuity Contract is issued by the Company to the Group Policyholder.

3.2 No Competing Funds
The Group Policyholder may not offer Competing Funds, as defined in Section 1 of the Contract.

3.3 Entire Contract
This Group Annuity Contract, its Application, Tables and/or Letter Agreements, if any, form the entire contract between the Group Policyholder and the Company. A copy of the Application is attached to the Group Annuity Contract when issued to the Group Policyholder.

After issue, modifications to the Group Annuity Contract under the Contract Modification provisions become part of the Group Annuity Contract.

All statements in the Application, in the absence of fraud, have been accepted as representations and not as warranties.

Subject to the Plan participation provisions, each employee for whom Deposits have been made is a Participant for whom a Participant Annuity Account is kept.

2.3 Transfer and Assignment
The interest of the Group Policyholder in this Group Annuity Contract may not be transferred, sold, assigned, pledged, charged, encumbered, or in any way alienated without the prior written consent of the Company.

3.4 The Plan
The terms and provisions of the Plan do not for any purpose form any part of this Group Annuity Contract and are not binding on the Company.

Notwithstanding the fact that the Company may have knowledge of the terms of the Plan, the obligations of the Company are measured and determined solely by the terms and provisions of this Group Annuity Contract.

3.5 Non-Participating
This Group Annuity Contract is non-participating, meaning that it is not eligible to share in the Company's divisible surplus.

Only the President, a Vice-President, or the Secretary of the Company can modify or waive any provisions of the Group Annuity Contract.
SECTION 3. GENERAL PROVISIONS (continued)

3.6 Currency and Payment of Deposits
All amounts to be paid to or by the Company must be in the currency of the United States of America. All Deposits to this Group Annuity Contract must be made payable to the Company or its designated agent.

3.7 Age
If the age of the Participant or Payee has been misstated, the payments established for him/her under the Participant Annuity Account will be made on the basis of his/her correct age.

If payments were too large because of misstatement, the difference with interest may be deducted by the Company from the next payment or payments. If payments were too small, the difference with interest may be added by the Company to the next payment. This interest will be not less than 4% per year.

3.8 Notice and Proof
Any notice or demand by the Company to or upon the Group Policyholder or any Payee may be given by mailing it to that person's last known address as stated in the Company's file.

SECTION 4. PURCHASE PROVISIONS

4.1 Commencement and Termination of Coverage
The Group Policyholder may make application for coverage of any employee if the Company is then accepting applications for coverage under this Group Annuity Contract, unless a Date of Cessation of Deposits has been declared.

An employee for whom an adequate application has been made becomes covered as a Participant as of the Participant Effective Date. Coverage of a Participant terminates upon a total or partial distribution which results in a Participant Annuity Account Value of $0.

4.2 Deposits
Unless a Date of Cessation of Deposits has been declared, the Group Policyholder may from time to time pay Deposits in cash in respect of a Participant until the earlier of his/her death, Annuity Commencement Date, or the termination of the Participant Annuity Account.

The amount of Deposits to be paid by the Group Policyholder in respect of any Participant will be determined by the Group Policyholder.

The Group Policyholder will report the amount paid as Deposits on forms acceptable to the Company. The Group Policyholder's report is conclusive and binding on it and any person or entity claiming an interest under the Group Annuity Contract or any Participant Annuity Account. When the Group Policyholder's report does not coincide with the Deposits received, the Company may return them.

4.3 Allocation of Deposits
After an adequate application on behalf of a Participant has been made, Deposits, less Premium Tax, if any, will be allocated in the Participant Annuity Account when received by the Company at its Administrative Offices.

Deposits on behalf of the Participant will be allocated to the Stable Asset Fund.
SECTION 5. CONTRACT VALUE PROVISIONS

5.1 Stable Asset Fund Deposits
From time to time, the Group Policyholder, on behalf of a Participant, will make Deposits to the Stable Asset Fund. The Company may offer the Stable Asset Fund to any Participant who, by Request, may allocate any Deposit to the Stable Asset Fund.

5.2 Interest Crediting Method
Interest Rates are calculated quarterly by equating the Book Value of the Separate Account to the Book Value of the Participant Annuity Accounts over the average remaining life of the assets in the separate account unless otherwise agreed to by the Company and the Group Policyholder. Deposits will commence earning interest on the day the Deposit is allocated to the Stable Asset Fund.

5.3 Contract Value
The contract value, at any given time, will either be the Book Value of the Separate Account or the Market Value of the Separate Account, as defined below. The Book Value will apply to Cessation Option #1 when it is elected under Section 11 of this Contract. The Market Value will apply to Cessation Option #2 when it is elected under Section 11 of this Contract.

5.4 Market Value of the Separate Account
The Market Value of the Separate Account is determined monthly or on the Premium Cessation Date. This value is based on the closing market price for each security in the account, less the outstanding balance, if any, of amounts borrowed from the Company's General Account as described in Section 5.6 below, and less the Investment Management Fee described in Section 5.8.

5.5 Book Value of the Separate Account
The Book Value of the Separate Account is determined monthly or on the Premium Cessation Date. This value is the amortized cost of the securities owned by the separate account, plus cash, plus accrued interest, less the outstanding balance, if any, of amounts borrowed from the Company's General Account as described in Section 5.6 below, and less the Investment Management Fee described in Section 5.8.

5.6 Loan from the General Account of the Company
If the amount of any transfer or distribution exceeds the Cash Balance in the Stable Asset Fund, the Stable Asset Fund may borrow such deficiency from the General Account of the Company. The General Account may, but is not obligated to, make loans to the Stable Asset Fund. In the event that a loan is made from the General Account to the Stable Asset Fund, excess funds investments shall not be made in a loan to any one borrower, including all affiliates which shall be treated as one borrower, in an amount exceeding 10% of the capital stock and surplus or 1% of the admitted assets of the lending insurer, whichever amount is greater. All subsequent Deposits and proceeds from the maturities of Stable Asset Fund assets will first be applied to reduce the outstanding balance of this loan. Interest will be charged monthly by the Company's General Account at an annual effective rate equal to the 30 day LIBOR rate, plus .35%, or such other current market rate that is fair and acceptable to the General Account.

5.7 Amortization of Bond Defaults
In the event that any bonds in the Stable Asset Fund go into default, losses will be amortized through the setting of a lower credited Interest Rate.

5.8 Investment Management Fee
An Investment Management Fee will be assessed and deducted against the Stable Asset Fund each calendar quarter. In no event will the Investment Management Fee exceed an annual effective rate of 1.5% of the assets in the Stable Asset Fund.
SECTION 6. TRANSFERS ON BEHALF OF INDIVIDUAL PARTICIPANTS

6.1 Transfers
Except as noted below, the Group Policyholder may make transfers to other non-Competing Funds offered by the Company under another contract, or Transfers to Other Companies by Request on behalf of individual Participants. Such individual Participant Transfers will be based upon the individual Participant's Participant Annuity Account Value.

6.2 Transfer Terms
   a. A transfer will take effect on the Transaction Date.
   b. No transfers are permitted after the Annuity Commencement Date.
   c. When the Group Policyholder is effecting Transfers on behalf of all Participants under the Group Annuity Contract, the Market Value of the Separate Account and the provisions of Section 11 of the Contract shall apply.
   d. When and if the Group Policyholder encourages Participants to transfer out of the Group Annuity Contract, the Market Value of the Separate Account and the provisions of Section 11 of the Contract shall apply.

6.3 Transfers to Other Companies
At any time prior to the Annuity Commencement Date, the Group Policyholder on behalf of the Participant may by Request transfer all or a portion of the Participant Annuity Account Value to an account currently offered by another company under the terms of the Plan and in accordance with the appropriate provisions of the Internal Revenue Code of 1986, as amended. Such individual Participant transfers will be based upon the Participant Annuity Account Value.

6.4 Transfers to the Company
Amounts transferred to the Company shall be treated as Deposits under Section 4 of this Contract.

6.5 Non-Taxable Distribution
No amount transferred pursuant to Section 6 of this Contract will be treated as a taxable distribution to the Participant.

6.6 Business Hardship Withdrawal
For IRC 401(a) and IRC 401(k) Group Policyholders only, in the event of a 20% or more reduction in the work force in one calendar year, the first 20% of the Book Value of the Separate Account on the first day of the calendar year may be paid at the Book Value of the Separate Account. Reductions in the work force of less than 20% in one calendar year will be paid at the Book Value of the Separate Account. Transfers in excess of the above noted 20% will always be paid at the Market Value of the Separate Account.
7.1 Death of Participant after Annuity Commencement Date
If the Participant dies after the Annuity Commencement Date and before his/her entire interest has been distributed, payments will continue to the Beneficiary under the distribution method applicable to the Participant on the Participant's date of death. However, if the Plan allows the Beneficiary to change the method of distribution, a new Payment Option may be elected by Request by the Group Policyholder on behalf of the Beneficiary only so long as payments are made to the Beneficiary not less rapidly than under the Payment Option effective on the Participant's date of death.

7.2 Death of Participant before Annuity Commencement Date
a. 5-Year Rule If the Participant dies before the Annuity Commencement Date, the entire interest of the Participant must be distributed on or before December 31 of the year containing the fifth anniversary of the Participant's death. This Rule will always apply to non-individual entities.
b. 1-Year Rule If the Plan provides that any portion of the Participant's interest is payable to a designated Beneficiary, such portion may be distributed over the lesser of (1) the life of the designated Beneficiary, or (2) over a period not extending beyond the life expectancy of the designated Beneficiary or (3) 15 years. Such distributions to a designated Beneficiary must begin not later than December 31 of the year following the date of the Participant's death. The Group Policyholder on behalf of the designated Beneficiary may elect by Request to take distributions either under the 5-Year Rule or under this 1-Year Rule.

If no election is received by the Company by November 1 of the year following the year of the Participant's death, distributions will be made pursuant to the 5-Year Rule described in subsection a. of Section 7.2.

For purposes of this section, a designated Beneficiary is any individual named as a Beneficiary by the Participant.

c. Special Rule for Surviving Spouse. If the designated Beneficiary is the surviving spouse of the Participant, the date on which the distributions are required to begin shall not be earlier than the date on which the Participant would have attained age 70 1/2. Distributions may be elected at any time pursuant to Section 9 of this Contract; but in any event must commence on or before the later of (1) December 31 of the year immediately following the Participant's death and (2) December 31 of the calendar year in which the Participant would have attained age 70 1/2.

d. Any payments made under an IRC Section 457 Plan which are made over a period greater than one year can only be made in substantially non-increasing amounts paid not less frequently than annually.

7.3 Amount Payable on Death of Participant
If the Participant dies before the Annuity Commencement Date the Amount Payable on death will be:

a. Where death occurs before the Participant's 70th birthday, the greater of:
   (i) the Participant Annuity Account Value, less Premium Tax, if any, and
   (ii) the sum of Deposits paid to, less any Partial Distributions made from, the Participant Annuity Account, less Premium Tax, if any.

b. Where death occurs on or after the Participant's 70th birthday, the Participant Annuity Account Value, less Premium Tax, if any.

7.4 Requests For Distributions
Subject to the 5-Year rule, the 1-Year rule or the Special Rule for Surviving Spouse, as applicable, set forth in Section 7.2, an election to receive the amount described in Section 7.3 must be made pursuant to Section 9 of this Contract.
SECTION 8. DISTRIBUTIONS TO A PARTICIPANT

8.1 Requests for Distributions
On the Company's receipt of a Request at least 30 days before the Annuity Commencement Date, the Group Policyholder on behalf of the Participant may:

   a. Elect or change a Payment Option.

   b. Elect or change the Participant’s Annuity Commencement Date to any future date which is not later than the date required under the Internal Revenue Code of 1986, as amended. If any Annuity Commencement Date would be less than 30 days from the date the Request is received, the Company may delay the Annuity Commencement Date elected by 30 days.

   c. If the Group Policyholder on behalf of the Participant has failed to elect a Payment Option within 30 days of the Annuity Commencement Date, the Company will pay the Group Policyholder on behalf of the Participant a Fixed Life Annuity with 10 Year Guaranteed Period from the Participant Annuity Account Value.

8.2 Distribution at Annuity Commencement Date or Separation from Service
Except as provided in Section 8.3, no distributions will be allowed prior to the Participant’s Annuity Commencement Date or separation from service, as determined by the Group Policyholder in accordance with the provisions of the Plan. The distribution must be elected pursuant to Section 9 of this Contract and will take effect on the later of the date elected or the date the Request is received at the Administrative Offices of the Company.

8.3 Distribution Due to Unforeseeable Emergency or Hardship
If the Participant incurs an unforeseeable emergency under an IRC Section 457 Plan, or a Hardship under an IRC Section 401(a) or 401(k) Plan, as determined by the Group Policyholder under the terms of the Plan, then the Group Policyholder on behalf of the Participant may by Request take a total or partial distribution from the Participant Annuity Account. The distribution will take effect on the later of the date elected or the date the Request is received at the Administrative Offices of the Company.

8.4 Amount Payable on Distribution
If a total distribution is requested, the amount payable will be paid under the Payment Option provisions of Section 9 designated by the Group Policyholder on behalf of the Participant. Distributions to a Participant are based on the Participant Annuity Account Value and distributions will only be available to a Participant or Payee who is entitled to a distribution in accordance with the Plan, as determined by the Group Policyholder. If a partial distribution is requested, the amount payable will be in one sum. In either event, the amount will be equal to:

   a. The amount of the distribution requested as of the effective date of the distribution, less

   b. Premium Tax, if any.

8.5 Conditions of Payment
Payment will only be made if then available to the Payee under the terms and provisions of the Plan as determined by the Group Policyholder, and will only be made to the Group Policyholder or to the order of the person designated in Request by the Group Policyholder to receive payment.

8.6 Adequate Proof
The Company may require adequate proof of age, separation from service, hardship (IRC 401(a) or 401 (k)), or unforeseeable emergency (IRC 457) to establish that a benefit has become payable under the provisions of the Plan prior to making any payment under this Group Annuity Contract.
SECTION 9. PAYMENT OPTIONS

9.1 Selection of Payment Options
   a. A total or partial lump sum or one of the fixed dollar payment options may be elected.
   b. If a lump sum option is elected, the amount to be distributed is the amount requested as a lump sum less the Premium Tax, if any, as of the date the amount is distributed.
   c. If a fixed dollar method of payment option is elected, the amount to be applied is the Participant Annuity Account Value, less Premium Tax, if any, as of the Annuity Commencement Date.

9.2 How to Elect Payment Options
   A Request by the Group Policyholder on behalf of the Participant or Payee is required to elect, or change the election of, a Payment Option and must be received by the Company at least 30 days prior to the Annuity Commencement Date, or, if the Participant dies prior to the Annuity Commencement Date, within 60 days of the date the Company receives adequate proof of the Participant's death.

   The Company will rely on the Group Policyholder's determination with respect to the timing and amount of any benefit payable to the Participant or Payee under this Contract. Nothing contained herein shall be construed to be tax or legal advice and the Company assumes no responsibility or liability for any costs, including but not limited to taxes, penalties or interest incurred by the Plan, the Group Policyholder, the Participant or any Payee arising out of such determination.

9.3 Fixed Dollar Payment Options
   The following fixed dollar payment options are available:
   a. **Option 1: Income of Specified Amount**
      The Company will pay an income at 12-, 6-, 3-, or 1-month intervals, of an amount elected by the Payee for an Annuity Payment Period of not less than 36 months nor more than 240 months. Upon death of the Payee, any amounts remaining payable under this payment option will be paid to the Group Policyholder or other Payee designated by the Group Policyholder under Section 7 of this Group Annuity Contract. Table A is applicable to this option.
   b. **Option 2: Income for a Specified Period**
      The Company will pay an income at 12-, 6-, 3-, or 1-month intervals, for the number of years elected by the Payee for an Annuity Payment Period of not less than 36 months nor more than 240 months. Upon death of the Payee, any amounts remaining payable under this payment option will be paid to the Group Policyholder or other Payee designated by the Group Policyholder under Section 7 of this Group Annuity Contract. Table A is applicable to this option.
   c. **Option 3: Fixed Life Annuity with Guaranteed Period**
      The Company will pay a monthly payment for the guaranteed Annuity Payment Period elected. Payments will continue for the lifetime of the Payee. Upon death of the Payee, any amounts remaining payable under this payment option will be paid to the Group Policyholder or other Payee designated by the Group Policyholder under Section 7 of this Group Annuity Contract. Table B is applicable to this option.
      The guaranteed Annuity Payment Period elected may be 5, 10, 15 or 20 years, or may be a period referred to as "Installment Refund." Under the Installment Refund period, payments will be made until the total of the payments made equals the amount applied.
   d. **Option 4: Fixed Life Annuity**
      The Company will pay a monthly payment during the Payee's lifetime. Table B is applicable to this option.
   e. **Option 5: Joint and One-Half Survivor Fixed Annuity**
      A joint and one-half survivor fixed annuity provides a fixed monthly payment to an Annuitant for his/her lifetime; thereafter, and upon receipt by the Company of adequate proof of the Annuitant's death, one-half of the fixed payment amount continues to a designated Payee, if living, and terminates upon his/her death. Table C is applicable to this option.
f. Option 6: Periodic Payment Option
   (i) For IRC 457 Plans, a Periodic Payment Option is available in accordance with the provisions set forth in the Periodic Payment Option Rider - 457 Plans Rider attached to the back of this Contract.
   (ii) For IRC 401(a)/(k) Plans, a Periodic Payment Option is available in accordance with the provisions set forth in the Periodic Payment Option Rider - 401(a)/(k) Plans Rider attached to the back of this Contract.

g. Fixed dollar payment options are subject to the following provisions:
   (i) Payments under a fixed dollar payment option are guaranteed by the Company as to dollar amount throughout the Annuity Payment Period.

   The amount of the payment under any fixed dollar payment option will be determined by applying the Company's then current non-participating group single premium rates for this class of group annuity contracts to the amount applied under the option.

   Those current rates will not be less than the rate obtained from the Table which is applicable to the elected option.

   (ii) If any payment to be made under the elected payment option will be less than $50, the Company may make the payments in the most frequent interval which produces a payment of at least $50. The minimum amount that may be applied under the elected payment option is $2,000. If the amount is less than $2,000, the Company may pay it in one sum. The maximum amount that may be applied under any elected payment option is $1,000,000. For the application of any greater amount, the Company's consent is required.

   (iii) No commutation of annuities will be permitted.
SECTION 10. CONTRACT MODIFICATION

10.1 Contract Modification
This Group Annuity Contract may be modified at any time by written agreement between the Company and the Group Policyholder. No such modification will, without the written consent of the Group Policyholder, affect the terms, provisions, or conditions of this Group Annuity Contract which are or may be applicable to Deposits paid in respect of Participants prior to the date of such modification.

However, the Company may at any time and without the consent of the Group Policyholder or any Participant or other person, but upon 30 days' written notice to the Group Policyholder, modify this Group Annuity Contract in any respect to conform it to changes in tax or other law, including applicable regulations or rulings.

SECTION 11. CESSATION OF DEPOSITS, COMPLETE TRANSFERS, AND BUSINESS HARDSHIPS

11.1 Cessation of Deposits
Upon 60 days' written notice to the other, the Group Policyholder or the Company may declare that, as from the date stated in the notice (that date being called the Date of Cessation of Deposits), no further Deposits will be made to the Group Annuity Contract.

After the Date of Cessation of Deposits is declared, no new Participant Annuity Account will be established.

11.2 Options on Date of Cessation of Deposits
Upon the Date of Cessation of Deposits, the Group Policyholder may by Request elect Cessation Option (1) or Cessation Option (2) below. If the Group Policyholder has not elected a cessation option within 30 days of the Date of Cessation, the Company will make the election in its sole discretion. Such election shall be binding on the Group Policyholder.

Cessation Option (1). Maintenance of each Participant Annuity Account Value:
The Company will maintain each Participant Annuity Account Value until it is applied to a Payment Option or distributed to a Participant or Beneficiary. When such individual transactions are applied or paid, they will be calculated at the Book Value of the Participant Annuity Account.

Cessation Option (2). Market Value of the Stable Asset Fund:
If Cessation Option (2) is elected, the Group Policyholder must specify option A or B below at the same time it notifies the Company it is ceasing Deposits and the Company will pay the Market Value of the Stable Asset Fund within 30 days after the Date of Cessation of Deposits.

Option A
After notification of Cessation of Deposits, the Company will sell all non-cash assets in the account attributable to the terminating contract and convert them to cash assets or short-term money market instruments. The time when all non-cash assets have been converted to cash or short-term money market instruments will be no later than the Date of Cessation of Deposits.
SECTION 11. CESSATION OF DEPOSITS, COMPLETE TRANSFERS, AND BUSINESS HARDSHIPS (continued)

Option B
After notification of Cessation of Deposits is received, the Company will value the separate account on the Date of Cessation of Deposits and transfer the assets of the separate account attributable to the terminating contract to the successor insurer or the Group Policyholder.

11.3 Complete Transfers
When a Group Policyholder elects to transfer the aggregate of all Participant Annuity Accounts to another carrier at any one time, such transfers will be calculated at the Market Value of the Separate Account.

11.4 Business Hardships
In accordance with the provisions of Section 6.6 of the Contract, the Company may transfer funds for business hardships as described in the above noted section.
<table>
<thead>
<tr>
<th>Years</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>28.61</td>
</tr>
<tr>
<td>4</td>
<td>21.82</td>
</tr>
<tr>
<td>5</td>
<td>17.75</td>
</tr>
<tr>
<td>6</td>
<td>15.04</td>
</tr>
<tr>
<td>7</td>
<td>13.10</td>
</tr>
<tr>
<td>8</td>
<td>11.66</td>
</tr>
<tr>
<td>9</td>
<td>10.54</td>
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<td>10</td>
<td>9.63</td>
</tr>
<tr>
<td>11</td>
<td>8.90</td>
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<td>12</td>
<td>8.30</td>
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<td>7.78</td>
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<td>14</td>
<td>7.34</td>
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<td>6.63</td>
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<td>6.34</td>
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<td>18</td>
<td>6.06</td>
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<td>19</td>
<td>5.85</td>
</tr>
<tr>
<td>20</td>
<td>5.64</td>
</tr>
</tbody>
</table>

To determine the payment for other frequencies of payment, multiply the above monthly payment by the following factors:

<table>
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<tr>
<th>Factor</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarterly payment</td>
<td>2.99</td>
</tr>
<tr>
<td>Semi-annual payment</td>
<td>5.96</td>
</tr>
<tr>
<td>Annual payment</td>
<td>11.81</td>
</tr>
</tbody>
</table>

If payments are for an amount or duration different than that outlined above, the Company will determine the proper amount or duration using the actuarial basis used to determine the above Table.
### TABLE B - Fixed Life Annuity

Monthly Payment for Each $1,000 of Participant Annuity Account Value

<table>
<thead>
<tr>
<th>Age of Payee</th>
<th>Without Guaranteed Period</th>
<th>With Guaranteed Period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5 Years</td>
<td>10 Years</td>
</tr>
<tr>
<td>50</td>
<td>3.99 3.99</td>
<td>3.98 3.96</td>
</tr>
<tr>
<td>55</td>
<td>4.31 4.30</td>
<td>4.27 4.24</td>
</tr>
<tr>
<td>60</td>
<td>4.71 4.70</td>
<td>4.67 4.60</td>
</tr>
<tr>
<td>65</td>
<td>5.28 5.25</td>
<td>5.18 5.05</td>
</tr>
<tr>
<td>70</td>
<td>6.07 6.02</td>
<td>5.85 5.56</td>
</tr>
<tr>
<td>75</td>
<td>7.22 7.09</td>
<td>6.68 6.07</td>
</tr>
</tbody>
</table>

If payments commence on any other date than the exact age of the Payee as shown above, the amount of the monthly payment shall be determined by the Company on the actuarial basis used by it in determining the above amounts.
### TABLE C - Joint and One-Half Survivor Fixed Annuity

Monthly Payment for Each $1,000 of Participant Annuity Account Value

<table>
<thead>
<tr>
<th>Age of Annuitant</th>
<th>50</th>
<th>55</th>
<th>60</th>
<th>65</th>
<th>70</th>
<th>75</th>
</tr>
</thead>
<tbody>
<tr>
<td>50</td>
<td>3.88</td>
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<td>3.94</td>
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<td>3.97</td>
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<td>60</td>
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<td>4.51</td>
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<td>4.66</td>
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<td>5.16</td>
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<tr>
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<td>5.36</td>
<td>5.55</td>
<td>5.70</td>
<td>5.83</td>
</tr>
<tr>
<td>75</td>
<td>5.40</td>
<td>5.65</td>
<td>5.91</td>
<td>6.19</td>
<td>6.46</td>
<td>6.69</td>
</tr>
</tbody>
</table>

If payments commence on any other date than the exact age of the Annuitant or designated Payee as shown above, the amount of the monthly payment shall be determined by the Company on the actuarial basis used by it in determining the above amounts.
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PERIODIC PAYMENTS OPTION RIDER - 457 PLANS

ATTACHED TO AND FORMING PART OF THE GROUP ANNUITY CONTRACT

WHEREAS, the Group Policyholder has previously entered into a Group Annuity Contract ("Contract") with Great-West Life-Annuity Insurance Company (hereinafter referred to as "the Company"),

AND WHEREAS, the Group Policyholder and the Company desire to make the Periodic Payment Option available under the Contract,

NOW THEREFORE, the Group Policyholder and the Company agree that the following provisions will be added to the Contract as of the date executed below.

Election of Periodic Payment Option
If the Participant has separated from service with the Group Policyholder or has attained age 70 1/2, the Group Policyholder, on behalf of a Participant, may elect to apply all or a portion of the Participant Annuity Account to a Periodic Payment Option. The entire Participant Annuity Account must be applied to a Payment Option under which substantially equal payments are made as required by Sections 457(d) and 401(a)(9) of the Internal Revenue Code. Once payments have begun, they cannot be changed or stopped.

If the Participant wishes to take a partial withdrawal, such withdrawal must be taken prior to the selection of a Periodic Payment Option, and will be subject to any applicable charges.

Payments to a Beneficiary
If the Participant is receiving Periodic Payments, any Periodic Payments remaining to be paid as of the Participant's date of death will be paid to the Participant's beneficiary. The Beneficiary will receive payments remaining under the payment option in effect as of the date of the Participant's death unless a lump sum is elected on the death claim.

If the Participant dies prior to the time payments have commenced, the Group Policyholder may elect to apply the entire Participant Annuity Account to a Periodic Payment Option for the Beneficiary. All payments to a Beneficiary must comply with the distribution requirements of Sections 457(d) and 401(a)(9) of the Internal Revenue Code.

Periodic Payment Options Available
The Group Policyholder, on behalf of a Participant, must elect one of the three payment options listed below. If the Participant dies prior to the time any payments have been made, the Group Policyholder, on behalf of the Beneficiary, must elect one of the first two payment options listed below. (Minimum Distribution Payments are not available to Beneficiaries.) Payments must be elected over a period of at least 36 months.

1. Payments for a Specified Period. The period over which payments will be made is elected. The amount of each payment will be substantially equal but may vary slightly depending upon investment performance. The duration period may not be changed and must result in a dollar amount, which meets the minimum distribution requirements.

2. Payments of a Specified Amount. The dollar amount of each payment is elected. The dollar amount may not be changed and must meet the minimum distribution requirements. Based on the amount elected, the duration of the payments may vary.

3. Minimum Distribution Payments. Payments will be made as required to meet the minimum distribution requirements of Internal Revenue Code section 401 (a) (9).

Payments will cease when the Annuity Account Value is zero.

Frequency and Amount of Payments
The Request must specify:

1. the payment frequency of either 12-, 6-, 3-, or 1-month intervals;
2. the payment amount; a minimum of $50 is required;
3. the month, day and year on which payments are to begin; and
4. the payment option.
PERIODIC PAYMENTS OPTION RIDER - 457 PLANS (continued)

The amount of each payment will be prorated across all Variable and Guaranteed Sub-Accounts in proportion to the assets in each sub-account unless the fund from which the periodic payments are to be made is designated. Once a selected fund has been depleted, any amounts remaining to be paid by the Company will be prorated across all sub-accounts as described above, unless another fund has been selected.

Operation of Participant Annuity Account

While periodic payments are being received:

1. no contributions may be made;
2. no partial withdrawals may be made except in the event of an Unforeseeable Emergency;
3. current Guaranteed and Variable Sub-Accounts may be continued or changed as allowed under the contract; and
4. charges and fees under the Contract, if applicable, continue to apply, except that the Contingent Deferred Sales Charge does not apply to a Periodic Payment Option of a minimum of 36 months.
WHEREAS, the Group Policyholder has either previously entered into a Group Deferred Stable Asset Fund Annuity Contract (the "Group Annuity Contract") and Application for Group Deferred Stable Asset Fund Annuity Contract (the "Application") with Great-West Life & Annuity Insurance Company, or will be entering into such Group Annuity Contract and Application with the execution of this Amendment,

AND WHEREAS, the above noted Group Annuity Contract and Application require amendments to conform to recent changes made to the Internal Revenue Code of 1986, as amended (hereinafter referred to as the "Code"),

AND WHEREAS, immediately upon the Group Policyholder’s amendment of the Plan document to place all assets in trust, the trust provisions described below will become effective,

AND WHEREAS, in order to maintain eligibility under Code Section 457, the Plan will continue to hold Plan assets in trust,

NOW THEREFORE, pursuant to Section 10.1 the Group Annuity Contract, the following amendments will be made to the Group Annuity Contract and Application.

1. The following sentence will be added to the Application:

"Notwithstanding any provision in this Application to the contrary, in no event shall the assets under the Group Annuity Contract be subject to the claims of general creditors of the employer after the Plan is amended to place plan assets in trust."

2. In Section 1 of the Group Annuity Contract, the definition following the term "Group Policyholder" is hereby deleted. In place thereof, the following definition of Group Policyholder will be added:

"the named trustee, or the governmental employer sponsoring the Plan, as trustee, and the applicant for this Group Annuity Contract."

3. Section 2.2 of the Group Annuity Contract is hereby deleted. In place thereof, the following Section will be added:

2.2 Ownership of the Group Annuity Contract

Upon the Group Policyholder’s Application for this Group Annuity Contract, the Group Policyholder becomes the owner of the Group Annuity Contract. Effective the earlier of January 1, 1999 or the date the Plan is amended to meet the trust requirement, the Group Policyholder, as the trustee of the Plan, may exercise all rights hereunder for the exclusive benefit of Plan Participants and beneficiaries. There is no contractual relationship between the Company and the Participants.

The Group Policyholder, as owner of the contract, is deemed to be the trustee of the assets invested in the Group Annuity Contract, and such contract is intended to satisfy the trust requirements of Code Sections 457(g) and 401(f).

4. Section 2.3 of the Group Annuity Contract is hereby deleted. In place thereof, the following Section will be added:

2.3 Transfer and Assignment

No portion of the Plan’s assets and the earnings thereon may be used for, or diverted to, any purpose other than for the exclusive benefit of plan participants and beneficiaries prior to the satisfaction of all liabilities with respect to employees and their beneficiaries.
5. A new Section 2.4 will be added to the Group Annuity Contract and shall read as follows:

2.4 Trustee of the Group Annuity Contract and Plan Assets

Notwithstanding any provision of this Group Annuity Contract or the Application to the contrary, the Group Policyholder, as owner of the Group Annuity Contract, is the trustee with respect to all Plan assets deposited into the Group Annuity Contract, and the earnings thereon, and shall hold all such assets for the exclusive benefit of Plan Participants and Beneficiaries. The Group Annuity Contract shall be treated as a trust for purposes of Code Sections 457(g) and 401(f), and no portion of the amount deposited in the Group Annuity Contract, or the earnings thereon, may be used for, or diverted to, any purpose other than for the exclusive benefit of Plan Participants and Beneficiaries prior to the satisfaction of all liabilities with respect to employees and their Beneficiaries.

6. The first sentence of Section 8.2 of the Group Annuity Contract is hereby deleted. In place thereof, the following sentence will be added:

Except as provided in Section 8.3, no distributions will be allowed prior to the Participant's Annuity Commencement Date, attainment of age 70 1/2, or separation from service, as determined by the Group Policyholder, unless, for years after December 31, 1996, the Plan provides for a cash out of a Participant Annuity Account which does not exceed $3,500 and meets all of the other requirements of Code Section 457(e)(9)(A).
AMENDMENT TO SECTION 457 PLANS
ATTACHED TO AND FORMING PART OF
THE GROUP ANNUITY CONTRACT

WHEREAS, the Group Contractholder/Group Policyholder has entered into a Group Annuity Contract (the "Contract") with Great-West Life & Annuity Insurance Company (the "Company"),

WHEREAS, the Contract and related riders, endorsements, amendments, and other related forms, if any, issued under the Contract require this Amendment pursuant to the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA"),

WHEREAS, the Contract, related riders, endorsements, amendments, and other related forms, if any, issued under the Contract require this Amendment pursuant to required minimum distribution regulations issued by the Federal Department of Treasury,

AND WHEREAS, the provisions of this amendment shall be effective January 1, 2002, unless otherwise indicated below, and shall supercede the provisions of the Contract and related riders, endorsements or amendments, if any to the extent those provisions are inconsistent with the provisions of this amendment.

NOW THEREFORE, the following Amendment is hereby made to the Contract and related riders, endorsements, amendments, or any related forms, if any, issued under the Contract.

1. EGTRRA
   a. Distributions
      Notwithstanding any distribution provision to the contrary, distributions made under the Contract shall be made at the time and in the amount and manner allowed under the terms of the Plan and applicable Internal Revenue Code rules and regulations promulgated thereunder, as amended from time to time, and will be tax reported under the applicable rules in effect on the date of distribution.
   b. Rollovers
      In the event that a Plan has been amended to accept rollovers from other eligible retirement plans, such rollovers shall be treated as Deposits under the terms of the Contract. Amounts distributed may be rolled over to an IRA or any other eligible retirement plan that accepts such rollovers. Amounts directly rolled over will not be tax reported until distributed.
   c. Qualified Domestic Relations Orders (QDROs)
      In the event that a Section 457 Deferred Compensation Plan accepts QDROs, the Company shall process approved Requests to establish a separate account administered on behalf of the Alternate Payee named in such QDRO or make payment to the Alternate Payee in accordance with the provisions of the Plan. Distributions to an Alternate Payee shall be tax reported under the rules in effect on the date of the distribution. This provision shall replace any and all provisions related to Conforming Equitable Distribution Orders (CEDOs).
   d. Deemed IRAs
      In the event that a Plan has been amended to establish Deemed IRA(s), including traditional, Roth or both, as part of the Plan effective on or after January 1, 2003, all contributions and rollovers to the Deemed IRA(s) shall be treated as a Deposit under the terms of the Contract and will be
administered pursuant to Internal Revenue Code Section 408(q), as amended from time to time, and any applicable rulings and regulations promulgated thereunder.

e. Unforeseeable Emergency Distributions

The terms and provisions of the Plan and the applicable provisions of the Internal Revenue Code and Treasury regulations promulgated thereunder, as amended from time to time shall govern all aspects of Unforeseeable Emergency Distributions.

2. Minimum Distribution Requirement Regulations

Required minimum distributions under the Contract shall only be made in a manner consistent with Internal Revenue Code Section 401(a)(9), as amended from time to time, and applicable Federal Treasury regulations promulgated thereunder in effect at the time of the distribution.
This notice provides a brief summary regarding the protections provided to policyholders by the California Life and Health Insurance Guarantee Association ("the Association"). The purpose of the Association is to assure that policyholders will be protected, within certain limits, in the unlikely event that a member insurer of the Association becomes financially unable to meet its obligations. Insurance companies licensed in California to sell life insurance, health insurance, annuities and structured settlement annuities are members of the Association. The protection provided by the Association is not unlimited and is not a substitute for consumers' care in selecting insurers. This protection was created under California law, which determines who and what is covered and the amounts of coverage.

Below is a brief summary of the coverages, exclusions and limits provided by the Association. This summary does not cover all provisions of the law; nor does it in any way change anyone's rights or obligations or the rights or obligations of the Association.

**COVERAGE**

- **Persons Covered**

Generally, an individual is covered by the Association if the insurer was a member of the Association and the individual lives in California at the time the insurer is determined by a court to be insolvent. Coverage is also provided to policy beneficiaries, payees or assignees, whether or not they live in California.

- **Amounts of Coverage**

The basic coverage protections provided by the Association are as follows.

  - **Life Insurance, Annuities and Structured Settlement Annuities**

    For life insurance policies, annuities and structured settlement annuities, the Association will provide the following:

    - **Life Insurance**
      80% of death benefits but not to exceed $300,000
      80% of cash surrender or withdrawal values but not to exceed $100,000

    - **Annuities and Structured Settlement Annuities**
      80% of the present value of annuity benefits, including net cash withdrawal and net cash surrender values but-not to exceed $250,000

    The maximum amount of protection provided by the Association to an individual, for all life insurance, annuities and structured settlement annuities is $300,000, regardless of the number of policies or contracts covering the individual.

  - **Health Insurance**

    The maximum amount of protection provided by the Association to an individual, as of April 1, 2011, is $470,125. This amount will increase or decrease based upon changes in the health care cost component of the consumer price index to the date on which an insurer becomes an insolvent insurer.
COVERAGE LIMITATIONS AND EXCLUSIONS FROM COVERAGE

The Association may not provide coverage for this policy. Coverage by the Association generally requires residency in California. You should not rely on coverage by the Association in selecting an insurance company or in selecting an insurance policy.

The following policies and persons are among those that are excluded from Association coverage:

- A policy or contract issued by an insurer that was not authorized to do business in California when it issued the policy or contract
- A policy issued by a health care service plan (HMO), a hospital or medical service organization, a charitable organization, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company, an insurance exchange, or a grants and annuities society
- If the person is provided coverage by the guaranty association of another state.
- Unallocated annuity contracts; that is, contracts which are not issued to and owned by an individual and which do not guaranty annuity benefits to an individual
- Employer and association plans, to the extent they are self-funded or uninsured
- A policy or contract providing any health care benefits under Medicare Part C or Part D
- An annuity issued by an organization that is only licensed to issue charitable gift annuities
- Any policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk, such as certain investment elements of a variable life insurance policy or a variable annuity contract
- Any policy of reinsurance unless an assumption certificate was issued
- Interest rate yields (including implied yields) that exceed limits that are specified in Insurance Code Section 1607.02(b)(2)(C).

NOTICES

Insurance companies or their agents are required by law to give or send you this notice. Policyholders with additional questions should first contact their insurer or agent. To learn more about coverages provided by the Association, please visit the Association’s website at www.califega.org or contact either of the following:

California Life and Health Insurance Guarantee Association
P.O. Box 16860,
Beverly Hills, CA 90209-3319
(323) 782-0182

California Department of Insurance
Consumer Communications Bureau
300 South Spring Street
Los Angeles, CA 90013
(800) 927-4357

Insurance companies and agents are not allowed by California law to use the existence of the Association or its coverage to solicit, induce or encourage you to purchase any form of insurance. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between this notice and California law, then California law will control.
Addendum No. 1
Investment Guidelines for Port of Oakland Stable Value Fund
(Separate Account)
Investment Guidelines for Port of Oakland
Stable Value Fund (Separate Account)

As set forth in the Stable Value Fund rider attached to and forming part of the Group Fixed and Variable Annuity Contract, assets within the Stable Value Fund (also referred to herein as the Fund) will be invested according to these Investment Guidelines agreed upon by the Port of Oakland, and the Investment Manager and Group Annuity Contract Provider (collectively, Great-West).

Investment Objectives

Within the parameters as stated below, the objectives of the Fund are to:

1. Earn a high level of return relative to the benchmark index
2. Provide sufficient liquidity to pay plan benefits
3. Provide stable and predictable returns
4. Preserve principal
5. To the extent practical and within the parameters of these Investment Guidelines and the market conditions, to minimize the difference between the book value of the participant account balances in the Stable Value Fund and the market value of the Stable Value Fund’s assets over time

Benchmark Index

The interest rates provided to participants after investment management fees of the Stable Value Fund will be compared to the yield of three-year Treasury Notes, on a constant maturity basis.

Types of Investments

Subject to the Quality and Diversification Guidelines, Great-West shall invest the assets of the Stable Value Fund in any or all of the following:

A. United States Treasury securities including Treasury Bills, Notes, Bonds, and STRIPS (Separate Trading of Registered Interest and Principal of Securities instruments)
B. United States Agency securities
C. Mortgage-backed securities issued by GNMA, FNMA, OR FHLMC
D. Collateralized mortgage obligations (CMOs) secured by GNMA, FNMA or FHLMC securities
E. Instruments of commercial banks domiciled in United States. All money deposited into these banks must be 100% guaranteed by the FDIC

Quality and Diversification Guidelines

Except with respect to commercial bank instruments described above or that constitute Short-Term Investments, all securities in the Fund must be issued by the U.S. Government or its agencies or Government Sponsored Enterprises (GSEs), which are backed by the full faith and credit of the U.S. Government, or AAA rated according to their highest rating as described below. No individual security shall constitute more than 5% of the total value of the Fund.

Split Ratings

Each security in the Fund must be rated by at least one nationally recognized rating agency (including, but not limited to, S&P, Moody’s or Fitch). In the event of split ratings, the highest rating shall be used to determine compliance with these Investment Guidelines.
**Short-Term Investments**

All money received by Great-West for deposit to the Stable Value Fund will be invested the same day it is received. Whenever possible these monies will be invested in the type of investments indicated above. However, if the monies are received at a time of the day that makes this impractical, then the monies will be invested in an interest bearing account at a commercial bank. The following business day the money will then be invested according to the above Guidelines.

**Prohibited Investments**

Interest-only, principal-only, residual, inverse floater, and other like mortgage instruments are not permitted, and all investments not otherwise described under Types of Investments or Short-Term Investments shall likewise be prohibited. In all situations, any interest earned on money received for deposit into the separate account will be credited to the separate account and not to Great-West.

**Duration of Investments**

The Fund portfolio's average duration will not exceed five years.

**Reporting**

A. The Investment Manager will notify the Port of Oakland if a security is downgraded and thus not compliant with these Investment Guidelines. Any non-compliant security shall be evaluated on a case-by-case basis to determine whether the security shall be sold or held. The Investment Manager will provide the Port of Oakland with a written recommendation for the downgraded security. The Investment Manager will continue to monitor and provide credit updates no less than monthly until the security is upgraded or sold.

B. On a quarterly basis, Investment Manager will provide a statement to the Port of Oakland showing the market value of each security, the sector diversification within the Fund’s portfolio, and the duration, quality and yield of the Fund’s portfolio.

C. On a quarterly basis, Investment Manager will provide to the Port of Oakland a book value statement showing the book value of the total Fund portfolio and showing the methodology and assumptions used to reset the crediting rate of the Stable Value Fund.

D. On an annual basis, a senior representative of the Investment Manager will be made available to the Port of Oakland to present to the Port of Oakland a verbal and written review of the investment decisions, and the rationale associated with these decisions, for the previous 12-month’s activity.

**Trading Authority**

Within the Investment Guidelines as stated herein, the Investment Manager has the authority to buy and sell any securities in this separate account (the Fund) that it judges to be in the best long-term interest of the Fund and the participants that utilize the Fund; provided, however, that it is understood that Investment Manager may raise cash by selling assets to provide liquidity to pay benefits and withdrawals.

**Changes to Investment Guidelines**

The Port of Oakland may modify the Guidelines (including duration) for investment of assets of the Fund at any time providing that these modifications will not affect the Fund’s ability to provide benefits to participants at book value.
Amortization of Trading Gains/Losses

The general policy of the Fund will be a "buy and hold" strategy. However, to the extent that realized trading gains or losses occur, these gains/losses will be amortized over the expected average duration of the Fund’s portfolio. In addition, any difference between book value and market value will be managed through the setting of the interest rates provided to participants to minimize the difference over time.

Loans from the General Account of the Group Annuity Contract Provider

If the amount of any Distribution, Rollover, or Permitted Transfer exceeds the cash balance in the Stable Value Fund (whether because the liquid assets are insufficient to fund the Distribution, Rollover of Permitted Transfer or any other reason), the General Account of Great-West Life & Annuity Insurance Company may, but is not obligated to, loan such deficiency to the Stable Value Fund. Any such loans will be repaid first from ongoing participant deposits and transfers, then from interest on investments, and lastly from the maturity of investments in the Fund. Interest will be charged monthly by Great-West Life & Annuity Insurance Company’s General Account at an annual effective rate, reset daily equal to the Prime rate, as disclosed in the Wall Street Journal, at the close of the Business Day of the loan to the Stable Value Fund, plus a spread to be declared annually as of January 1. A comparable rate will be used should the Prime rate as disclosed in the Wall Street Journal be unavailable for any reason.

These Investment Guidelines may be executed in one or more counterparts and may be circulated by facsimile, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

INVESTMENT MANAGER: [Great-West Capital Management, LLC] [Great-West Life & Annuity Insurance Company]

Signature:  
Name: Jack Brown
Title: Sr. Vice President
Date: 12/7/17

GROUP ANNUITY CONTRACT PROVIDER: Great-West Life & Annuity Insurance Company

Signature:  
Name: Dave McLeod
Title: Sr. Vice President
Date: 12/11/17

PORT OF OAKLAND: City of Oakland, a municipal corporation, acting by and through its Board of Port Commissioners

Signature:  
Name:  
Title: Exec. Dir.
Date: 12/20/17

Investment Guidelines for Port of Oakland
Stable Value Fund (Separate Account) (rev Nov 2017)

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