

ORDINANCE NO. 15110

AN ORDINANCE, repealing Ordinance No. 13796, as adopted January 9, 2014, and enacting a new ordinance in lieu thereof amending the Pension Plan to update the language of plan benefits for death of a member after retirement and retiree medical coverage.

WHEREAS, The Pension Plan is a retirement system to provide for the pensioning and other welfare benefits for employees of The Metropolitan St. Louis Sewer District, and the spouses and minor children of deceased employees, and providing for the payment of public funds for such purpose in pursuance of the Missouri Constitution 1945 as amended, and the Missouri Statute enacted authorizing said Pension Plan, and the Plan of The Metropolitan St. Louis Sewer District.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT:

Section One. Ordinance No. 13796, as adopted January 9, 2014, is hereby repealed, without, however, altering or extinguishing the legal relationships established by such Ordinance.

Section Two. The Pension Plan is hereby amended to update the language of plan benefits for death of a member after retirement and retiree medical coverage.

Section Three. The post retirement increase in pension benefits as provided in Section 7.9 of the Pension Plan, which is contained in Section Three of this Ordinance, shall be annually reviewed by the Board of Trustees in the fourth quarter of each calendar year beginning in 1990. The purpose of such annual review shall be to determine if an adjustment in such postretirement benefit increases is appropriate taking into consideration all of the relevant facts and circumstances applicable to both the Pension Plan and the District.

Section Four. The Pension Plan provides for the pensioning and other retirement benefits of employees of The Metropolitan St. Louis Sewer District and the spouses and minor children of deceased employees, and providing for the payment of public funds for such purpose, in pursuance of the Missouri Constitution 1945, as amended, and the Missouri Statute enacted authorizing said Pension Plan, and the Plan of The Metropolitan St. Louis Sewer District. Unless otherwise provided thereafter, the provisions of said Pension Plan shall apply to employees who terminate their employment at the District on or after January 1, 2014. The entitlements and benefits payable to Members who terminate their employment at the District prior to January 1, 2014, shall be determined according to the provisions of the Pension Plan as it existed on the date such a Member separated from service with The Metropolitan St. Louis Sewer District. The Pension Plan shall read as follows:

The foregoing Ordinance was adopted on February 14, 2019.

TABLE OF CONTENTS

ARTICLE I DEFINITIONS 1

 1.1 "Accrued Retirement Benefit" 1

 1.2 "Alternate Retirement Date" 1

 1.3 "Beneficiary" 1

 1.4 "Board" 1

 1.5 "Carrier" 1

 1.6 "Claims Appeal Reviewer" 1

 1.7 "Claims Processor" 1

 1.8 "Code" 2

 1.9 "Covered Earnings" 2

 1.10 "Continuous Service" 2

 1.11 "Credited Service" 2

 1.12 "Determination Date" 2

 1.13 "Disability Retirement Date" 2

 1.14 "District" 2

 1.15 "Early Retirement Date" 3

 1.16 "Earnings" 3

 1.17 "Eligible Employee" 3

 1.18 "Employee" 3

 1.19 "Employer" 3

 1.20 "Final Average Earnings" 3

 1.21 "Investment Manager" 4

 1.22 "Member" 4

 1.23 "Normal Retirement Date" 4

 1.24 "Option Date" 4

 1.25 "Pay Period" 5

 1.26 "Pension Committee" 5

 1.27 "Pension Fund" 5

 1.28 "Pension Plan" 5

 1.29 "Plan Administrator" 5

 1.30 "Plan Year" 5

 1.31 "Points" 5

 1.32 "Postponed Retirement Date" 5

 1.33 "Required Beginning Date" 5

 1.34 "Retirement Date" 5

 1.35 "Separation From Service" 5

 1.36 "Social Security Wage Base" 6

 1.37 "Trust Agreement" 6

 1.38 "Trustee" 6

 1.39 "Vested Member" 6

ARTICLE II ELIGIBILITY AND PARTICIPATION 6

 2.1 Eligibility 6

 2.2 Termination of Participation 6

ARTICLE III CONTRIBUTIONS 7

 3.1 District Contributions 7

 3.2 Funding of Liabilities 7

 3.3 Return of Employer Contributions 7

3.4	Forfeitures.....	7
ARTICLE IV RETIREMENT BENEFITS.....		7
4.1	At Normal Retirement Date.....	8
4.2	Early Retirement Benefit.....	9
4.3	At Postponed Retirement Date.....	9
4.4	At Disability Retirement Date.....	10
4.5	Conditions on Payment of Disability Benefits.....	10
4.6	Maximum Retirement Income.....	11
4.7	Accrued Retirement Benefit Under Prior Restatement of Plan.....	12
ARTICLE V BENEFITS ON SEPARATION FROM SERVICE.....		12
ARTICLE VI DEATH BENEFIT.....		12
6.1	Death of a Vested Terminated Member.....	13
6.3	Death of a Member After Retirement.....	13
ARTICLE VII PAYMENT OF RETIREMENT BENEFITS.....		14
7.1	Normal Form of Payment.....	14
7.2	Optional Forms of Payment.....	14
7.3	Small Benefits.....	15
7.4	Election of Optional Form of Payment.....	15
7.5	Special Distribution Option.....	16
7.6	Limitations on Special Distribution Option.....	16
7.7	Written Explanation of Rollover Treatment.....	16
7.8	Required Distribution.....	17
7.9	Increase in Benefits Under the Plan.....	17
7.10	Vested Member.....	19
7.11	Transfer of Accrued Retirement Benefit to Defined Contribution Plan.....	19
ARTICLE VIII ADMINISTRATION OF THE PENSION PLAN.....		19
8.1	Duties and Membership of Pension Committee.....	19
8.2	Plan Administration.....	20
8.3	Claim Decision.....	21
8.4	Request For Review.....	22
8.5	Review of Decision.....	22
ARTICLE IX MANAGEMENT, INVESTMENT AND USE OF FUNDS.....		22
9.1	Investment of Pension Fund.....	22
9.2	Investment Manager.....	22
9.3	Authority of Board.....	22
ARTICLE X AMENDMENT OR TERMINATION OF THE PENSION PLAN.....		23
ARTICLE XI MISCELLANEOUS PROVISIONS.....		23
11.1	Members' Rights.....	23
11.2	Spendthrift Provisions.....	23
11.3	Incapacity.....	23
11.4	Administration of the Plan.....	24
11.5	Suspension of Benefits Upon Reemployment.....	24
11.6	Trust Sole Source of Benefits.....	24
11.7	Actuarial Assumptions.....	24
11.8	Notice of Address.....	24
11.9	Furnishing Data.....	25

11.10	Retiree Medical Coverage.....	25
11.11	Military Leave Benefits	25

Exhibit A Special Effective Dates for Union Members

**ARTICLE I
DEFINITIONS**

The following words and phrases, when used hereafter in this document, shall have the meanings set forth below:

1.1 "Accrued Retirement Benefit"

means the sum of a Member's retirement benefits based on his/her Credited Service and Final Average Earnings, to the Determination Date as set forth in Article IV and payable to him/her commencing on his/her Normal Retirement Date.

1.2 "Alternate Retirement Date"

means the first day of any month selected by a Member following his/her Separation From Service on which benefits commence, provided the Member is a Vested Member and has eighty (80) Points on the day on which he/she has a Separation from Service.

1.3 "Beneficiary"

means the person or legal entity named by a Member in accordance with procedures established by the Plan Administrator to receive any payment payable under the Plan in the event of the death of a Member. In the manner and within the limits prescribed by the Plan Administrator, a Member may designate more than one Beneficiary to share a death benefit; provided, however, if a Member names his/her spouse to receive a death benefit, the Member may not name any other non-spousal co-Beneficiary to receive a benefit with such spouse. If the Member does not name his/her spouse as a Beneficiary, the Member may name multiple non-spousal co-Beneficiaries who will receive the death benefit in the respective percentage interests designated by the Member. If no Beneficiary is designated by the Member, or if no named Beneficiary (or contingent Beneficiary) is living or in existence at the time a death benefit is payable, the estate of the deceased Member shall be the Beneficiary. A Member may change or revoke a Beneficiary designation at any time without the consent of the Beneficiary by filing a new Beneficiary designation form with the Plan Administrator. Any change of Beneficiary designation shall revoke all prior Beneficiary designations made by a Member.

1.4 "Board"

means the Board of Trustees of the District.

1.5 "Carrier"

means any insurance company which issues insurance or annuity contracts to fund retirement benefits under the Pension Plan.

1.6 "Claims Appeal Reviewer"

means a subcommittee of the Board of Trustees as designated by the Board of Trustees to review benefit entitlement claims under the Pension Plan.

1.7 "Claims Processor"

means the Plan Administrator.

1.8 "Code"

means the Internal Revenue Code of 1986, as amended.

1.9 "Covered Earnings"

means the average of the Social Security Wage Bases for each calendar year during the thirty-five (35) year period ending with the last day of the calendar year in which the Member attains Social Security retirement age (as defined in Code Section 415(b)(8)). The Social Security Wage Base for the current calendar year and any subsequent year shall be assumed to be the same as the Social Security Wage Base in effect as of the beginning of the year for which the determination is being made.

1.10 "Continuous Service"

means service with the Employer commencing on the date on which the Member first performs service for the Employer and ending on the date on which the Member has a Separation From Service, or, if earlier, the effective date of the transfer of a Member's Accrued Retirement Benefit to the Metropolitan St. Louis Sewer District Defined Contribution Plan pursuant to Section 7.11; provided, however, Continuous Service shall include (i) periods during which a Member is on an authorized leave of absence, (including those periods during which the Member receives workers compensation benefits), (ii) the imputed employment period solely for the purpose of determining the reduction in the Member's benefit under Sections 4.2(A) and (C), provided the Member has 60 months of actual employment at the District; (iii) periods during which a Member is on leave on account of military service (provided the Member retains his/her re-employment rights pursuant to the provisions of the Uniform Services Employment and Reemployment Rights Act of 1994) or (iv) any other absence of a Member which does not constitute a termination of employment under the District's Civil Service Rules and Regulations. See Section 2.2(c) for the determination of Continuous Service for certain former Employees rehired on or after January 1, 2011.

1.11 "Credited Service"

means service with the Employer commencing on the date on which the Member first performs service for the Employer and ending on (i) the date on which the Member has a Separation From Service, or (ii) in the case of a Member who elects to terminate participation in the Plan under Section 2.2(b), the earlier of March 31, 2011 or the date on which the Member has a Separation From Service. Credited Service shall include those periods during which (i) a Member receives worker's compensation benefits or (ii) a Member is on leave on account of military service, provided the Member retains his/her reemployment rights pursuant to the provisions of the Uniform Services Employment and Reemployment Rights Act of 1994. Credited Service, however, shall not include (i) any other periods during which a Member is on an authorized leave of absence, or (ii) service performed on or after the rehire date of a former Employee described in Section 2.2(c).

1.12 "Determination Date"

means the date as of which a Member's Accrued Retirement Benefit is computed.

1.13 "Disability Retirement Date"

means the date on which a Member incurs a disability as defined in Section 4.5.

1.14 "District"

means The Metropolitan St. Louis Sewer District.

1.15 "Early Retirement Date"

means the first day of any month selected by the Member following his/her termination of employment on which benefits commence, provided the Member has attained his/her fifty-fifth (55th) birthday and has completed sixty (60) months of Continuous Service.

1.16 "Earnings"

means the total base remuneration scheduled to be paid to the Member from the Employer for services rendered, excluding unpaid leaves of absence (other than on account of military service), bonuses, overtime and any other form of additional compensation, determined without regard to salary reduction amounts contributed by the Member to plans or arrangements described in Code Section 125, 132 or 457. The term "Earnings" does not include accrued and unused sick leave. Earnings in excess of the amount specified in Code Section 401(a)(17) shall be disregarded. For purposes of this Section, "an unpaid leave of absence" shall not include absences less than twenty-nine (29) consecutive days. "Earnings" shall not include remuneration earned on or after the rehire date of a former Employee described in Section 2.2(c).

1.17 "Eligible Employee"

means an Employee whose initial date of hire by the Employer is before January 1, 2011 and (a) who does not make the election described in Section 2.2(b), or (b) who is rehired on or after January 1, 2011 having completed at least sixty (60) months of Continuous Service during a prior period of employment with the Employer.

1.18 "Employee"

means an individual classified as a common law employee by the Employer (without regard to retroactive classification) and employed on a regular, full-time permanent basis who has been appointed to a position in the classified service in accordance with Civil Service Rules. An Employee shall also include those individuals in the unclassified service, but shall not include technical personnel employed on special occasions. An individual customarily employed by the Employer for at least one thousand (1,000) hours per year shall be deemed to be employed on a full-time permanent basis. Independent contractors are not eligible to participate in the Plan.

1.19 "Employer"

means the District.

1.20 "Final Average Earnings" means, prior to August 1, 2004 or, with respect to union members, the later of August 1, 2004 or the date their union ratifies a Memorandum of Understanding with respect to this Plan modification, the sum of (a) and (b) divided by three (3) where:

(a) means the Member's Earnings as determined during the highest seventy-eight (78) consecutive Pay Periods within the last two hundred sixty Pay Periods of the Member's compensation history ending on the Determination Date which produce the highest average annual Earnings; and

(b) means one and one-fourth percent (1.25%) of the cash amount paid to a Member with respect to the value of the Member's accrued and unused sick leave, multiplied by the Member's years of Credited Service as of the Determination Date. The value of a Member's accrued and unused sick leave shall be determined by using his/her hourly rate of Earnings as of the Determination Date. For purposes of this computation, if a Member has less than seventy-eight (78) Pay Periods of Credited Service, part (a) of that Member's Final Average Earnings shall equal his/her total Earnings during such period divided by his/her number of Pay Periods in his/her period of Credited Service as of the Determination Date and

multiplied by twenty-six (26).

Effective August 1, 2004 or, with respect to union members, the later of August 1, 2004 or the date their union ratifies a Memorandum of Understanding with respect to this Plan modification, "Final Average Earnings" means the Member's Earnings as determined during the highest seventy-eight (78) consecutive Pay Periods within the last two hundred sixty Pay Periods of the Member's compensation history ending on the Determination Date which produce the highest average annual Earnings, divided by three (3). For purposes of this computation, if a Member has less than seventy-eight (78) Pay Periods of Credited Service, such Member's Final Average Earnings shall equal his/her total Earnings during such period divided by his/her number of Pay Periods in his/her period of Credited Service as of the Determination Date and multiplied by twenty-six (26).

In the case of an Employee who elects to terminate his/her participation in the Plan pursuant to Section 2.2(b), "Final Average Earnings" will be determined during the highest seventy-eight (78) consecutive Pay Periods within the last two hundred sixty Pay Periods of the Member's compensation history ending on March 31, 2011. If such Employee has less than seventy-eight (78) Pay Periods of Credited Service, such Member's Final Average Earnings shall equal his/her total Earnings during such period divided by his/her number of Pay Periods in his/her period of Credited Service as of March 31, 2011 and multiplied by twenty-six (26). Final Average Earnings will not include Earnings paid on or after the rehire date of a former Employee described in Section 2.2(c)

1.21 "Investment Manager"

means any fiduciary (other than a trustee or named fiduciary) (A) who has the power to manage, acquire or dispose of any asset of the Plan; (B) who is (i) registered as an investment adviser under the Investment Advisors Act of 1940; (ii) a bank or (iii) an insurance company qualified to perform services described in (A) under the laws of more than one state; and (C) has acknowledged in writing that he/she is a fiduciary with respect to the Plan.

1.22 "Member"

means any Employee or former Employee of the District who has satisfied the participation provisions of Article II hereof and is eligible for a benefit under this plan. In the case of a Member who elects to terminate his/her participation in the Plan pursuant to Section 2.2(b), such Member will remain a Member with respect to his/her Accrued Retirement Benefit as of March 31, 2011 until the transfer of the actuarial equivalent value of his/her Accrued Retirement Benefit to the Metropolitan St. Louis Sewer District Defined Contribution Plan pursuant to Section 7.11(a). In the case of a former Employee described in Section 2.2(c) who is rehired on or after January 1, 2011 and within two years after a prior Separation From Service, such rehired Employee will be a Member with respect to his/her Accrued Retirement Benefit as of his/her prior Separation From Service until the transfer of the actuarial equivalent value of his/her Accrued Retirement Benefit to the Metropolitan St. Louis Sewer District Defined Contribution Plan pursuant to Section 7.11(b). In the case of a former Employee described in Section 2.2(c) who is rehired on or after January 1, 2011 and more than two years after a prior Separation From Service, such rehired Employee shall not be a Member on or after his/her rehire date.

1.23 "Normal Retirement Date"

means the first day of the month coinciding with or next following a Member's sixty-fifth (65th) birthday and completion of sixty (60) months of Continuous Service.

1.24 "Option Date"

means the day selected by the Member on which retirement benefits are to commence.

1.25 "Pay Period"

means the bi-weekly period for which a Member is paid for services rendered to the District.

1.26 "Pension Committee"

means the committee consisting of the following eight (8) persons: two members appointed by the Chairman of the Board, one of whom is a member of the Board of Trustees from the City of St. Louis and one of whom is a member of the Board of Trustees from St. Louis County. In addition, the Executive Director, Secretary-Treasurer, General Counsel, the Director of Finance and two elected members as provided in Section 8 shall be members of the Pension Committee.

1.27 "Pension Fund"

means the trust established under this Plan to which contributions are made by the Employer to pay retirement benefits to Members.

1.28 "Pension Plan"

means The Metropolitan St. Louis Sewer District Pension Plan (f/k/a The Metropolitan St. Louis Sewer District Employees' Pension Plan), initially effective as of November 1, 1967, as set forth herein and as it may be amended from time to time.

1.29 "Plan Administrator"

means the Pension Committee.

1.30 "Plan Year"

means the period beginning on January 1 and ending on the following December 31.

1.31 "Points"

means the sum of the Member's chronological age and his/her years of Continuous Service, both expressed in years and months.

1.32 "Postponed Retirement Date"

means the first day of the month coincident with or next following a Member's Separation From Service after his/her Normal Retirement Date.

1.33 "Required Beginning Date"

means the date described in Section 7.8(A).

1.34 "Retirement Date"

means the first day as of which a retirement benefit is payable to a Member in accordance with this Pension Plan, and may be either a Normal Retirement Date, an Alternate Retirement Date, an Early Retirement Date, or a Postponed Retirement Date, as set forth in Article IV.

1.35 "Separation From Service"

means a severance of the Employer-Employee relationship with the Employer because of resignation, discharge or death.

1.36 "Social Security Wage Base"

means, with respect to any Plan year, the maximum amount of Earnings which may be considered wages for such year under Code Section 3121(a)(1).

1.37 "Trust Agreement"

means any trust agreement made and entered into by and between the District and a Trustee with respect to the Pension Fund.

1.38 "Trustee"

means any corporation, person or persons who may be designated by the Board from time to time to hold, invest, reinvest and disburse, in accordance with the terms of a trust agreement, contributions made by the District to fund retirement benefits for Members of this Plan.

1.39 "Vested Member"

means a Member with sixty (60) months of Continuous Service.

**ARTICLE II
ELIGIBILITY AND PARTICIPATION**

2.1 Eligibility.

On and after January 1, 1990 and before January 1, 2011, an Employee shall become a Member of the Plan on the first day on which he/she performs an hour of service for the Employer. On and after January 1, 2011, an Employee shall become a Member of the Plan on the first day on which he/she performs an hour of service for the Employer as an Eligible Employee.

2.2 Termination of Participation.

(a) General Rule.

Except as otherwise provided in paragraphs (b) and (c) of this Section 2.2, each Member shall continue to participate in the Plan until the earlier of his/her death or Separation From Service with the District. He shall receive Continuous Service credit only for such periods during which he/she is employed by the District except as provided in section 4.2 (A) and (C). A Member on military leave shall not for purposes of this Pension Plan have a Separation From Service so long as he/she retains reemployment rights under Federal or other laws but shall have a Separation From Service for purposes of this Pension Plan if he/she fails to return to the employ of the District within the required period established by such laws and the Civil Service Rules and Regulations of the District.

(b) Elective Termination of Participation.

Each Member who has less than one-hundred twenty (120) months of Continuous Service as of March 31, 2011 may elect to terminate his/her participation in the Plan, effective April 1 2011, and transfer the actuarial equivalent value of his/her Accrued Retirement Benefit to the Metropolitan St. Louis Sewer District Defined Contribution Plan pursuant to Section 7.11(a). With respect to each Member making such election: (i) his/her Accrued Retirement Benefit shall become fully vested on April 1, 2011; (ii) service performed by such Employee on or after April 1, 2011 shall not be taken into account in determining Credited Service under the Plan; (iii) Earnings paid to such Employee on or after April 1, 2011 shall not be taken into account in determining Final Average Earnings under the Plan, and (iv) immediately following the transfer described in Section 7.11(a) he/she shall cease to be a Member under

the Plan . Any election by a Member pursuant to this Section 2.2(b) must be in a form acceptable to the Pension Committee and must be received in good order within the time designated by the Pension Committee.

(c) Termination of Participation of Certain Rehired Employees.

If a former Employee who had a Separation From Service with less than sixty (60) months of Continuous Service is rehired by the Employer on or after January 1, 2011 and within two years after the date of such Separation From Service, (i) service performed by such rehired Employee on or after his/her rehire date shall not be taken into account in determining Credited Service under the Plan, (ii) Earnings paid to such rehired Employee on or after his/her rehire date shall not be taken into account in determining Final Average Earnings under the Plan, (iii) such rehired Employee's Continuous Service earned on and after the date of rehire and prior to the date of the transfer described in Section 7.11(b) will be aggregated with his/her Continuous Service earned prior to his/her Separation From Service, and (iv) such rehired Employee shall cease to be a Member under the Plan with respect to his/her Accrued Retirement Benefit as of his/her prior Separation From Service immediately following the transfer described in Section 7.11(b). If a former Employee who had a Separation From Service with less than sixty (60) months of Continuous Service is rehired by the Employer on or after January 1, 2011 and more than two years after the date of such Separation From Service, no additional Credited Service, Continuous Service or Earnings shall be taken into account under the Plan with respect to such rehired Employee on or after the rehire date and the rehired Employee shall not be entitled to a benefit under the Plan.

**ARTICLE III
CONTRIBUTIONS**

3.1 District Contributions.

From time to time, the District shall contribute to the Pension Plan such sums as are considered necessary by the District, on the basis of actuarial calculations, to carry out the purpose of the Pension Plan. A Member shall not be permitted or required to make contributions to the Plan.

3.2 Funding of Liabilities.

The Employer may fund its liabilities under this Plan by making contributions to the Trustee of the Trust established in connection with the Pension Plan or by paying the premiums on any insurance or annuity contract in an amount sufficient to satisfy reasonable funding standards.

3.3 Return of Employer Contributions.

Amounts contributed by the Employer shall be returned to the Employer if a contribution was made by the Employer by mistake of fact. The excess of the amount of such contribution over the amount which would have been contributed had there been no mistake of fact shall be returned to the Employer within one year after the payment of the contribution. Earnings attributable to such contribution shall not be returned to the Employer, but losses attributable to such contribution shall reduce the amount to be returned to the Employer.

3.4 Forfeitures.

Forfeitures which arise on account of the Separation From Service of a non-vested Member shall be used to reduce future District contributions under the Plan.

**ARTICLE IV
RETIREMENT BENEFITS**

4.1 At Normal Retirement Date.

(a) The annual retirement benefit payable to a Member who retires on his/her Normal Retirement Date on or after January 1, 2000 and prior to: (i) August 1, 2004; or (ii) with respect to union members, the later of August 1, 2004 or the date their union ratifies a Memorandum of Understanding with respect to this Plan modification, shall be equal to the sum of (1) and (2) where:

(1) means one and forty-five hundredths percent (1.45%) of Final Average Earnings times the period in years and completed twelfths of his/her Credited Service, and

(2) means forty hundredths of one percent (.40%) of his/her Final Average Earnings which are in excess of the Covered Earnings times the period in years and completed twelfths of his/her Credited Service, not to exceed thirty-five (35) years.

(b) The annual retirement benefit payable to a Member who retires on his/her Normal Retirement Date on or after: (i) August 1, 2004; or (ii) with respect to union members, the later of August 1, 2004 or the date their union ratifies a Memorandum of Understanding with respect to this Plan modification, shall be equal to the sum of (1) and (2) where:

(1) means one and seventy hundredths percent (1.70%) of Final Average Earnings times the period in years and completed twelfths of his/her Credited Service, and

(2) means forty hundredths of one percent (.40%) of his/her Final Average Earnings which are in excess of the Covered Earnings times the period in years and completed twelfths of his/her Credited Service, not to exceed thirty-five (35) years.

(c) Notwithstanding the above, the following interim rule will apply to the group of Members whose annual retirement benefit, as of July 1, 2007, is determined to be higher under the formula set forth in paragraph (a) using the definition of "Final Average Earnings" in effect prior to August 1, 2004, than his/her benefit under the formula set forth in paragraph (b). Under the interim rule, if such Member retires on his/her Normal Retirement Date, on or after July 1, 2007 and on or before June 1, 2009 (the "window period"), he/she may elect to have his/her benefit determined under (i) the formula set forth in paragraph (b), or (ii) the formula set forth in paragraph (a) using the definition of "Final Average Earnings" in effect prior to August 1, 2004. The interim rule will not apply if at any time during the window period, a Member's benefit is determined to be higher under the formula set forth in paragraph (b) than it is under the formula set forth in paragraph (a) using the definition of "Final Average Earnings" in effect prior to August 1, 2004.

(d) Effective June 1, 2009, the grandfather rule described in this paragraph will replace the interim rule described in the preceding paragraph. This grandfather rule will only apply to the group of Members whose annual retirement benefit, as of June 1, 2009, is determined to be higher under the formula set forth in paragraph (a) using the definition of "Final Average Earnings" in effect prior to August 1, 2004, than his/her benefit under the formula set forth in paragraph (b) (the "Grandfathered Members"). The grandfather rule provides a benefit as follows: if a Grandfathered Member's accrued sick leave hours are, at the time of his/her retirement, equal to or greater than his/her accrued sick leave hours determined as of June 1, 2009, his/her benefit shall be determined using the greater of: (x) the formula set forth in paragraph (b), or (y) the formula set forth in paragraph (a) using the definition of "Final Average Earnings" in effect prior to August 1, 2004, as described below:

(1) If a Grandfathered Member's accrued sick leave hours are at the time of his/her retirement greater than his/her accrued sick leave hours determined as of June 1, 2009, his/her benefit shall be determined using the formula set forth in paragraph (a) using the definition of "Final Average Earnings" in effect prior to August 1, 2004 with sick leave, salary and Credited Service determined as of

June 1, 2009;

(2) If a Grandfathered Member's accrued sick leave hours at the time of retirement are less than his/her accrued sick leave hours determined as of June 1, 2009, his/her benefit shall be determined using the formula set forth in paragraph (b);

(3) In all cases, if the formula set forth in paragraph (b) result in a greater benefits, the Grandfathered Member's benefit will be calculated under the formula set forth in paragraph (b).

4.2 Early Retirement Benefit.

These provisions apply to a Member who has a Separation From Service on or after January 1, 2000.

(a) In the case of a Member who as of the date on which he/she has a Separation From Service has neither attained his/her Early Retirement Date, his/her Alternate Retirement Date, nor has seventy-five (75) Points as defined in Section 1.31, the annual retirement benefit payable to such Member, which cannot commence prior to his/her Early Retirement Date, shall be equal to his/her Accrued Retirement Benefit reduced by two-twelfths ($2/12$) of one percent (1%) for each month by which such Member's commencement of benefit payments precedes the earlier of his/her Normal Retirement Date and his/her Alternate Retirement Date, if such month is prior to age sixty (60) and reduced by one-twelfth ($1/12$) of one percent (1%) for each month between the commencement of benefit payments and the earlier of his/her Normal Retirement Date and his/her Alternate Retirement Date, if such month is after the attainment of age sixty (60). If a Member has not attained his/her Alternate Retirement Date as of his/her Separation from Service, the reduction in the Member's benefit shall be determined as if the Member continued in the employment of the District until the requirements for the Alternate Retirement Date were satisfied. If such Alternate Retirement Date is prior to attainment of age fifty-five (55), there shall be no reduction in the Accrued Retirement Benefit commencing on or after the Early Retirement Date. This benefit shall be paid according to the provisions of Section 5.2 hereafter.

(b) In the case of a Member who, as of the date on which he has a Separation From Service has seventy-five (75) Points, the annual retirement benefit payable to such Member shall be equal to his/her Accrued Retirement Benefit as of his/her Retirement Date.

(c) In the case of a Member who as of the date on which he/she has a Separation From Service does not have seventy-five (75) Points or has not attained his/her Alternate Retirement Date but has attained his/her Early Retirement Date, the annual retirement benefit payable to such Member shall be equal to his/her Accrued Retirement Benefit reduced by two-twelfths ($2/12$) of one percent (1%) for each month by which such Member's Early Retirement Date precedes the earlier of his/her Normal Retirement Date and his/her Alternate Retirement Date, if such month is prior to age sixty (60) and reduced by one-twelfth ($1/12$) of one percent (1%) for each month between such Member's Early Retirement Date and the earlier of his/her Normal Retirement Date and his/her Alternate Retirement Date, if such month is after the attainment of age sixty (60). If a Member has not attained his/her Alternate Retirement Date as of his/her Separation from Service, the reduction in the Member's benefit shall be determined as if the Member continued in the employment of the District until the requirements for the Alternate Retirement Date were satisfied.

4.3 At Postponed Retirement Date.

The annual retirement benefit payable to a Member who retires on a Postponed Retirement Date shall be equal to the greater of (i) the amount determined under Section 4.1 as of his/her Postponed Retirement Date and (ii) an amount equal to the sum of the amount payable on his/her Normal Retirement Date plus the actuarial equivalent of the lump sum value of the monthly benefit payments which he/she would have received prior to the Postponed Retirement Date (using the benefit formula in effect on the Postponed

Retirement Date), accumulated at an annual rate of interest equal to four percent (4%) from the date such payments would have been made (had he retired at his/her Normal Retirement Date) up to his/her Postponed Retirement Date.

4.4 At Disability Retirement Date.

The annual disability benefit to a Member who has at least thirty-six (36) months of Continuous Service and, becomes disabled as defined in Section 4.5, shall be equal to the greater of (i) his/her Accrued Retirement Benefit as of the first day of the month coinciding with or next following his/her Disability Retirement Date, or (ii) twenty-five percent (25%) of his/her Earnings; provided, however, a Member's disability benefit shall not exceed the benefit which would have been payable had the Member continued in the employment of the District until the Member attained his/her Normal Retirement Date and his/her Final Average Earnings had remained the same. Payment of the disability benefit shall commence on the first day of the month coinciding with or next following the date on which the Member satisfies all of the requirements contained in Section 4.5(A) through (E). Payments shall continue until the Member attains his/her Normal Retirement Date, the date of death, or until the Committee determines that the Member is no longer disabled, whichever is earliest. In the event a Member's disability continues to the Member's Normal Retirement Date, the Member shall continue to receive the same benefit as determined hereinabove as a normal retirement benefit; provided, however, such normal retirement benefit shall then become subject to the optional forms of payment as provided in Section 7.2.

4.5 Conditions on Payment of Disability Benefits.

A Member shall be deemed to be disabled and eligible to receive a disability benefit if the following conditions are satisfied:

- (a) He/she has been disabled, through unavoidable cause, by illness or injury and for that reason is incapable of carrying on the duties of any occupation;
- (b) Such disability shall have continued for a period of at least six (6) consecutive months;
- (c) The Member has qualified for disability benefits under the Federal Social Security Act and has furnished written evidence from the Social Security Administration, satisfactory to the District, which certifies that the Member's disability is permanent and total, based on the Federal Social Security Act criteria for same. The District, however, reserves the right to determine that the Member is not otherwise disqualified pursuant to other provisions of this Article.
- (d) The Member has used up and exhausted all of his/her accrued sick leave with the District.

The disability shall be deemed to have resulted from an unavoidable cause unless:

- (1) It was contracted, suffered or incurred while the Member was engaged in, or it resulted from his/her having engaged in, a felony; or
- (2) It resulted from his/her habitual use of drugs, intoxicants, or narcotics; or
- (3) It resulted from a deliberately self-inflicted injury or self-induced sickness; or
- (4) It resulted from injury received or disease contracted in service in the Armed Forces.

The Pension Committee shall interpret and administer this Section in a uniform manner so as to preclude any individual selection or discrimination. The Pension Committee may require that a disabled Member undergo a medical examination by a physician or clinic selected by the

Pension Committee at anytime prior to his/her Normal Retirement Date, but not more often than semi-annually, to determine whether such Member is eligible for continuation of his/her disability benefits. If on the basis of any medical examination or other fact from any and all sources, it is found that such Member is no longer disabled as defined herein, his/her disability benefit shall thereupon cease. If the disabled Member refuses to submit to a medical examination, the Pension Committee shall suspend disability benefits until such Member submits to a medical examination. In the event of the reemployment of a disabled Member, he/she shall resume active membership in the Plan as of the date of reemployment; provided, however, he/she shall not accrue any retirement benefits during such period while he/she is receiving disability benefits. If the Member's disability benefits are terminated prior to his/her Normal Retirement Date and he is not reemployed by the District, the Member's right to benefits, if any, shall be determined in accordance with the provisions of the Plan as if he/she had a Separation From Service on the date benefits cease, but with no accrual of benefits following the Disability Retirement Date.

(e) Effective August 1, 2004, or, with respect to union members, the later of August 1, 2004 or the date their union ratifies a Memorandum of Understanding with respect to this Plan modification, in the event a Member qualifies for benefits under both Section 4.2 and Section 4.5, his/her benefit will be determined under the provisions of Section 4.5.

4.6 Maximum Retirement Income.

In no event shall a Member's annual benefit under this Plan and all other defined benefit plans maintained by the Employer exceed the lesser of:

- (a) The amount specified in Section 415(b)(1)(A) of the Code, as adjusted for any applicable increases in the cost of living in accordance with Section 415(d) of the Code, as in effect on the last day of the Plan Year (\$210,000 for 2014); and
- (b) One-hundred percent (100%) of the average compensation of the Member for his/her high three (3) consecutive Plan Years as provided in Section 415 of the Code.

For purposes of this section, compensation means wages within the meaning of Section 3401(a) of the Code (for purposes of income tax withholding at the source) but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exceptions for agricultural labor and services performed outside the United States), plus the amount of salary reduction as a result of an election pursuant to a plan or plans governed by Section 125, Section 401(k), Section 403(b) or Section 132(f)(4) of the Code (inclusively).

Effective January 1, 2008, in order to be taken into account for purposes of this Section, compensation generally must be paid or treated as paid to the Employee before the severance from employment of the Employee. However, compensation paid by the later of 2½ months after the severance from employment of an Employee or the end of the limitation year that includes the date of severance from employment of the Employee shall be treated as compensation to the extent such amounts are compensation for services rendered that would have been paid absent a severance from employment, payments of accrued vacation or other leave the Employee would have been able to use if employment had continued, or payments of unfunded nonqualified compensation that would have been paid at the same time if the Employee had continued in employment.

Notwithstanding anything to the contrary in this section, the annual benefit, when paid in the form of a joint and survivor annuity, can be as great as that of a single life annuity for the Member, not in excess of the limitations contained in the first sentence of this section, plus a survivor annuity at the same level for the Member's spouse.

No adjustment shall be required to any portion of a benefit that is paid in a form to which section 417(e)(3) does not apply and that is not a straight life annuity to take into account the inclusion of an automatic benefit increase feature (as described in Treas. Reg. §1.415(b)-1(c)(5)) in such form of benefit. In no event will the amount payable to a member any limitation year under a form of benefit with an automatic benefit increase feature in be greater than the Code Section 415(b) limit applicable at the annuity starting date, as increased in subsequent years pursuant to Section 415(d) of the Code and Treas. Reg. §1.415(d)-1.

For these purposes, Section 415 of the Code, which limits the benefits and contributions under qualified plans, is hereby incorporated by reference. The reduced limitation for early retirement benefits shall be determined in accordance with applicable regulations using the actuarial assumptions prescribed in the Plan, except as otherwise required by Section 415(b)(2)(E) of the Code. The reduced limitation for early retirement benefits and the adjustment for any form of benefit subject to Section 417(e)(3) of the Code shall be determined in accordance with applicable regulations using the actuarial assumptions prescribed in the Plan, except as otherwise required by Section 415(b)(2)(E) of the Code. With respect to distributions made during the Plan Year beginning in 2004 or the Plan Year beginning in 2005, the applicable interest rate shall be 5.5%. With respect to distributions made for Plan Years beginning after December 31, 2005, the applicable interest rate shall be the greater of (i) 5.5%; (ii) the rate that provides for a benefit of not more than 105% of the benefit that would be provided if the applicable rate (as defined in Code Section 417(e)(3)) were the interest rate assumption, or (iii) the rate specified in the Plan. With respect to Plan Years beginning on or after January 1, 2008, the mortality table used shall be the applicable mortality table (within the meaning of Code Section 417(e)(3)(B)).

4.7 Accrued Retirement Benefit Under Prior Restatement of Plan.

Without regard to any contrary provision of this Plan, the Accrued Retirement Benefit of each Member who was a participant on the day prior to January 1, 2010, the effective date of this restatement of the Plan, shall not be less than the Accrued Retirement Benefit on December 31, 2009, the day before this restatement of the Plan became effective.

ARTICLE V BENEFITS ON SEPARATION FROM SERVICE

5.1 If a Member has a Separation From Service prior to (i) completing sixty (60) months of Continuous Service or (ii) attaining his/her Disability Retirement Date, he/she shall not be entitled to a benefit under the Plan. See Section 2.2(c) for the treatment of a former Employee who had a Separation From Service with less than sixty (60) months of Continuous Service and is rehired on or after January 1, 2011.

5.2 If a Member has a Separation From Service for reasons other than death, disability or retirement after completing sixty (60) months of Continuous Service he/she shall be entitled to a retirement benefit commencing on his/her Early Retirement Date or his/her Normal Retirement Date, such benefit to be determined according to the provisions of Sections 4.1 and 4.2, and payable according to the optional forms of distribution and in the manner described in Article VII.

5.3 Except for adjustments in monthly benefits by way of post-retirement increases in such monthly benefits which may be implemented by the District from time-to-time, the benefits payable to a Member shall be determined according to the provisions of the Plan which is in effect on the date a Member has a Separation From Service.

ARTICLE VI DEATH BENEFIT

6.1 Death of a Vested Terminated Member.

In the event of the death of a Vested Member who had a Separation From Service prior to (i) receiving a retirement benefit under this Plan or (ii) becoming disabled, a monthly benefit equal to the greater of fifty percent (50%) of one-twelfth (1/12) of the Member's Accrued Retirement Benefit determined as of the date on which he/she had a Separation From Service or fifty dollars (\$50.00) shall be paid to his/her Beneficiary commencing on the first day of the month next following the date of such former Member's death. If the Beneficiary is the Member's surviving spouse, the survivor's benefit shall be payable monthly to a Member's spouse for life, with the final monthly payment to be made on the first day of the month immediately preceding or coinciding with the date of such spouse's death. If the Beneficiary is not the Member's surviving spouse, the survivor's benefit shall be paid monthly to the Member's Beneficiary for sixty (60) monthly payments.

6.2 Death of a Vested Active Member After January 1, 2000

(a) The Beneficiary of any qualified Member shall be eligible for a survivor's benefit commencing on the first day of the month next following the date of the Member's death after January 1, 2000. The Member's Beneficiary shall be eligible for this benefit if the Member satisfied all of the following requirements on the date of his/her death:

- (1) Member has completed at least sixty (60) months of Continuous Service;
- (2) Member has not attained his/her Normal Retirement Date; and
- (3) Member was an active Employee or a Member receiving or eligible to receive a disability benefit under Section 4.4; and
- (4) Member has not attained 75 Points.

(b) The monthly amount of the survivor's benefit payable to the Member's Beneficiary shall be equal to the greatest of:

- (1) Fifty percent (50%) of one twelfth (1/12) of the Member's Accrued Retirement Benefit determined as of the date of his/her death, or
- (2) Fifteen percent (15%) of his/her monthly Earnings as of the determination date, or
- (3) If the date of death is after January 1, 2000, the monthly survivor benefit payable shall be equal to the Accrued Retirement Benefit reduced for election of the one hundred percent (100%) option described in Section 7.2(C).

If the Beneficiary is the Member's surviving spouse, the survivor's benefit shall be payable for such spouse's lifetime, with the final monthly payment made on the first day of the month immediately preceding or coinciding with the date of such spouse's death. If the Beneficiary is not the Member's surviving spouse, the survivor's benefit shall be paid monthly to the Member's Beneficiary for sixty (60) monthly payments, and there shall be no actuarial reduction in the survivor death benefit for the Joint and Survivor Annuity described in Section 7.2(C).

6.3 Death of a Member After Retirement.

(a) In the event of the death of a Member, who has not elected to receive an optional form of payment in accordance with Article VII, and who dies on or after his/her Retirement Date but before having received sixty (60) monthly pension payments, the balance of such (60) monthly pension payments shall be paid to his/her Beneficiary in monthly installments. If an optional form of payment

was elected under Section 7.2, no death benefit will be payable under this Section 6.3 (A), but benefits will be payable in accordance with the optional form of payment which is in effect.

(b) Prior to August 1, 2004, in the case of a Member who is receiving a benefit under this Plan which commenced on or after August 1, 1974, a lump sum payment in the amount of five thousand dollars (\$5,000) shall be paid to his/her Beneficiary; provided, however, no death benefit shall be paid under this Section 6.3(b) if any Beneficiary of the deceased Member is receiving a life insurance benefit from the District under another arrangement or program apart from this Plan.

Effective August 1, 2004, the Beneficiary of a Member who has a Separation From Service and who either attained 75 Points or attained his/her Normal Retirement Date, Early Retirement Date, Postponed Retirement Date, or Disability Retirement Date as of the date of his/her Separation From Service, shall receive a lump sum payment in the amount of five thousand dollars (\$5,000); provided, however, no death benefit shall be paid under this Section 6.3(b) if any Beneficiary of the deceased Member is receiving a life insurance benefit from the District under another arrangement or program apart from this Plan.

ARTICLE VII PAYMENT OF RETIREMENT BENEFITS

7.1 Normal Form of Payment.

A Member's Accrued Retirement Benefit, whether payable commencing at his/her Normal, Alternate, Early or Postponed Retirement Date, shall be payable in equal monthly installments for the period beginning on the Member's Option Date and ending with the Member's date of death or the sixtieth (60th) monthly payment, whichever is later. Any remaining payments on the Member's date of death shall be paid to the Member's Beneficiary. If no Beneficiary survives to receive all of such monthly payments, the commuted value of the unpaid installments shall be paid to the estate of the last to die of the Member and his/her Beneficiary.

7.2 Optional Forms of Payment.

In lieu of the normal form of payment as provided in Section 7.1, a Member may elect one of the following optional forms of payment, subject to the limitations as provided hereafter:

(a) Life Annuity Option - A Member may elect an increased monthly benefit of equal actuarial value payable in monthly installments for the period beginning on his/her Option Date and ending on the date of his/her death.

(b) Ten Year Certain Option - A Member may elect a reduced retirement benefit of equal actuarial value payable in monthly installments for the period beginning on his/her Option Date and ending with the Member's date of death or the one hundred and twentieth (120th) monthly payment, whichever is later. If the Member's death occurs within such ten year period, monthly payments will continue to be paid to the Member's Beneficiary. If no Beneficiary survives to receive all of such monthly payments, the commuted value of the unpaid installments shall be paid to the estate of the last to die of the Member and his/her Beneficiary.

(c) Joint and Survivor Annuity - A Member may elect a reduced retirement benefit of equal actuarial value payable in monthly installments commencing on his/her Option Date for the life of the Member with a survivor annuity for the life of the Member's Beneficiary which is not less than fifty percent (50%) of (and is not greater than one hundred percent (100%) of) the amount of the annuity which is payable during the joint lives of the Member and his/her Beneficiary.

(d) Social Security Option - A Member whose retirement benefit commences prior to attaining age sixty-two (62), may elect to receive such retirement benefit on an actuarially adjusted basis so that the monthly benefit payable from this plan and his/her monthly primary social security benefit are approximately level during his/her lifetime. The retirement benefit payments under this optional form of payment shall be payable for the Member's lifetime commencing on the Member's Option Date and terminating on the first day of the month in which the Member's death occurs.

(e) Contingent Annuity Pop-Up Option - A Member whose Retirement Date is after December 31, 1999 may elect a reduced retirement benefit of equal actuarial value payable as described in Section 7.2(C), with the provision that, if the Member's Beneficiary predeceases the Member, the monthly retirement benefit shall increase to the amount payable had this option not been elected.

(f) Partial Lump Sum Option - Effective August 1, 2004, or, with respect to union members, the later of August 1, 2004 or the date their union ratifies a Memorandum of Understanding with respect to this Plan modification, a Member may elect to receive a payment in an amount equal to 10% of the lump sum actuarial equivalent of his/her Accrued Retirement Benefit, with the balance to be paid in one of the other optional forms of payment listed in this Section 7.2, as elected by the Member.

7.3 Small Benefits.

Without regard to any other provision of this Plan, if the monthly benefit payable to a Member or to his/her Beneficiary is less than fifty dollars (\$50.00), the actuarial equivalent of a Member's Accrued Retirement Benefit shall be paid to such Member in a single sum or in such other manner as the Pension Committee determines in its sole discretion. Notwithstanding the preceding sentence, in no event will any payment be made pursuant to this Section 7.3 without the Member's consent if the actuarial equivalent of a Member's Accrued Retirement Benefit exceeds one thousand dollars (\$1000.00).

7.4 Election of Optional Form of Payment.

(a) A Member's election to receive his/her retirement benefit in a form other than the normal form of payment described in Section 7.1 above shall be made in writing on forms designated by the Pension Committee and shall be delivered to the Plan Administrator not less than thirty (30) or more than ninety (90) days prior to the Member's Option Date.

(b) A Member may revoke an election to receive an optional form of payment and select a different option or the normal form of payment at any time more than thirty (30) days prior to the Member's Option Date. The selection of a new optional form of payment must be made in writing and delivered to the Plan Administrator at least thirty (30) days prior to the Member's Option Date.

(c) If the Beneficiary of a Member who has selected the joint and survivor annuity option dies before the Member's Option Date, the Member's election to receive such optional form of payment shall be deemed automatically revoked and the Member shall be eligible to select another optional form of payment or to receive his/her benefit in the normal form.

(d) If the Member dies after January 1, 2000 and (i) after attaining his/her Normal Retirement Date but before his/her Option Date or (ii) after having earned seventy-five (75) Points, any election made by the Member under Section 7.2 shall apply. If such Member has not made an election under Section 7.2 prior to his/her death, such Member shall be deemed to have elected a one hundred percent (100%) Joint and Survivor Annuity with his/her spouse as the Beneficiary as described in Section 7.2(C), and if he/she does not have a surviving spouse his/her benefit shall be paid in the normal form as described in Section 7.1. Notwithstanding the foregoing, if the benefit payable hereunder is less than the benefit which would have been payable under Section 6.2(B), then in that event, the benefit payable under Section 6.2(B) shall apply.

7.5 Special Distribution Option.

A distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee (a "direct rollover"). A distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving spouse is a distributee with regard to the interest of the spouse or former spouse.

An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; and any hardship distribution. A portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions which are not includible in gross income. However, such portion may be transferred only to an individual retirement account or annuity described in Section 408(a) or (b) of the Code, or effective January 1, 2007, such amount may be transferred in a direct trustee-to-trustee transfer to a qualified trust described in Section 401(a) of the Code or an annuity contract described in Section 403(b) of the Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

An eligible retirement plan is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, a Roth IRA described in Section 408A(b) of the Code (effective for distributions after December 31, 2007), an annuity plan described in Section 403(a) of the Code, or a qualified plan described in Section 401(a) of the Code, that accepts the distributee's eligible rollover distribution. An eligible retirement plan shall also mean an annuity contract described in Section 403(b) of the Code and an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan.

Effective for distributions after December 31, 2009, a non-spouse Beneficiary may elect to receive his or her distribution from the Plan in the form of a direct trustee-to-trustee transfer to an eligible retirement plan in accordance with Section 402(c)(11) of the Code.

7.6 Limitations on Special Distribution Option.

(a) Notwithstanding the provisions of the immediately preceding Section entitled Special Distribution Option, the amount which may be paid directly to the trustee of another eligible retirement plan under such Section shall be no less than the smaller of five hundred dollars (\$500) or the total amount of the Eligible Rollover Distribution which would otherwise be includible in the Participant's taxable income; and no amount shall be so paid unless the amount of such distributions in any calendar year which are otherwise eligible for such payment are reasonably expected to total two hundred dollars (\$200) or more.

(b) The Employer shall provide notice of the special distribution option described in the preceding Section to the Participant in accordance with rules prescribed by the Internal Revenue Service.

7.7 Written Explanation of Rollover Treatment.

The Employer shall, when making an Eligible Rollover Distribution, provide a written explanation to the

recipient of such distribution of his/her right to roll over such distribution to an Eligible Retirement Plan within sixty(60) days after the date on which the recipient receives a distribution and, if applicable, his/her right to the special ten (10) year averaging and capital gains tax treatment in the Code. Such written explanation will be provided to the recipient in accordance with rules prescribed by the Internal Revenue Service.

7.8 Required Distribution.

For Plan Years beginning after December 31, 1986 without regard to any other provision hereof, the requirements of this Section shall apply to the distribution of a Member's benefit.

(a) No Member's election to receive benefits under this Plan shall be effective unless pursuant to such election:

(1) benefits shall commence no later than the first day of April following the calendar year in which the Member:

- (i) attains age seventy and one-half (70-1/2), or
- (ii) had a Separation From Service, whichever is later; and

(2) the Member's entire benefit shall be distributed by the later of:

- (i) the end of his/her life expectancy or
- (ii) the end of the joint and last survivor life expectancy of the Member and his/her designated Beneficiary.

Life expectancies shall be determined initially as of the date the Member has a Separation From Service and shall be redetermined no more often than annually thereafter. If the Member's spouse is not his/her designated Beneficiary, the method of distribution selected must assure that at least fifty percent (50%) of the present value of the Member's retirement benefit is paid within the life expectancy of the Member.

(b) If a Member dies after distribution of his/her benefit has commenced, the remaining portion of his/her benefit shall continue to be distributed at least as rapidly as under the method of distribution applicable prior to the Member's death.

(c) If a Member dies before distribution of his/her benefit commences, the Member's entire benefit, if any, shall be distributed within sixty (60) months after the Member's death; provided, however, if any portion of the Member's benefit is payable to a designated Beneficiary, distributions may be made over the life expectancy of such Beneficiary and shall commence no later than one (1) year after the Member's death. If the Beneficiary is the Member's surviving spouse, however, distribution shall begin no later than the date on which the Member would have attained age seventy and one-half (70-1/2).

7.9 Increase in Benefits Under the Plan.

Benefits payable under this Plan shall be subject to the following adjustments:

(a) Any Member (or his/her Beneficiary) whose benefit commenced prior to January 1, 1988 shall receive a one-time increase in his/her monthly benefit equal to ten percent (10%), effective January 1, 1990. The minimum monthly benefit increase under this subsection (A) shall be ten dollars (\$10.00).

(b) For each of the Plan Years during the period January 1, 1988 through December 31, 1995,

any Member (or his/her Beneficiary) whose benefit commenced or will commence on or after January 1, 1988 shall receive an increase in his/her monthly benefit equal to that percentage increase in the National Consumer Price Index for all urban consumers (CPI-U) during the preceding twelve (12) month measuring period, subject to the following:

- (1) Such increase in monthly benefit shall not exceed three percent (3%) of the monthly amount payable hereunder when benefits first commence and such increases in the aggregate shall not exceed fifteen percent (15%) of the original monthly amount;
- (2) Each such increase shall not exceed fifty dollars (\$50) per month and such monthly increases in the aggregate shall not exceed two hundred fifty dollars (\$250) per month; and
- (3) Such increase shall begin to apply to benefits payable on the third January 1 following the month in which a Member's benefits initially commenced under this Plan. The twelve (12) month measuring period for the National Consumer Price Index shall end on the October 31 preceding the January increase.

(c) For each of the Plan Years during the period January 1, 1996 through December 31, 2000, any Member (or, his/her Beneficiary) receiving a benefit under the Plan shall receive an increase in his/her monthly benefit equal to that percentage increase in the National Consumer Price Index for all urban consumers (CPI-U) during the preceding twelve (12) month measuring period, subject to the following limitations:

- (1) Such increase in monthly benefit shall not exceed three percent (3%) of the monthly amount payable hereunder immediately prior to such increase and the overall aggregate of such increases shall not exceed thirty percent (30%) of the Member's original monthly benefit which was paid when his/her benefit first commenced under the Plan;
- (2) Each such increase shall not exceed fifty dollars (\$50) per month or six hundred dollars (\$600) per Plan Year;
- (3) The overall aggregate amount of such annual increases shall not exceed six thousand dollars (\$6,000); and
- (4) All increases in benefits paid under this Section 7.9 shall be considered cumulatively.
- (5) Such increase shall begin to apply to benefits payable on the third January 1 following the month in which a Member's benefits initially commenced under this Plan. The twelve (12) month measuring period for the National Consumer Price Index shall end on the October 31 preceding the January increase.

(d) For the Plan Years beginning on or after January 1, 2001, any Member (or, his/her Beneficiary) receiving a benefit under the Plan shall receive an increase in his/her monthly benefit equal to that percentage increase in the National Consumer Price Index for all urban consumers (CPI-U) during the preceding twelve (12) month measuring period, subject to the following limitations:

- (1) Such increase in monthly benefit shall not exceed three percent (3%) of the monthly amount payable hereunder immediately prior to such increase and the overall aggregate of such increases shall not exceed forty-five percent (45%) of the Member's original monthly benefit which was paid when his/her benefit first commenced under the Plan;

- (2) Each such increase shall not exceed fifty dollars (\$50) per month or six hundred dollars (\$600) per Plan Year;
- (3) The overall aggregate amount of such annual increases shall not exceed nine thousand dollars (\$9,000); and
- (4) All increases in benefits paid under this Section 7.9 shall be considered cumulatively in applying the overall aggregate limits.
- (5) Such increase shall begin to apply to benefits payable on the third January 1 following the month in which a Member's benefits initially commenced under this Plan. The twelve (12) month measuring period for the National Consumer Price Index shall end on the October 31 preceding the January increase.

7.10 Vested Member.

Without regard to any contrary provision of this Plan, only a Vested Member shall be eligible to receive a retirement benefit under this Plan. The foregoing provisions, however, shall not apply to a Member's eligibility to receive a disability benefit under this Plan which shall be governed by Sections 4.4 and 4.5.

7.11 Transfer of Accrued Retirement Benefit to Defined Contribution Plan.

(a) Transfers after Elective Termination of Participation.

As soon as administratively feasible following April 1, 2011, an amount equal to the lump sum actuarial equivalent of the Accrued Retirement Benefit of each Member who makes the election described in Section 2.2(b) shall be transferred to the Metropolitan St. Louis Sewer District Defined Contribution Plan. The actuarial equivalent shall be calculated using the Actuarial Assumptions described in Section 11.7. Such transfer shall, to the extent made, be deemed a complete discharge of any liability for any payments owed to the Member under the Plan and he/she will cease to be a Member under the Plan after such transfer.

(b) Transfers for Certain Rehired Employees.

In the case of a former Employee who had a Separation From Service with less than sixty (60) months of Continuous Service and who is rehired by the Employer on or after January 1, 2011 and within two years after the date of such Separation From Service, as soon as administratively feasible following the rehired Employee's rehire date, an amount equal to the lump sum actuarial equivalent of the Accrued Retirement Benefit of such Employee shall be transferred to the Metropolitan St. Louis Sewer District Defined Contribution Plan. The actuarial equivalent shall be calculated using the Actuarial Assumptions described in Section 11.7. Such transfer shall, to the extent made, be deemed a complete discharge of any liability for any payments owed to the rehired Employee under the Plan and after such transfer, such rehired Employee shall cease to be a Member under the Plan with respect to his/her Accrued Retirement Benefit as of his/her prior Separation From Service.

ARTICLE VIII ADMINISTRATION OF THE PENSION PLAN

8.1 Duties and Membership of Pension Committee.

(a) The Pension Plan shall be administered by the Pension Committee. The Pension Committee shall have the responsibility to interpret this Ordinance and its provisions with respect to any benefit or

claim for benefit hereunder, including but not limited to the determination of Credited Service, Continuous Service, Earnings, eligibility and termination of membership with respect to any Member of the Pension Plan, or his/her Beneficiary. The decision of the Pension Committee shall be nondiscriminatory, and any decision by a majority of the members of the Pension Committee shall govern.

(b) In addition to those listed in Section 1.26, the Members of the Pension Plan shall elect two Members from among their ranks to serve on the Pension Committee. Members of the Pension Plan eligible to serve on the Pension Committee are those Employees who are Civil Service Employees and are Members of the Plan during their tenure on the Pension Committee. If, for any reason, the Members of the Plan fail to elect by majority vote two of its Members to serve on the Pension Committee, the Executive Director or his/her successor shall appoint one or more Employees as he/she shall determine in his/her sole discretion to serve on the Pension Committee. Each elected Member's term shall be for two years commencing on November 1 of the year. The Personnel Director of the District shall serve as the Secretary of the Pension Committee and as an ex-officio member without authority to vote. The Pension Committee shall elect its own Chairman and Vice-Chairman and shall delegate duties to the members of the Pension Committee as the Pension Committee in its sole discretion determines. Upon the death, resignation, removal or inability of a Member of the Pension Committee to continue to act, the Executive Director of the District or his/her successor shall appoint a successor to serve on the Pension Committee.

8.2 Plan Administration.

(a) Claims.

The decision of the Pension Committee upon matters within its jurisdiction shall be conclusive and binding upon all parties concerned. Decisions by the Pension Committee shall be consistently applied in a nondiscriminatory fashion. Any Employee or Beneficiary or other person who believes that he is being denied a benefit to which he/she is entitled (hereafter referred to as "Claimant") may file a written request for such benefit with the Claims Processor setting forth his/her claim. The request must be addressed to: Claims Processor, local address.

(b) Decisions and Delegation.

A decision of the Pension Committee maybe made by a written document signed by a majority of the members of the Pension Committee. The Secretary of the Pension Committee shall keep and maintain any and all other records desired by the Pension Committee. The Pension Committee may appoint such agents, who need not be members of the Pension Committee as it may deem necessary for the effective exercise of its duties, and may to the extent not inconsistent herewith delegate to such agents any powers or duties both ministerial and discretionary as the Pension Committee may deem expedient or appropriate. No member of the Pension Committee shall make any decision or take any action covering exclusively his/her own benefits under the Plan. All such matters shall be decided by a majority of the remaining members of the Pension Committee, or in the event of inability to obtain a majority, by the Board of Trustees of the District.

(c) Meetings.

The Pension Committee shall hold meetings upon such notice at such place or places and at such times as the Pension Committee may determine. Meetings may be called by the Chairman or any two members of the Pension Committee. A majority of the Pension Committee shall constitute a quorum for the transaction of business.

(d) Duties of the Pension Committee.

The Pension Committee shall have such duties and powers as may be necessary to discharge its duties hereunder, including by way of example, but not by way of limitation:

- (1) to construe and interpret the provisions of the Plan;
- (2) to decide all questions of eligibility and participation under the Plan;
- (3) to prescribe such rules and procedures as are consistent with the provisions of the Plan and as are deemed necessary and proper by the Plan Administrator;
- (4) To prepare and distribute, in such manner as the Plan Administrator determines to be appropriate, information explaining the Plan;
- (5) To receive from the Employer and from Members such information as shall be necessary for the proper administration of the Plan;
- (6) To maintain and furnish to the Employer, upon request, such reports with respect to the administration of the Plan as are reasonable and appropriate;
- (7) to cause to be filed with any state or federal authority or agency such reports or records as may be required by law to be filed;
- (8) maintain and be custodian of all records, including financial records relating to the Plan or to Plan Members; and
- (9) except for the power to amend the Pension Plan which is specifically reserved to the Board of Trustees of the District, to do all such acts, take all such action and exercise all such rights, although no specifically mentioned herein as the Plan Administrator may deem necessary or convenient to administer this Plan and to carry out the purposes of the Plan.

(e) Records of the Pension Committee.

All acts and determinations of the Pension Committee shall be duly recorded by the Secretary of the Pension Committee and all such records, together with such other documents as may be necessary for the proper administration of the Plan, shall be preserved in the custody of such Secretary. The records and documents which constitute the business records of the Pension Committee shall at all times be open for inspection and copying by any person designated by the Board of Trustees of the District.

8.3 Claim Decision.

Upon receipt of a claim, the Claims Processor shall advise the Claimant that a reply will be forthcoming within ninety (90) days and shall, in fact, deliver such reply within such period. However, the Claims Processor may extend the reply period for an additional ninety (90) days for reasonable cause. If the claim is denied in whole or in part, the Claims Processor will adopt a written opinion using language intended to be understood by the Claimant setting forth:

- (a) the specific reason or reasons for denial;
- (b) the specific references to pertinent Plan provisions on which the denial is based;
- (c) a description of any additional material or information necessary for the Claimant to perfect the claim and an explanation why such material or such information is necessary;

(d) appropriate information regarding steps to be taken if the Claimant wishes to submit the claim for review;

(e) the time limits for requesting a review under this Section.

8.4 Request For Review.

Within sixty (60) days after the receipt by the Claimant of a written opinion described above, the Claimant may request in writing that the Claims Appeal Reviewer review the determination of the Claims Processor. Such request must be addressed to: Claims Processor, Local address. The Claimant or his/her duly authorized representative may, but need not, review the pertinent documents and submit issues and comments in writing for consideration by the Claims Appeal Reviewer. If the Claimant does not request a review of the Claims Processor's determination by the Claims Appeal Reviewer within such sixty (60) day period, he shall be barred and estopped from challenging the Claims Processor's determination.

8.5 Review of Decision.

Within sixty (60) days after the Claims Appeal Reviewer's receipt of a request for review, it will review the Claims Processor's determination. After considering all materials presented by the Claimant, the Claims Appeal Reviewer will render a written opinion, written in a manner designed to be understood by the Claimant setting forth the specific reasons for the decision and containing specific references to the pertinent Plan provisions on which the decision is based. If special circumstances require that the sixty (60) day period be extended, the Claims Appeal Reviewer will so notify the Claimant and will render the decision as soon as possible but not later than one hundred twenty (120) days after receipt of the request for review. Any decision of a majority of the members of the Claims Appeal Reviewer shall govern. The decision of the Claims Appeal Reviewer shall be final and non-reviewable unless found to be arbitrary and capricious by a court of competent review. Such decision will be binding upon the Employer and the Claimant.

ARTICLE IX MANAGEMENT, INVESTMENT AND USE OF FUNDS

9.1 Investment of Pension Fund.

The Board shall select the manner of funding the Pension Plan, whether by insurance or annuity contracts, trust agreement, or any other means, and shall have authority to select or change any Carrier, Trustee or depository with which said contracts or trust agreement shall be entered into and with which monies of the Pension Fund shall be held, managed and invested.

9.2 Investment Manager.

The Board may, from time to time, appoint one or more Investment Managers to direct any Trustee or Trustees with respect to all or a specified portion of the assets of the Pension Fund held by the Trustee. Such appointment shall be made by a resolution duly adopted by the Board and shall be effective as of the date specified therein, but not before it has been accepted in writing by the Investment Manager and notice of such appointment and acceptance given to the Trustee. The Board may remove, or change the assets subject to the control of, any Investment Manager previously appointed hereunder, but the Trustee may follow the instructions of a properly appointed Investment Manager until informed by the Board that such Investment Manager has been removed or its authority over particular assets changed. No person or firm may be appointed as an Investment Manager unless he/she meets the requirements of section 3(38) of the Employee Retirement Income Security Act of 1974, P.L. 93-406, as amended.

9.3 Authority of Board.

The Board may, from time to time, direct the Trustee to invest a specified portion of the Pension Fund in a particular asset or assets and, if so requested by the Trustee, shall also specify the particular assets then held by the Trustee to be disposed of in order to make the specified investment. Upon receipt of such instruction or instructions from the Board, the Trustee shall take steps promptly to comply therewith, and shall hold all assets acquired pursuant to such instructions until specifically instructed by the Board to dispose of the same, or, if the Board advises the Trustee that the Board no longer instructs the Trustee to hold such assets, until such time as the Trustee in its own discretion decides to dispose of the same.

**ARTICLE X
AMENDMENT OR TERMINATION OF THE PENSION PLAN**

10.1 The District reserves the right at any time and from time to time through action of its Board of Trustees to amend in whole or in part any and all provisions of the Plan and to terminate the Plan. The right is subject to the condition that no part of the assets of the Plan, shall, by reason of any amendment or termination be used for or diverted to purposes other than the exclusive benefit of the Members and their Beneficiaries under the Plan, unless and until all liabilities of the Plan have been satisfied, in which case any remaining assets shall revert to the District. Upon termination or complete discontinuance of contributions under the Plan, the rights of all Members to benefits accrued to the date of such termination or discontinuance shall be nonforfeitable, to the extent then funded.

10.2 The Pension Plan shall be considered terminated as of the first of the following dates:

(a) The date as of which the District loses its present legal identity by means of dissolution, merger, consolidation, or otherwise, unless within ninety (90) days of such date a successor has agreed to accept the responsibilities of the District hereunder;

(b) Any other date specified in a notice executed and delivered at least sixty (60) days in advance of such date by the District to the Trustee or Trustees and/or Carrier or Carriers.

**ARTICLE XI
MISCELLANEOUS PROVISIONS**

11.1 Members' Rights.

Neither the establishment of this Plan, nor the modification thereof, nor the creation of any fund or account, nor the payment of any benefits, shall be construed as giving any Participant or any other person any legal or equitable right against the Employer any officer or Employee thereof, the Trustee or the Board except as herein provided. Under no circumstances shall the terms of employment of any Participant be modified or in anyway affected hereby.

11.2 Spendthrift Provisions.

Except as provided in Income Tax Regulation 1.401(a)-13(e) or Code Section 401(a)(13)(c)(relating to certain judgments and settlements for misconduct in connection with the Plan), no benefit or beneficial interest provided under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, either voluntary or involuntary, and any attempt to so alienate, anticipate, sell, transfer, assign, pledge, encumber or charge the same shall be null and void. No such benefit or beneficial interest shall be liable for or subject to the debts, contracts, liabilities, engagements, or torts of any person to whom such benefits or funds are or may be payable.

11.3 Incapacity.

If, in the opinion of the Employer, a person to whom a benefit is payable is unable to care for his/her

affairs because of illness, accident or any other reason, any payment due the person, unless prior claim therefore shall have been made by a duly qualified guardian or other duly appointed and qualified representative of such person, may be paid to some Member of the person's family, or to some party who in the opinion of the Employer has incurred expense for such person. Any such payment shall be payment for the account of such person and shall be a complete discharge of any liability of the Plan to or for the benefit of such Member.

11.4 Administration of the Plan.

The Pension Committee appointed by the Board of Trustees shall be the Plan Administrator. The General Counsel of the Employer shall be the agent of the Plan for service of process.

11.5 Suspension of Benefits Upon Reemployment.

In the event a Member who is receiving benefits under the Plan returns to the full-time employment of the Employer as defined in the Employer's employment practices prior to his/her Required Beginning Date, payment of his/her benefits shall cease. Upon the cessation of the Employee's benefits, the Employer shall notify the Employee by personal delivery or first class mail during the first calendar month of the payroll period in which the Plan withholds payments that his/her benefits are suspended. Such notification shall contain a description of the specific reasons why benefit payments are being suspended, a general description of the Plan provisions relating to the suspension of payments, a copy of such Plan provisions, and information regarding the Plan's procedure for affording a view of the suspension of benefits. Upon his/her subsequent Separation From Service prior to his/her Required Beginning Date, his/her benefits shall recommence as of the first day of the month coincident with or next following the date of such Separation From Service. The benefits payable to him/her upon such subsequent Separation From Service shall be the benefits to which he is entitled under the Plan as in effect on the date of such subsequent Separation From Service and his/her Final Average Earnings, his/her years of Credited Service, attained age, and Covered Earnings as of his/her subsequent Separation From Service, reduced by the actuarial value of the benefits, other than disability benefits, he/she received prior to the earlier of his/her Normal Retirement Date or his/her reemployment date; provided, however, that in no event shall the Member receive a benefit upon his/her subsequent Separation From Service that is smaller than the benefit he/she was receiving as of his/her date of reemployment. In no event shall a reemployed Member's benefit be suspended hereunder if he/she earns forty (40) hours of service or fewer during a calendar month.

11.6 Trust Sole Source of Benefits.

The assets of the Trust shall be the sole source of benefits under the Plan and the Employer does not assume any liability or responsibility for such benefits. Each Member, his/her surviving spouse, Beneficiary or other person who shall claim the right to any payment under the Plan shall be entitled to look only to the Trust for such payment and shall not have any right, claim or demand therefore against the Employer, the Trustee or any Employee of any of them.

11.7 Actuarial Assumptions.

All actuarial assumptions under the Plan other than for funding purposes and as otherwise specifically provided shall use an interest rate of seven percent (7%) per annum and the 1971 Group Annuity Mortality Table for Males, set back one (1) year for males and six (6) years for females, the resulting factor therefrom blended on a 50-50 basis for males and females.

11.8 Notice of Address.

Each Member or his/her Beneficiary entitled to benefits under the Pension Plan shall notify the Plan

Administrator, in writing of his/her address and each change of address. Any communication, statement, or notice from the Plan Administrator or the District addressed to such person at his/her last known address filed with the Plan Administrator shall be binding upon such person for all purposes of the Pension Plan, and neither the Trustee, the Carrier nor the District shall be obligated to search for or to ascertain the whereabouts of such person.

11.9 Furnishing Data.

Each person entitled to benefits under the Pension Plan shall furnish the Plan Administrator such documents, evidence or other information as the Plan Administrator considers necessary or desirable for the purposes of administering the Pension Plan or to protect the Pension Plan, the Trustees, or the Carriers. No benefit shall be payable hereunder until the Plan Administrator has received all information necessary to determine the Member's entitlement to a benefit hereunder. If the age or any other relevant fact upon which entitlements under the plan are based is misstated, an adjustment shall be made in future benefits to correct same.

11.10 Retiree Medical Coverage.

Effective August 1, 2004 and subject to the limitations described herein, each Employee who is a Member under the Pension Plan and who has a Separation From Service after attaining 75 points on or after August 1, 2004, or a Member who retires after attaining age 62 on or after August 1, 2004, shall receive Employer provided individual medical coverage on the same terms as active Employees which may be modified by the District from time to time. If the Employee is receiving any kind of dependent coverage, the Employee shall pay the additional cost of such dependent coverage and the District shall not. Such coverage shall continue until (i) the Employee becomes eligible for Medicare under Title XVIII of the United States Code, (ii) the Employee dies, or (iii) the Employee becomes eligible under another group medical plan, whichever first occurs. With respect to individuals retiring prior to August 1, 2004, the Employer retains the right to amend this policy to require Employee contributions, or to otherwise amend or terminate this policy at any time in any respect subject to the following limitation: no such amendment or termination shall reduce, eliminate or modify the benefits to which any Employee is entitled, provided such employee (a) has retired under the terms of the Plan and (b) is receiving retiree medical benefits under this policy prior to adoption of the amendment or termination. The preceding sentence shall not apply to a reduction, elimination or modification of an Employee's benefit attributable to a change in the medical insurance coverage terms which the District may adopt for active Employees from time to time. Effective for individuals retiring on or after August 1, 2004, the Employer retains the right to amend this policy to require Employee contributions, or to otherwise amend or terminate this policy at any time in any manner with respect to some or all retirees.

11.11 Military Leave Benefits

Notwithstanding any provision of the Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code. Effective for years beginning after December 31, 2008, the Plan shall not be treated as failing to meet the requirements of any provision described in Section 414(u)(1)(C) of the Code by reason of any contribution or benefit which is based on a differential wage payment (as described in Section 3401(h)(2) of the Code). The preceding sentence shall apply only if all Employees who are performing service in the uniformed services (as described in Section 3401(h)(2)(A) of the Code) are entitled to receive differential wage payments on reasonably equivalent terms and, if eligible to participate in a retirement plan maintained by the District, to make contributions based on the payments on reasonably equivalent terms (taking into account Sections 410(b)(3), (4), and (5) of the Code).

If a Member dies while performing qualified military service on or after January 1, 2007, the survivors of the Member are entitled to any additional benefits (other than benefit accruals relating to the period of

qualified military service) provided under the Plan as if the Member had resumed employment and then experienced a Separation from Service on account of death.

For years beginning after December 31, 2008: (a) an individual performing service in the uniformed services (as described in Section 3401(h)(2)(A) of the Code) for a period of more than 30 days receiving a differential wage payment from the District shall be treated as an Employee of the District; and (b) the differential wage payment (as described in Section 3401(h)(2) of the Code) shall be treated as compensation for purposes of Section 4.6.