

**CITY OF ARLINGTON
PART-TIME, SEASONAL AND TEMPORARY EMPLOYEES
DEFERRED INCOME PLAN**

**As Amended and Restated Effective July 1, 2014
(except as otherwise provided herein)**

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ARTICLE I INTRODUCTION

1.1 Purpose

The purpose of the Plan is to provide a systematic plan for the retirement of Eligible Employees of the Employer and, under the conditions set forth herein, to provide a pension upon the retirement of such an Employee.

1.2 Type of Plan

The Plan is intended to be a qualified retirement plan within the meaning of section 401(a) of the Code; provided, however, that the Plan is also intended to constitute a governmental plan within the meaning of section 414(d) of the Code, and as such, the Plan and all benefits payable thereunder are only required to satisfy the requirements of section 401(a) that apply to such a governmental plan.

ARTICLE II DEFINITIONS

2.1 Accrued Benefit

Except as otherwise provided under the Plan, a Participant's benefit determined in the same manner as the Participant's Normal Retirement Pension calculated pursuant to Section 4.2, with such Participant's Credited Service and Average Pay to be determined as of the date he ceased to be an Eligible Employee. A Participant's Accrued Benefit will never be less than such Accrued Benefit on any prior date.

2.2 Actual Retirement Date

The date on which a Participant terminates employment after meeting the eligibility requirements for a Late Retirement Pension, Disability Retirement Pension or Normal Retirement Pension. For a Participant who terminates employment after becoming eligible for a Deferred Vested Retirement Pension, Actual Retirement Date will mean the earlier of his Benefit Commencement Date or his Normal Retirement Date.

2.3 Actuarial Equivalent

A benefit of equal value when computed in a manner which takes into consideration the difference in fund earnings and life expectancy when the benefit commences at a time other than the Participant's Normal Retirement Date and the value of additional guarantees provided under an option being utilized. Except for purposes of applying the benefit limitations in Article XIII, Actuarial Equivalence will be determined using the UP-84 Mortality Table for Participants and Beneficiaries and assuming a rate of investment return of eight percent (8%), compounded annually. With respect to distributions made on or after July 1, 2008, for purposes of adjusting any benefit or limitation under section 415(b)(2)(B), (C), or (D) of the Code, as set forth in Article XIII, Actuarial Equivalence will be determined using the applicable interest rate specified in Code Section 417(e)(3) for the December immediately preceding the beginning of the Plan Year of the distribution and the applicable mortality table specified in Code Section 417(e)(3). With respect to distributions with an annuity starting date on or after December 31, 2002, but prior to July 1, 2008, the applicable mortality table used for such benefit limitation purposes under Article XIII will be the table prescribed in Revenue Ruling 2001-62. Prior to December 31, 2002, benefit limitation adjustments required under Article XIII will be made in accordance with the mortality table prescribed by the Secretary under section 415(b)(2)(E)(v) of the Code, including as provided in Revenue Ruling 95-6, as applicable.

Actuarial Equivalence will in all cases be determined on the basis of actuarial assumptions adopted by the Retirement Committee, in consultation with an Actuary. Benefit amounts payable under the Plan will not be subject to Employer discretion.

2.4 Actuary

A person who is an enrolled actuary as defined in section 7701(a)(35) of the Code.

2.5 Average Pay

The sum of the monthly Compensation earned by a Participant while an Eligible Employee, divided by years and months of Credited Service; provided, however, that monthly Compensation will only be taken into account from the later of such Participant's date of employment as an Eligible Employee or July 1, 1991.

2.6 Beneficiary

The individual(s) designated in accordance with Section 9.6.

2.7 Benefit Commencement Date

The date on which benefit payments from the Plan commence.

2.8 Break in Service

An Employment Year in which an Employee fails to work or receive credit for one Hour of Service. The date of the Break in Service will be the first day of the Employment Year in which the Employee did not work or receive credit for one Hour of Service. Absence for military service, maternity leave or other special leave without pay approved in writing by the Employer which (except military service) does not exceed twelve (12) months will not be deemed a Break in Service.

2.9 Code

The Internal Revenue Code of 1986, as amended from time to time, and the regulations thereunder.

2.10 Compensation

Wages, as defined in Section 3121(a) of the Code, for purposes of calculating Social Security taxes; provided, however, that Compensation will not be determined with regard to the wage base limitation referenced in Section 3121(a)(1) of the Code and the special rules in Section 3121(v) of the Code. In addition, Compensation will exclude salary reduction contributions to any other qualified retirement plan sponsored by the Employer and contributions to any Code section 125 plan sponsored by the Employer, to the extent applicable and permitted by law under section 3121(b)(7) of the Code.

The annual Compensation of each Participant taken into account for any Plan Year beginning after December 31, 2001, will not exceed \$200,000. Annual Compensation means Compensation during the Plan Year or such other consecutive twelve (12) month period over which Compensation is determined under the Plan (the determination period). For purposes of Plan Years beginning prior to December 31, 2001, Compensation will be limited as required by Section 401(a)(17) of the Code, as applicable to a governmental plan. The limit on annual Compensation in this Section 2.10 will be adjusted for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Code. The cost-of-living adjustment in effect for a calendar year applies to annual Compensation for the determination period that begins with or within such calendar year.

2.11 Credited Interest Rate

The rate of interest that is credited to an Employee Contribution. Crediting of such interest begins with respect to each Participant as soon as Employee Contributions are deposited in the Plan with respect to such Participant and continues to be credited until the earlier of the date on which (a) the Participant takes a withdrawal of Employee Contributions described in Section 7.5 or (b) distributions of the Participant's benefits commence in accordance with Article IX. The rate for each Plan Year will be equal to the Federal Mid-Term Rate rounded to the nearest quarter percent for the month preceding the first month of such Plan Year. Such Credited Interest Rate will be compounded annually.

2.12 Credited Service

The number of months in which a Participant is credited with at least one Hour of Service as an Eligible Employee. Credited Service will be expressed in years and months and will also include Reinstated Service. No Credited Service will be awarded for time periods prior to July 1, 1991.

2.13 Daily Administrator

The person or office to whom the Retirement Committee has delegated day-to-day Plan administration responsibilities. As of the Effective Date, the Employer's Director of Human Resources has been appointed to act as the Plan's Daily Administrator. The Daily Administrator may also delegate certain Plan administrative tasks to the Employer's other Human Resources personnel as necessary.

2.14 Deferred Vested Retirement Pension

A pension determined in accordance with Article VII.

2.15 Disability Retirement Pension

A pension determined in accordance with Article VI.

2.16 Effective Date

July 1, 2014 (except as otherwise provided herein).

2.17 Eligible Employee

Each Part-Time Employee, Seasonal Employee, or Temporary Employee. Notwithstanding any provision of the Plan to the contrary, the following individuals will not be Eligible Employees:

- (a) Any individual who also has a full-time position with the Employer and is part of a retirement system as defined in Treasury Regulation section 1.3121(b)(7)-2 to which the Employer contributes;
- (b) Any individual who is receiving benefits from, or who has attained normal retirement age under, another Employer sponsored retirement system; and

(c) Any Leased Employee.

2.18 Employee

Each person who is a common law employee receiving compensation for personal services rendered in the employment of the Employer, including leased employees within the meaning of Section 414(n)(2) of the Code to the extent required by law. An Employee will not include any person who is classified by the Employer as an independent contractor, regardless of whether a determination is subsequently made by the Internal Revenue Service, another governmental agency, a court, or any other tribunal that the individual is an employee of the Employer under the Code or for any other purpose.

2.19 Employee Contribution

The contribution made by a Participant to the Plan pursuant to Section 10.1.

2.20 Employer

The City of Arlington, Texas.

2.21 Employment Year

The twelve (12) month period commencing with the Employee's most recent date of employment with the Employer and each anniversary thereof.

2.22 Hour of Service

Each hour for which an Employee is directly or indirectly paid, or entitled to payment, by the Employer for the performance of duties or for reasons other than for the performance of duties for the computation period or periods in which the duties were or would have otherwise been performed, including each hour for which back pay, irrespective of mitigation of damages, has been awarded or agreed to by the Employer, computed for the computation period or periods to which the award or agreement pertains. Notwithstanding the foregoing, Hours of Service to be credited to an Employee with respect to a pay period of no more than thirty-one (31) days will be credited to the computation period in which such pay period ends. Hours of Service will be computed in accordance with the Department of Labor Regulation §2530.200b-2(b) and (c).

Solely, for purposes of determining whether a Break in Service has occurred for participation and vesting purposes, an individual must be credited with service of one Hour of Service for certain periods of absence from work commencing on or after January 1, 1985. This rule applies to an individual who is absent from work:

- (a) by reason of the pregnancy of the individual;
- (b) by reason of the birth of a child of the individual;
- (c) by reason of the placement of a child in connection with the adoption of the child by the individual; or

- (d) for purposes of caring for the child during the period immediately following the birth or placement for adoption.

The Hours of Service required to be credited under this provision must be credited only in the Employment Year in which the absence begins for one of the permitted reasons if the crediting is necessary to prevent a Break in Service in that year, or, if the Employee already has one Hour of Service in such year, in the following Employment Year. If the absence from work is not an approved leave of absence, credit will not be granted during such absence unless the Employee informs the Employer on a timely basis that the leave was taken for one of the permitted reasons listed above.

To the extent required by Federal law, if an Employee leaves the employ of the Employer to enter the military service of the United States and, upon his discharge from service, is reemployed by the Employer at a time when his reemployment rights are protected by Federal law, the Employee will be considered to have been employed by the Employer during his period of military service and will be credited with an Hour of Service for each hour during which he would have performed work for the Employer but for his military service.

2.23 Late Retirement Pension

A pension determined in accordance with Article V.

2.24 Leased Employee

Any person who provides services to the Employer if:

- (a) such services are provided pursuant to an agreement between the Employer and any other person,
- (b) such person has performed such services for the Employer (or the Employer and related persons) on a substantially full-time basis for a period of at least one (1) year, and
- (c) such services are of the type historically performed, in the business field of the Employer, by employees, and are performed under primary direction or control by the Employer.

2.25 Limitation Year

The Plan Year.

2.26 Normal Retirement Date

The Participant's sixty-fifth (65th) birthday. A Participant will become 100% vested in his Accrued Benefit, to the extent not already vested, upon attainment of his Normal Retirement Date, if he is employed with the Employer on that date.

2.27 Normal Retirement Pension

A pension determined in accordance with Article IV.

2.28 Participant

Each Eligible Employee who becomes a participant in the Plan as provided in Article III.

2.29 Part-Time Employee

Each Employee with an officially-scheduled work week of less than forty (40) Hours of Service, who is projected to work less than 1,000 Hours of Service in a calendar year; provided, however, that a Part-Time Employee will not include any individual who is not classified as such by the Employer. For the avoidance of doubt, members of the Employer's City Council are treated as Part-Time Employees for purposes of this Plan.

2.30 Percentage of Average Pay

A Participant's Percentage of Average Pay is determined as follows:

<i>Months in Average Pay</i>	<i>Percentage of Average Pay</i>
1-36	1.50%
37-48	1.55
49-60	1.60
61-120	1.75
121 or more	2.00

For purposes of this Section, the Participant's Months in Average Pay will be calculated from the later of the Participant's date of employment as an Eligible Employee or July 1, 1991. The Participant's Percentage of Average Pay will be determined as a single percentage which corresponds to the total Months in Average Pay.

2.31 Plan

This City of Arlington Part-Time, Seasonal and Temporary Employees Deferred Income Plan.

2.32 Plan Year

Each July 1 through the following June 30.

2.33 Reinstated Service

All Credited Service earned prior to a former Employee's termination of employment; provided, however, that a Participant who received the full value of his nonforfeitable benefits upon his earlier termination of employment will not be entitled to Reinstated Service unless he repays the Actuarial Equivalent amount of his distribution to the Trustees no later than the earlier of: (i) five (5) years after the Participant's re-employment by the Employer; or (ii) within the completion of five (5) consecutive one-year Breaks in Service.

2.34 Retirement Committee

The Committee provided for in Article XI.

2.35 Seasonal Employee

Each Employee who is in a position for a specified length of time who performs work assignments of a recurring, seasonal nature; provided, however, that a Seasonal Employee will not include any individual who is not classified as such by the Employer.

2.36 Survivor's Benefit

The benefit determined in accordance with Article VIII.

2.37 Temporary Employee

Each Employee who performs services for a specified length of time and who performs work assignments of a limited nature; provided, however, that a Temporary Employee will not include any individual who is not classified as such by the Employer.

2.38 Trust

The legal entity resulting from the trust agreement entered into between the Employer and the Trustees described in Section 2.40.

2.39 Trust Fund

The total of contributions made by the Employer to the Trust pursuant to the Plan, increased by profits, gains, income and recoveries received and decreased by losses, depreciation, benefits paid and expenses incurred in the administration of the Trust and Plan. The Trust Fund includes all assets acquired by investment and reinvestment which are held in the Trust by the Trustees.

2.40 Trustees

The party or parties, individual or corporate, named in the Trust Agreement and any duly appointed additional or successor Trustee or Trustees acting hereunder. Such Trustees will receive Plan contributions and hold, invest and disburse Trust Funds to or for the benefit of Participants and their Beneficiaries, in accordance with the terms of the Trust Agreement.

**ARTICLE III
PARTICIPATION IN THE PLAN**

3.1 Eligibility

Each individual who was a Participant in the Plan on the Effective Date will remain a Participant after the Effective Date, subject to the terms of the Plan. Each other Eligible Employee of the Employer will automatically become a Participant in the Plan on his date of Employment.

A former Participant who is re-employed as an Eligible Employee will again become a Participant as of his date of re-employment.

3.2 Change in Eligibility Classification

In the event a Participant is no longer classified as an Eligible Employee, his participation as an active Participant will cease and he will no longer make an Employee Contribution to the Plan. Upon again becoming an Eligible Employee, he will be eligible to participate in the Plan immediately upon returning to an eligible class of Employee.

In the event an Employee who is not classified as an Eligible Employee becomes classified as an Eligible Employee, he will be eligible to participate immediately upon becoming an Eligible Employee.

3.3 Termination of Participation

A Participant who is entitled to receive benefits under the Plan will cease to be a Participant upon receiving all such benefits from the Plan.

3.4 Notification of Eligibility

The Employer will notify each Eligible Employee of his status as a Participant in the Plan and will supply such Eligible Employees with any appropriate enrollment forms.

**ARTICLE IV
NORMAL RETIREMENT PENSION**

4.1 Eligibility

A Participant who retires upon attaining his Normal Retirement Date will be eligible to receive a Normal Retirement Pension determined in accordance with this Article IV.

4.2 Amount

Unless a Participant elects an Optional Form of Pension described in Section 9.2, the Participant's Normal Retirement Pension benefit will be equal to the lesser of:

- (a) A life annuity with an Actuarial Equivalent value equal to a lump sum of two and one-half times such Participant's Employee Contributions with interest at the Credited Interest Rate; or
- (b) Such Participant's Average Pay times the Percentage of Average Pay times Credited Service not in excess of thirty (30) years.

4.3 Period of Payment

Except as provided in Article V, the Normal Retirement Pension benefit will commence on the first of the month coinciding with or next following the Participant's Normal Retirement Date and will continue in accordance with Article IX.

**ARTICLE V
LATE RETIREMENT PENSION**

5.1 Eligibility

A Participant who has attained his Normal Retirement Date may retire on the first day of any month following his Normal Retirement Date. In such event, the payment of benefits to which such Participant has earned entitlement will be deferred to his Actual Retirement Date.

5.2 Amount

A Participant's Late Retirement Pension will be equal to the Participant's Accrued Benefit, but using such Participant's Credited Service and Average Pay as of the Participant's Actual Retirement Date for purposes of determining such Accrued Benefit.

5.3 Period of Payment

The Late Retirement Pension benefit will commence as of the first of the month coinciding with or next following the Participant's Actual Retirement Date and will continue in accordance with Article IX.

**ARTICLE VI
DISABILITY RETIREMENT PENSION**

6.1 Eligibility

A Disability Retirement Pension will be granted to any Disabled Participant of the Plan who:

- (a) is an active Employee of the Employer at the time of, and immediately prior to the occurrence of, such Disability, and
- (b) is found by the Retirement Committee, in its sole discretion, to be Disabled.

For purposes of this Article VI, "Disability" is defined as a Participant's inability to engage in any substantially gainful activity by reason of a medically determinable physical or mental impairment which can be expected to result in death or be of long, continued and indefinite duration. In making a determination regarding Disability, the Retirement Committee may establish rules which are uniformly and consistently applied to all Participants under similar circumstances.

6.2 Amount

The Disability Retirement Pension will be a life only annuity in an amount that is the Actuarial Equivalent of a single lump sum payment equal to two and one-half (2½) times the sum of the Participant's Employee Contributions with interest at the Credited Interest Rate.

6.3 Period of Payment

The Disability Retirement Pension will be paid as soon as practicable, in the form of a single lump sum, after a Participant is determined to be Disabled pursuant to Section 6.1.

6.4 Recovery

In the event the Participant recovers prior to his Normal Retirement Date and is re-employed by the Employer, annuity payments, if applicable, will cease and no Break in Service will be deemed to occur during any Employment Year in which the Participant was disabled.

6.5 Death After Disability

Upon the death of a Participant receiving a Disability Retirement Pension, his designated Beneficiary will receive in a lump sum the excess of two and one half (2½) times all Employee Contributions together with interest at the Credited Interest Rate to the date of disability over the total benefit payments paid to the Participant.

**ARTICLE VII
DEFERRED VESTED RETIREMENT PENSION**

7.1 Eligibility

A Participant who ceases to be an Employee for reasons other than death or disability, prior to becoming eligible for a Normal Retirement Pension will be eligible to receive a Deferred Vested Retirement Pension determined in accordance with this Article VII.

7.2 Vesting

A Participant will always have a 100% nonforfeitable interest in his Accrued Benefit.

7.3 Amount

A Participant's Deferred Vested Retirement Pension will be determined based on his Accrued Benefit as of the date the Participant terminates employment with the Employer.

7.4 Period of Payment

The Deferred Vested Retirement Pension will commence on the first of the month coinciding with or next following the Participant's Normal Retirement Date and will continue in accordance with Article IX.

7.5 Withdrawal of Employee Contribution

In lieu of receiving any other benefit from this Plan, a Participant who separates from service with the Employer may elect to receive the full value of his Employee Contribution with interest at the Credited Interest Rate. Upon such withdrawal, any other benefit which may have been payable under the Plan will be forfeited unless the Participant is subsequently rehired by the Employer and becomes entitled to Reinstated Service pursuant to Section 2.33.

**ARTICLE VIII
SURVIVOR'S BENEFIT**

8.1 Eligibility

If a Participant dies prior to termination of employment and such Participant would have been eligible to receive a Deferred Vested Pension if he had terminated employment on the date of his death, the designated Beneficiary of the deceased Participant (determined in accordance with Section 9.6) will be entitled to receive a death benefit in the form of a Survivor's Benefit, as set forth in this Article VIII.

8.2 Amount

The Survivor's Benefit will be equal to two and one-half (2½) times the sum of the Participant's Employee Contributions with interest at the Credited Interest Rate.

8.3 Period of Payment

The Survivor's Benefit will be paid as soon as administratively practicable, in the form of a single lump sum, after the Participant's death.

**ARTICLE IX
NORMAL AND OPTIONAL FORMS OF PENSION**

9.1 Normal Form of Pension

Except as provided below, the normal form of pension for a Participant eligible to receive a Normal, Late, or Deferred Vested Retirement Pension will be a monthly annuity that is the Actuarial Equivalent of such Participant's Accrued Benefit, payable for the life of the Participant, continuing through the month in which the Participant dies. Upon the death of a Participant receiving such life annuity, his designated Beneficiary will receive in the form of a single lump sum payment the excess, if any, of all of such Participant's Employee Contributions together with interest at the Credited Interest Rate to the Participant's date of termination of employment, over the total benefit payments previously paid to the Participant.

Disability Retirement Pensions and Survivor's Benefits will be paid in accordance with Articles VI and VIII, respectively.

9.2 Optional Form of Pension

In lieu of the normal form of pension described in Section 9.1, a married Participant eligible to receive a Normal, Late, or Deferred Vested Retirement Pension may elect to receive such pension in the form of a joint and contingent survivor annuity which is equal to the Actuarial Equivalent of such normal form of pension. Such joint and contingent survivor annuity will be payable to a Participant on a monthly basis for such Participant's lifetime, and following the Participant's death occurring on or after the Participant has attained age sixty-five (65), a monthly benefit will continue to be paid to the Participant's surviving spouse, for the duration of such spouse's lifetime. The monthly benefit payable to such surviving spouse after the Participant's death described above will be equal to 50%, 75% or 100% of the monthly amount that was payable to the Participant during his lifetime, as elected by the Participant prior to his Benefit Commencement Date. The amount of the Participant's lifetime monthly benefits will be actuarially adjusted to reflect the Participant's optional form of benefit elections.

Notwithstanding anything to the contrary above, if a married Participant dies before attaining age sixty-five (65), in lieu of the monthly benefits described above, the Participant's surviving spouse will receive in the form of a single lump sum payment the excess, if any, of all of such Participant's Employee Contributions together with interest at the Credited Interest Rate to the Participant's date of termination of employment, over the total benefit payments previously paid to the Participant.

Upon the death of the last to die of a Participant's and his surviving spouse, if any, the Participant's designated Beneficiary will receive in a lump sum, the excess, if any, of the Participant's Employee Contributions with interest at the Credited Interest Rate to the date of the Participant's termination of employment, over the total benefit payments previously paid to the Participant and/or the Participant's surviving spouse.

If a Participant's entire interest is not distributed in a single lump sum in accordance with the provisions of Section 6.3, 8.3, or 9.5, or as a withdrawal of Employee Contributions described in Section 7.5, the distribution must be made in one or more of the following ways:

- (a) over the lifetime of the Participant; or
- (b) over the lifetime of the Participant and one or more designated Beneficiaries.

9.3 Application Procedure

Each request for a benefit will be made on a form prescribed and furnished by the Daily Administrator. Such benefit application will state the form of benefit elected by the Participant, name the Participant's designated Beneficiary(ies), as applicable, contain satisfactory proof of age of the Participant and Participant's designated Beneficiary(ies), and be signed by the Participant.

An election of benefits may be changed prior to the Participant's Benefit Commencement Date, but become fixed and irrevocable after such date. If the Participant should die after making benefit elections, but prior to his Benefit Commencement Date, his election will become null and void and a Survivor's Benefit will be paid to his designated Beneficiary(ies) in accordance with Article VIII.

9.4 Commencement of Benefits

The payment of all benefits under the Plan to the Participant will begin on or before the sixtieth (60th) day after the close of the Plan Year in which the latest of following occurs:

- (a) the Participant attains his Normal Retirement Date;
- (b) termination of the Participant's service with the Employer;
- (c) the date specified in the election made by the Participant; or
- (d) the date on which the Participant submits a written application for benefits to the Retirement Committee (or its delegate).

In addition, notwithstanding any other provision of the Plan to the contrary, distributions from this Plan, whether made to a Participant or another individual with respect to a deceased Participant, will be made in accordance with a reasonable and good faith interpretation of Section 401(a)(9) of the Code and the Treasury regulations issued thereunder, including the incidental death benefit requirement in Section 401(a)(9)(G), pursuant to Treasury Regulation Section 1.401(a)(9)-1, Q&A-2(d). The applicable requirements of Section 401(a)(9), based on such reasonable and good faith interpretation, will override any inconsistent Plan provision.

In the event that a Participant's Benefit Commencement Date with respect to periodic benefit payments occurs later than the date on which such payments become effective, retroactive payment will be made to such effective date.

9.5 Mandatory Distributions

Notwithstanding anything to the contrary in this Plan, once a terminated Participant has attained age sixty-five (65), distribution of the Participant's Accrued Benefit will commence as soon as administratively practicable, in accordance with the other provisions of this Article IX. In addition, effective July 1, 2015, if the present value of a

Participant's nonforfeitable Accrued Benefit at the time of his separation from service or death is less than or equal to one thousand dollars (\$1,000), the Accrued Benefit will be paid to such Participant, or his Beneficiary(ies), as applicable, in the form of a single lump sum within a reasonable period of time following the end of the Plan Year in which the Participant's separation from service or death occurs. If the present value of a Participant's nonforfeitable Accrued Benefit at the time of his separation from service or death exceeds the applicable dollar limit set forth above, and such Participant has not yet attained age sixty-five (65), the Participant must consent to any distribution of such Accrued Benefit, except as otherwise required by Section 401(a)(9) or any other applicable provision of the Code. On and after July 1, 2015, distribution of other Participant Accrued Benefits with a present value equal to one thousand dollars (\$1,000) or less will be made in accordance with administrative procedures to be adopted by the Retirement Committee, if any; provided, however, that such distributions must comply with all applicable requirements of the Code. The present value of the Accrued Benefit will be determined pursuant to Section 2.3 of the Plan.

In addition, notwithstanding anything to the contrary in this Plan, including without limitation Section 9.1 or 9.2, if the present value of a Participant's (including a deceased Participant's) nonforfeitable Accrued Benefit at the time Plan distributions would otherwise commence is less than or equal to five thousand dollars (\$5,000), such Participant's benefit will be paid to him, his surviving spouse, or his other designated Beneficiary(ies), as applicable, in the form of a single lump sum.

9.6 Beneficiary Designations for Benefits Payable After Death

Each Participant will be responsible for designating one or more Beneficiaries as desired by such Participant, and ensuring that a valid Beneficiary designation remains on file with the Plan at all times. If a Participant's death occurs on or after July 1, 2015, and a valid Beneficiary designation is not on file as of the date of death, or if all of such Participant's designated Beneficiaries have predeceased the Participant, any Survivor's Benefit or other amount payable by the Plan with respect to the deceased Participant will be paid to the Participant's surviving spouse, if any, or to the estate of the Participant if there is no surviving spouse. Prior to July 1, 2015, if a valid Beneficiary designation is not of file as of the date of a Participant's death, or all of such Participant's designated Beneficiaries have predeceased the Participant, then any Survivor's Benefit or other amount payable by the Plan with respect to the deceased Participant will be paid as follows:

- (a) to the Participant's surviving spouse, if any;
- (b) if there is no such surviving spouse, to the Participant's surviving children, if any, including legally adopted children, in equal shares;
- (c) if there is not at least one surviving child, to the Participant's surviving parents, if any, in equal shares; and
- (d) if there is not at least one surviving parent, to the estate of the Participant.

9.7 Rollovers

If a "distributee" becomes entitled to receive an "eligible rollover distribution" from the Plan, such distributee may elect under procedures developed by the Retirement Committee (or its delegate) to have such distribution or a portion thereof paid directly to an "eligible retirement plan" specified by the distributee. Upon making a valid rollover election in accordance with this Section 9.7, the Plan will distribute amounts in accordance with such distributee's election, once such amounts are distributable under the terms of the Plan, in the form of a direct rollover to the specified eligible retirement plan. For purposes of this Section 9.7, the terms "eligible rollover distribution" and "eligible retirement plan" will be defined in accordance with section 401(a)(31) of the Code. A "distributee" will include (a) a Participant, (b) a Participant's surviving Spouse, (c) a Participant's former Spouse who is an alternate payee under a qualified domestic relations order, and (d) a non-Spouse Beneficiary of a Participant, to the extent permitted by section 401(c)(11) of the Code. All rollovers will be carried out in accordance with sections 401(a)(31) and 402(c) of the Code and any underlying Internal Revenue Service guidance.

**ARTICLE X
FINANCING THE PLAN**

10.1 Required Employee Contributions

Each Plan Participant will contribute to the Trust Fund with respect to each pay period of a Plan Year in which he is an active Eligible Employee, an amount equal to three percent (3%) of his Compensation with respect to such pay period. Such contributions will be made via salary deduction.

10.2 Employer Contributions

Subject to Section 11.5, the Employer will contribute to the Trust Fund from time to time such amounts as the Retirement Committee has determined are appropriate and necessary to keep the Plan actuarially sound, based upon the advice of an Actuary. Such Actuary's advice will be based upon generally accepted actuarial principles. For the avoidance of doubt, the Retirement Committee has the authority to delegate such determination to the Daily Administrator or another appointed individual.

**ARTICLE XI
ADMINISTRATION OF THE PLAN**

11.1 Authority

The Employer is the "Plan Sponsor." As of the Effective Date, the Employer has appointed the Retirement Committee to act as "Plan Administrator" and certain other Plan duties have been delegated to the Trustees in accordance with the provisions of the Trust Agreement and to the Daily Administrator in accordance with the provisions of this Plan. It is the Employer's intent that the Plan be administered in accordance with the Code and all other applicable laws.

11.2 Appointment of the Retirement Committee

The day-to-day administration of the Plan, as provided herein, including the supervision of the payment of all benefits to Participants and their Beneficiaries, is vested in and is the responsibility of the Retirement Committee; provided, however, that the Retirement Committee is authorized to delegate certain of its duties and obligations to the Daily Administrator, as it deems necessary in its sole discretion. In carrying out its duties, the Retirement Committee may also, from time to time and at any time, in its sole discretion, employ agents, counsel, or other third party administrative providers to assist it in performing its duties and obligations.

The Retirement Committee will consist of not less than three (3) persons, as will from time to time be determined by the City Council of the Employer. The members of the Retirement Committee and their successors will be appointed from time to time by the Employer acting through City Council and will serve at the pleasure of the Employer, without compensation unless otherwise determined by the Employer.

11.3 Conduct of Retirement Committee Business

The Retirement Committee will conduct its business and hold meetings as determined by it from time to time. A majority of the Retirement Committee will have the power to act, and the concurrence of any member may be by telephone, telegram, or letter. The Retirement Committee may delegate any one of its members to carry out specific duties and to sign appropriate forms and authorizations.

11.4 Retirement Committee Officers, Subcommittees and Agents

The Retirement Committee will elect from its members a Chairman and a Secretary and will appoint such subcommittees as it deems necessary and appropriate, and may authorize one or more of its number or any agent to execute or deliver any instrument on its behalf and do any and all other things necessary and proper in the administration of the Plan.

11.5 Expenses of the Retirement Committee and Plan Costs

Plan expenses will be paid from the Trust, unless paid by the Employer. The costs of providing benefits under the Plan and the costs of administration of the Plan will be paid by the Employer in accordance with a funding policy established by the Employer which takes into account the anticipated liquidity needs of the Plan. In this regard, the

Employer (or the Retirement Committee acting on behalf of the Employer), will have actuarial computations made as needed in order to determine the amount which the Employer will contribute to the Trust Fund at a particular time as needed to fund benefits and expenses under the Plan.

In determining the amount which the Employer will contribute to the Trust, the Employer (or the Retirement Committee acting on its behalf Employer) will engage the services of an Actuary to determine necessary contribution amounts, taking into account Employee Contributions made pursuant to Section 10.1. Such Actuary will determine costs on the basis of reasonable actuarial assumptions and generally accepted actuarial principles, including a reasonable actuarial valuation of the assets of the Trust Fund based on fair market value. Furthermore, the Actuary will advise the Employer as to the anticipated liquidity needs of the Plan.

11.6 Plan Records

The Retirement Committee will keep a record of all its proceedings, which will be open to inspection by the Employer. In addition, the Employer, or the Retirement Committee acting on its behalf, will maintain, or cause to be maintained, appropriate records to document the amount of benefits which each Participant may be entitled to receive under the Plan. Records of the Employer as to an Employee's period of employment, severance from employment, and the reason therefore, leaves of absence, reemployment, and Compensation are presumed correct and will be conclusive on all persons, unless manifestly incorrect.

11.7 Retirement Committee's Right to Administer and Interpret the Plan

The Retirement Committee will have the absolute power, authority, and discretion to administer and interpret the Plan and to adopt such rules and regulations as the Retirement Committee determines, in its sole discretion, are necessary or advisable to implement, administer, and interpret the Plan, or to transact its business; provided, however, that any rules or regulations approved by the Employer which involve a question of policy, as contrasted with a ministerial function, will first be submitted to and approved by the Employer before they are put into effect. Such rules and regulations as are adopted by the Retirement Committee, and where required, approved by the Employer, will be binding upon any persons having an interest in or under the Plan.

11.8 Claims Procedure

A claim for benefits under the Plan must be made to the Retirement Committee in writing. The Retirement Committee will have the absolute power, authority and discretion to adjudicate claims. The Retirement Committee will provide adequate notice in writing to any Participant or Beneficiary whose claim for benefits under the Plan has been denied, setting forth the specific reasons for such denial, written in a manner calculated to be understood by the Participant or Beneficiary. If a claim is denied, in whole or in part, the Retirement Committee will send the claimant a notice of denial explaining the reasons for denial of the claim. A claimant whose claim has been denied, or his authorized representative, may request a review of the denial, but such a request must be in writing, and must be submitted to the Retirement Committee within sixty (60) days after the claimant's receipt of the notice of denial. The review of a claim which has been denied will be made by the Retirement Committee within sixty (60) days of the

receipt of the request for review, unless the Retirement Committee determines that special circumstances require additional time, in which case a decision will be rendered not later than one-hundred twenty (120) days after receipt of the request for review. The decision on the review will be in writing and will include specific reasons for the decision, written in a manner calculated to be understood by the claimant, and specific reference to the pertinent Plan provisions on which the decision is based.

No Participant or Beneficiary will have the right to seek judicial review of a denial of benefits, or to bring any action in any court regarding a claim for benefits, prior to filing a claim for benefits and exhausting his rights to review of such claim under this Section 11.8.

11.9 Responsibility and Authority of the Retirement Committee

The responsibility and authority of the Retirement Committee will not exceed the limitations of this Article XII. The Retirement Committee will have no authority or liability with respect to the handling of the assets of the Trust Fund; provided, however, that to the extent the Employer has directed that expenses of the Retirement Committee be paid from the Trust Fund, the Retirement Committee may direct the Trustees to pay such expenses, and the Retirement Committee may also direct the Trustees or an insurance company to pay benefits provided for under the Plan. The Employer will indemnify the Retirement Committee and its members for any claim against the Retirement Committee or any member of the Retirement Committee for any action made in good faith and without gross negligence. The Employer may purchase fiduciary insurance to protect the Retirement Committee and its members, but the Employer's obligation to indemnify the Retirement Committee and its members will not be limited by such insurance policy.

11.10 Trust Fund

All assets of the Plan will be held in a Trust Fund. The Trustees, subject to the Trust Agreement, will have the responsibility for investment management of the assets of the Plan; provided, however, that the Retirement Committee may appoint an investment manager to manage the assets of the Plan and/or an investment consultant to provide recommendations regarding Plan investments, as deemed appropriate in the Retirement Committee's sole discretion. The Trustees will be permitted to commingle the assets of the Trust Fund with its general account or one or more of its separate accounts or one or more of its commingled accounts designed for the investment of the assets of pension or other employee benefit plans, as permitted under the Code and Internal Revenue Service guidance. The Trustees will cause to be prepared, not less often than annually, a report with respect to the value of the assets accumulated under the Plan and the transactions of the Trust Fund. Copies of this report will be furnished to the Employer and the Actuary.

**ARTICLE XII
AMENDMENT AND TERMINATION OF PLAN**

12.1 Amendment of Plan

The Retirement Committee will have the right to amend this Plan in any and all respects at any time and from time to time provided, however, that:

- (a) no amendment will deprive any Participant of any of the accrued vested benefits to which he is entitled under this Plan; and
- (b) no amendment will provide for the use of funds or assets held by the Trust other than for the benefit of Participants and their Beneficiaries, except as provided in Section 14.1.

12.2 Termination of Plan

The Employer reserves the right to terminate its participation in this Plan at any time. Such termination will be by a resolution of the City Council. A certified copy of this resolution will be delivered to the Trustees and the Employer will notify its Employees.

12.3 Action to be Taken on Termination of Plan

Upon the termination, or partial termination, of the Plan, the rights of all affected Participants, Beneficiaries and alternate payees to benefits accrued to the date of such termination or partial termination, to the extent funded as of such date, will become fully vested and nonforfeitable. Participants who were not fully vested at the time they received a complete distribution of their benefits prior to the date of termination will not become entitled to any additional benefits on account of Plan termination. If the Plan is terminated in full, all amounts held in the Plan will be allocated in a reasonable manner, consistent with the provisions of the Plan.

Any amount remaining after distribution of all benefits and satisfaction of all Plan liabilities will be returned to the Employer. The Actuary to the Plan will certify that what is being returned to the Employer is not needed to satisfy liabilities under the Plan as to the Participants and their Beneficiaries.

ARTICLE XIII LIMITATION ON BENEFITS

13.1 Basic Limitation

Notwithstanding the any provision in this Plan to the contrary, at no time during any Limitation Year will a Participant's retirement benefit payable in the form of a single life annuity commencing on his Benefit Commencement Date exceed the maximum benefit permissible under the provisions of Section 415(b) of the Code that apply to a governmental plan, taking into account benefits accrued under any other defined benefit plan of the Employer. In the event that such retirement benefit would exceed the applicable limitation set forth in this Section 13.1, the benefit will automatically be reduced by the amount required in order to eliminate such excess.

For purposes of this Section 13.1, the maximum annual benefit payable to a Participant under this Plan in any Limitation Year will be equal to one hundred and sixty thousand dollars (\$160,000), adjusted in accordance with Section 415(d) of the Code. Such amount is referred to herein as the maximum permissible amount.

13.2 Adjustments to Basic Limitation

For purposes of applying the limitation described in Section 13.1, the maximum permissible amount will be adjusted under the following circumstances:

- (a) Adjustment for Other Forms of Benefit. When a benefit is payable in any form other than a single life annuity or joint and contingent survivor annuity described in Article IX, where the survivor to receive payments under such annuity is the Participant's spouse, it will be adjusted to the actuarial equivalent of a life annuity benefit, subject to paragraph (b) or (c) below, as applicable. For a benefit paid in a form to which Section 417(e)(3) of the Code does not apply, the maximum permissible amount will not exceed the actuarial equivalent of the Participant's benefit payable in the form of a life annuity commencing on the Participant's Benefit Commencement Date, with actuarial equivalence to be computed using the applicable mortality table set forth in Section 2.3 and the greater of (i) a five percent (5%) interest rate or (ii) the applicable interest rate under Section 2.3 with respect to the form in which the benefit will be paid.
- (b) Adjustment for Commencement Before Age 62. If distribution of the benefit payable to a Participant under the Plan begins before the Participant attains the age of sixty-two (62), then the dollar limitation applicable to the Participant at such earlier age will be calculated based on an annual benefit payable in the form of a straight life annuity commencing at such age, that is the actuarial equivalent of the dollar limitation applicable to the Participant's benefit at age sixty-two (62). The actuarial equivalent of the dollar limitation applicable at an age prior to age sixty-two (62) is determined as the lesser of (1) the actuarial equivalent (at such age) of the dollar limitation set forth in Section 13.1 and (2) the actuarial equivalent (at such age) of the dollar limitation computed using an interest rate of five percent (5%) and the applicable mortality table set forth in Section 2.3. In addition, if the Benefit Commencement Date for the Participant's benefit is prior to age sixty-two (62) and occurs on or after July 1, 2007, and the Plan has an immediately commencing life annuity payable at both age sixty-two

(62) and the age of benefit commencement, the dollar limitation for the Participant's Benefit Commencement Date is the lesser of the limitation determined under the rules provided in this Section 13.2(b) and the dollar limitation (adjusted under Section 13.2(d) for a Participant who has completed less than ten (10) years of Plan participation, if required), multiplied by the ratio of the annual amount of the immediately commencing life annuity under the Plan at the Participant's Benefit Commencement Date to the annual amount of the immediately commencing life annuity under the Plan at age sixty-two (62), both determined without applying the limitations of this Article XIII. Any decrease in the dollar limitation determined in accordance with this Section 13.2(b) will not reflect a mortality decrement if benefits are not forfeited upon the death of the Participant, but if any benefits are forfeited upon death, the full mortality decrement is taken into account. Notwithstanding anything to the contrary above, no adjustment will be required under this Section 13.2(b) if benefits are payable to a qualified participant (as defined in Section 415(b)(2)(H) of the Code) or if the benefits being paid are survivor or disability benefits described in Section 415(b)(2)(I) of the Code.

- (c) Adjustment for Commencement After Age 65. If the benefit payable to a Participant under the Plan begins after the Participant attains the age of sixty-five (65), then the dollar limitation applicable to the Participant at such later age will be calculated based on an annual benefit payable in the form of a straight life annuity commencing at such age, that is the actuarial equivalent of the dollar limitation applicable to the Participant at age sixty-five (65). The actuarial equivalent of the dollar limitation applicable at an age after age sixty-five (65) is determined as the lesser of (1) the actuarial equivalent (at such age) of the dollar limitation set forth in Section 13.1 and (2) the actuarial equivalent (at such age) of the dollar limitation computed using an interest rate of five percent (5%) and the applicable mortality table set forth in Section 2.3. In addition, if the Benefit Commencement Date for the Participant's benefit is after age sixty-five (65) and occurs on or after July 1, 2007, and the Plan has an immediately commencing life annuity payable at both age sixty-five (65) and the age of benefit commencement, the dollar limitation at the Participant's Benefit Commencement Date is the lesser of the limitation determined under the rules provided in this Section 13.2(c) and the dollar limitation (adjusted under Section 13.2(d) for a Participant who has completed less than ten (10) years of Plan participation, if required), multiplied by the ratio of the annual amount of the adjusted immediately commencing life annuity under the Plan at the Participant's Benefit Commencement Date to the annual amount of the adjusted immediately commencing life annuity under the Plan at age sixty-five (65), both determined without applying the limitations of this Article XIII. For this purpose, the immediately commencing life annuity under the Plan at the Participant's Benefit Commencement Date is the annual amount of such annuity payable to the Participant, computed disregarding the Participant's accruals after age sixty-five (65), but including actuarial adjustments, even if those actuarial adjustments are used to offset accruals. The adjusted immediately commencing life annuity under the Plan at age sixty-five (65) is the annual amount of such annuity that would be payable under the Plan to a hypothetical Participant who is age sixty-five (65) and has the same accrued benefit as the Participant. Under this Section 13.2(c), mortality between age sixty-five (65) and the age at which benefits commence will be ignored.

- (d) Less Than Ten Years of Participation. If the Participant has fewer than ten (10) years of participation in the Plan, the dollar limitation will be multiplied by a fraction, the numerator of which is the number of years (or parts thereof) of participation in the Plan and the denominator of which is ten (10). In the case of a Participant who has fewer than ten (10) Years of Service with the Employer, the dollar limitation will be multiplied by a fraction, the numerator of which is the number of Years of Service (or parts thereof) with the Employer and the denominator of which is ten (10). Notwithstanding anything to the contrary above, no adjustment will be required under this Section 13.2(d) if the benefits being paid are survivor or disability benefits described in Section 415(b)(2)(I) of the Code.

**ARTICLE XIV
MISCELLANEOUS PROVISIONS**

14.1 Employees' Trust

This Plan is created for the exclusive benefit of the Employees of the Employer. Pursuant to Section 401(a)(2) of the Code, the corpus or income of the Trust Fund may not be diverted to or used for other than the exclusive benefit of Plan Participants or their Beneficiaries, nor will there be a reversion of amounts held in the Trust Fund to the Employer prior to the satisfaction of all liabilities under this Plan, except as permitted under Internal Revenue Service Revenue Ruling 91-4.

14.2 Additional Limitations on Liability

Neither the Employer, the Retirement Committee nor the Trustees in any way guarantees this Plan against loss or depreciation, nor do they guarantee the payment from the Trust of any benefit which may become due hereunder to any present or former Participant or Beneficiary.

14.3 General Undertaking of All Parties

All parties to this Plan and all persons claiming any interest whatsoever hereunder agree to perform any and all acts and execute any and all documents and papers which may be necessary or desirable for the carrying out of this Plan or any of its provisions.

14.4 Successors

This Plan will be binding upon the heirs, executors, administrators, successors and assigns, as applicable, of any and all parties hereto, present and future.

14.5 Spendthrift Clause

No Employee will have the right to assign, alienate, transfer, encumber, or otherwise subject to lien any of the benefits provided under the Plan, and the right of any Participant, former Participant, Eligible Employee, or Beneficiary to any benefit or to any payment hereunder or to any separate account will not be subject to alienation, transfer, assignment, or encumbrance or otherwise subject to lien, except to the extent provided for by a Qualified Domestic Relations Order as defined in Section 414(p) of the Code. To the extent provided for by such a Qualified Domestic Relations Order, a distribution to an alternate payee under such an order may be made at any time prior to a Participant's "earliest retirement age," as that term is defined under section 414(p)(4) of the Code.

14.6 Invalidity of Certain Provisions

If any provision of this Plan will be held invalid or unenforceable, such invalidity or unenforceability will not affect any other provision hereof and this Plan will be construed and enforced as if such provision had not been included.

14.7 Right to Employment

Nothing contained in the Plan or the establishment of the Trust hereunder or any modification thereof, or the creation of any fund or account for the payment of any benefit, will be construed to give any Employee, Participant or Beneficiary any right to employment or continued employment with the Employer or be deemed to interfere with the right of the Employer to discharge any such individual at any time, regardless of the effect with such discharge will have upon such individual under the Plan. The Plan will not be deemed to constitute a contract between the Employer and any Employee, Participant or Beneficiary or to be a consideration or an inducement for the employment of any such individual.

14.8 Incapacity

If an individual entitled to receive any benefits under the Plan is a minor, is determined by the Retirement Committee to be incompetent, or is adjudged by a court of competent jurisdiction to be legally incapable of giving valid receipt and discharge for benefits provided under the Plan, the Retirement Committee may pay such benefits to the duly-appointed guardian or conservator of such person or to any third party who is authorized (as determined by the Retirement Committee in its sole discretion) to receive any benefit under the Plan for such individual. Such payment will fully discharge all liabilities and obligations of the Plan with respect to such benefits.

14.9 Suspension of Benefits Upon Reemployment After Retirement

If a Participant is rehired as an Eligible Employee after retiring and receiving a Normal or Late Retirement Pension, his pension will cease and no further pension payment will be payable until his subsequent retirement. Upon his subsequent retirement, the benefit payments payable to such rehired Participant will be recalculated in accordance the provisions of Articles IV and V of the Plan, as applicable, with an appropriate reduction based on the total Pension payments previously made to such Participant prior to his reemployment, and taking into account his Employee Contributions made, and Average Pay earned, after the date of such reemployment, as applicable.

14.10 USERRA Compliance

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code. Effective January 1, 2007, if a Participant dies while performing qualified military service (as defined in Section 414(u) of the Code), the Participant's Beneficiaries will be entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the Participant had resumed employment and subsequently experienced a termination of employment on account of death.

14.11 Return of Overpayments

If a Participant, Beneficiary, or any other person or institution receives a payment to which he is not entitled under the terms of the Plan, including a payment in excess of an amount that such individual or institution is entitled to receive under the terms of the Plan and the applicable payment form in effect at the time of such payment, such individual or

institution will return to the Plan the amount of the overpayment, with interest. The Plan will have the right to offset any future benefit payments that a Participant or Beneficiary would otherwise be eligible to receive from the Plan in order to recover past overpayments made by the Plan to, or with respect to, a Participant or Beneficiary.

14.12 Forfeitures

Forfeitures, if any, will not be applied to increase the pension benefits any Participant would otherwise receive under the Plan.

14.13 Permissible Purchase of Annuity Contracts

The Retirement Committee, in lieu of paying the pension to which a Participant (or his Beneficiary(ies)) is entitled directly from the Trust Fund, may direct the Trustees to purchase from an insurance company, any type of annuity contract which will provide retirement benefits in an amount identical to that which the Participant is entitled to receive under this Plan.

14.14 Unknown Whereabouts and Missing Persons

- (a) Each Participant will inform the Daily Administrator of his current mailing address and the current mailing address of his designated Beneficiary(ies). If a Participant fails to inform the Daily Administrator of his current mailing address or the current mailing address of his designated Beneficiary(ies), neither the Retirement Committee, the Daily Administrator, the Trustees, the Plan, any administrative provider to the Plan, nor the Employer will be responsible for any late payment or loss of benefits, nor for failure of any notice to be provided or provided timely under the terms of the Plan to such individual.
- (b) If after making reasonable efforts (including mailing a notice to the last known address of the Participant or other payee under the Plan), the Plan is unable to locate a Participant or to ascertain the identity of, or to locate any other person to whom payment is due under the Plan, such payment and all subsequent payments otherwise due will be forfeited twenty-four (24) months after the date such payment first become due or, upon termination, such payment and all subsequent payments will be forfeited pursuant to the applicable law of escheat; provided, however, that any payment forfeited under this Section other than by reason of escheat will be reinstated retroactively no later than sixty (60) days after the date on which the Participant or other payee is located or identified.

14.15 Electronic Administration

The Plan may be administered electronically by use of telephonic and/or computer resources. It is specifically contemplated that, where the Plan refers to communications such as designations, writings, notices, elections, and the like, these communications may occur electronically pursuant to such procedures as the Retirement Committee or its delegate may establish.

14.16 Tax Consequences

Except as provided in Section 14.22, the Employer and Retirement Committee do not represent or guarantee that any particular Federal, State or local income, estate, payroll, personal property or other tax consequences will occur with respect to a Participant, Beneficiary, or any other person related to a Participant's participation in this Plan. The Participant will be responsible to obtain appropriate advice regarding all questions to Federal, State or local income, estate, payroll, personal property or other tax consequences arising from participation in this Plan.

14.17 Execution of Receipts and Releases

Any payment to any Participant, or to his legal representative or Beneficiary, in accordance with the provisions of the Plan, will to the extent of such payment, be in full satisfaction of all claims against the Employer, the Trustee, the Retirement Committee, and/or the Plan. To the extent permitted by law, the Employer or its representative may require such Participant, Beneficiary, or legal representative, as a condition precedent to such payment, to execute a receipt and release therefore in such form as it will determine.

14.18 Plan Controls

In the event of any conflict between the terms of the Plan and any summary thereof or other document relating thereto, from whatever source, the terms of the Plan will govern.

14.19 Governing Law

To the extent not superseded by Federal law or the State of Texas, the Plan will be construed, administered and enforced in accordance with the laws of the City of Arlington, Texas.

14.20 Number of Counterparts

This Plan may be executed in any number of counterparts, each of which when duly executed by the Employer will be deemed to be an original, but all of which will together constitute but one instrument which may be evidenced by any counterpart.

14.21 Masculine Feminine, Singular and Plural

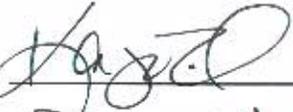
The masculine will include the feminine and the singular will include the plural and the plural the singular wherever the person or entity or context will plainly so require.

14.22 Withholding Taxes

The Retirement Committee or its delegate may make any appropriate arrangements to deduct from all amounts paid under the Plan any income, employment, or other taxes required to be withheld by any government or government agency. The Participant and/or his Beneficiary will bear all taxes on amounts paid under the Plan to the extent that no taxes are withheld, irrespective of whether withholding is required.

IN WITNESS WHEREOF, the Plan is executed this 16 day of March, 2015.

**RETIREMENT COMMITTEE OF THE
CITY OF ARLINGTON**

By:  _____
Title: DIRECTOR, HUMAN RESOURCES

