



CalPERS 457 Plan

Your choice, simplified.
Employer Welcome Kit



Welcome to the CalPERS 457 Plan

You are introducing an exciting opportunity to your employees to invest for their future. Enclosed is all the information you need to allow your employees to participate in the Plan. If you have questions, be sure to contact your dedicated Account Manager.

CalPERS HOME | Contact Us
CalPERS Supplemental Income Plans Website

Log In

Username
[Forgot Username?](#)

Password
[Forgot Password?](#)

Enter Remember Me

First time visitor? [Register Now](#) [Need Help?](#)

Have questions? [Get Started](#)

Making Cents
Read the current issue of your CalPERS newsletter. [Learn More](#)

Plan Information
Access Plan Information, which provides free information about your plan benefits, without logging in.
 [Make a selection](#)

Updates & Planning Tools

[Learn more about the CalPERS 457 Plan](#)
The low cost, easy-to-use CalPERS 457 Plan can help you hit your target beyond what you will receive from your CalPERS pension and Social Security.

[Enroll in the CalPERS 457 Plan](#)
You're **immediately eligible** to participate if your employer has adopted the CalPERS 457 Plan. Complete the Participant Enrollment Kit and return the forms to your Personnel / Payroll Department to enroll today. It's that easy!

Participant Login Website

calpers.voya.com
800-260-0659

Participants can:

- Access information and manage their account online or through the Plan Information Line
- View, download, and print account statements
- Change investment selections among various the options available within the Plan
- Set up automatic account rebalancing to reallocate Plan balances to specific percentages
- Redistribute their account balance across multiple funds in one simple transaction
- View and update beneficiary information
- Download forms, utilize retirement planning resources, and stay up-to-date on Plan rules

CalPERS
CalPERS 457 Plan

Employer Resource Center

Want our Plan?
[Click here to learn how!](#)

Plan Forms | Participant Materials | Employer Materials | Investment Option Information | Annual IRS Limits | Order Publications Online | Contact Information

News & Updates

[Roth Plan Option](#) — Now available to adopt for your Plan.

[Add Roth to a Payroll Report](#) — After adopting Roth for your Plan, follow these steps for MyCalPERS reporting.

[Intranet Page](#) — Add the new Helpful Links and Forms Library link to your intranet site.

[Plan Document](#) — The CalPERS 457 Deferred Compensation Plan Document has been updated for 2019.

Did you know?

If you need general support with contribution and payroll support, call the CalPERS 457 Employer Plan Line at 1-800-696-3907.

[Phone reviews](#) can be scheduled at any time

Sponsor Web is a website designed for plan sponsors that allows you to view participant and plan level information at any time. You can request access to this site by [contacting us](#) today.

Read current *Employer Cents*

Making Cents Newsletter

myOrange Money@

Helpful Links and Forms Library

CalPERS Perspective Newsletter

Employer Resource Center

calpers-sip.com
800-696-3907

Agencies can:

- Get information and guidelines for submitting payroll information to the Plan
- Access up-to-date information on Plan rules and enhancements
- Download participant forms and educational material for to help employees enroll and manage their account

EMPLOYEE RETENTION IDEA #457: add this retirement plan

Like all employers, you know it can be a challenge to reward and retain the best workers. But did you know that's among the many reasons why more than 800 public agencies and schools throughout California offer the CalPERS 457 Plan?

What's in it for **you**?

- A new reason for your agency's employees to feel good about their jobs
- No cost to your agency
- When you say "yes" to the CalPERS 457 Plan, we take care of the rest

To help you manage your fiduciary responsibility, CalPERS:

- acts as the trustee of your employees' deferred compensation assets
- selects the investment options
- monitors contribution limits
- manages service levels with administrative service providers
- leverages existing payroll deduction feeds into myCalPERS to receive your employees' 457 Plan deferrals and loan repayments

We are a not-for-profit public entity focused on educating your employees, not selling investment products.

Funds are managed internally by our in-house investment staff and external institutional investment managers under contract to CalPERS.

We offer value and fair pricing. To keep fees as low as possible, CalPERS does not engage in "revenue sharing" or "administrative expense reimbursement." Plan administration, recordkeeping and investment fees are all included in a simple and fair fee structure.

What's in it for your **employees**?

- The convenience of saving for retirement through payroll deduction
- A very competitively priced retirement plan, with total fund expenses of 0.25% - 0.38% for the core investment options
- Access to a proprietary lineup of core institutional investments managed by CalPERS staff and professional managers under contract to CalPERS, including Target Retirement Date Funds specifically designed for public employees based on the latest research in portfolio theory and behavioral finance
- A Schwab Personal Choice Retirement Account® (PCRA) self-managed account brokerage option
- State-of-the-art services

24/7 account management

- Online at calpers.voya.com
- Toll free telephone at **800-260-0659**
- On the go with the **Voya Retire** app

The latest in online retirement planning, investing and educational tools, including myOrangeMoney®, at calpers.voya.com

Dedicated Account Managers lead group educational sessions and meet one-on-one with employees. They are easy to reach at **888-713-8244** or calpers457.timetap.com

Recordkeeping by Voya Financial®, one of the nation's largest defined contribution plan recordkeepers, serving millions of participants

Information from registered Plan Service Representatives is for educational purposes only and is not legal, tax or investment advice. Local Plan Service Representatives are registered representatives of Voya Financial Advisors, Inc., member SIPC (VFA). Plan administration services provided by Voya Institutional Plan Services, LLC.

Find out more today

Visit calpers-sip.com

Call **800-696-3907**

Monday - Friday, 8:00 a.m. to 5:00 p.m. (PT)

Employer Adoption Checklist Coversheet

Below is a listing of documents that are required for the adoption of this Plan. When submitting the executed documents, please fill out and include this **Employer Adoption Checklist** as a coversheet to the documents listed below.

If you have any questions regarding this list or the enclosed forms, please contact us at **800-696-3907**.

Agency Name

CalPERS ID _____

The following documents are included in this packet:

- ▶ **REQUIRED FORMS**
- Board Approved Resolution** *(with original signatures)*
 - Employer Adoption Agreement** *(with original signatures)*
 - New Employer Information Sheet**
 - Optional Provision**
 - Employer Loan Provision**

Please mail your documentation to one of the following addresses:

Standard Delivery:

CalPERS 457 Plan
P.O. Box 942713
Sacramento, CA 94229-2713

Overnight Delivery:

CalPERS 457 Plan
400 Q Street
Sacramento, CA 95811

Thank you for considering the CalPERS 457 Plan as a supplemental savings option for your employees.

Follow these simple steps to adopt the CalPERS 457 Plan today!

STEP 1: Request your governing body to adopt the CalPERS 457 Plan using the **Model Resolution** enclosed in this kit.

STEP 2: Execute a copy of the enclosed **Employer Adoption Agreement**

STEP 3: Complete the **New Employer Information Sheet**

STEP 4: Optional provision:

- **Employer Loan Provision:** If you would like to offer participants the ability to borrow from their plan accounts, then complete the **Employer Loan Provision**.
-

STEP 5: Complete the **Employer Adoption Checklist**, enclose the appropriate original fully executed documentation, and mail by standard or overnight mail.

Standard Delivery: (Standard Mail)

CalPERS 457 Plan
P.O. Box 942713
Sacramento, CA 94229-2713

Overnight Delivery:

CalPERS 457 Plan
400 Q Street
Sacramento, CA 95811

If you have any questions about adopting the CalPERS 457 Plan, contact us at **800-696-3907**.

Upon receipt of the executed documents, the Administrator, will:

- Sign the **Adoption Agreement** accepting the Employer into the CalPERS 457 Plan
- Assign an **Employer Plan ID** to confirm participation in the Plan
- Send a **Welcome Kit** that includes:
 - **Confirmation of participation in the Plan**
 - **Instructions of when to begin submitting enrollments and submission of payroll contributions file and payments through myCalPERS**
 - **Copy of all fully executed official documents**
- An Account Manager will contact the Employer to schedule a **New Employer Orientation** and **Employee Presentations**

NOTE: The **Employer Plan ID Number** must be provided on all subsequent transaction requests submitted to the Administrator for processing.

Model Resolution

Resolution Approving Adoption of CalPERS 457 Plan

WHEREAS, _____ (*Employer*) desires to establish a[n additional] deferred compensation plan for the benefit of its employees; and

WHEREAS, the Board of Administration (the "Board") of the California Public Employees' Retirement System ("CalPERS") has established the CalPERS 457 Plan (the "CalPERS 457 Plan") which may be adopted by a governmental employer the employees of which are public employees; and

WHEREAS, _____ (*Employer*) believes that the CalPERS 457 Plan and the investment options available thereunder will provide valuable benefits to its employees; and

WHEREAS, the Board has appointed Voya Financial® (the Plan Recordkeeper) to perform recordkeeping and administrative services under the CalPERS 457 Plan and to act as the Board's agent in all matters relating to the administration of the CalPERS 457 Plan;

NOW, THEREFORE, BE IT RESOLVED that _____ (*Employer*) adopts the CalPERS 457 Plan for the benefit of its employees and authorizes and directs the _____ (*Title of the Authorized Member*) to execute the attached adoption agreement on behalf of _____ (*Employer*) and to provide CalPERS or any successor agent duly appointed by the Board with such information and cooperation as may be needed on an ongoing basis in the administration of the CalPERS 457 Plan. A copy of this resolution, the agreement, and any attachments thereto shall be on file in the office of _____ (*Office of Record*).

Passed and adopted as a resolution of the (Authorized Member of the Employer), at a meeting held on _____ (*Date, if applicable*).

_____ (*Board Chair or Authorized Member Signature*)

_____ (*Title of Authorized Member*)

Attest _____ (*Employer Seal*)

Employer Adoption Agreement

The employer identified below (the “Employer”) adopts the CalPERS 457 Plan (the “CalPERS 457 Plan” or the “Plan”) for the benefit of its employees and agrees to be bound by and subject to the terms of the Plan, as it may be amended from time to time.

The Employer further agrees and represents as follows:

1. The Employer is a political subdivision of the State of California and is eligible to adopt the Plan.
2. The Employer has duly adopted a resolution (copy attached) or taken such other official action as required for its lawful adoption and implementation of the Plan and has authorized the undersigned to execute this Agreement on its behalf.
3. The Employer has received and has had the opportunity to review the following documents and information:
 - The Plan document;
 - A description of the optional provisions of the Plan;
 - A description of the investment options available to Plan participants and historical performance data for those investment options;
 - A complete description of fees and expenses that will or may be charged to Plan participants including, but not limited to, investment fees and administrative expenses; and
 - The Enrollment Kit for eligible employees, which includes forms and information for employees to participate in the Plan.

Contributions

4. The Employer understands that its employees will have the opportunity to defer their own compensation by designating an amount or percentage to be withheld from each paycheck and contributed to the Plan on the employee’s behalf.
5. The Employer understands that the Plan must be made available to all employees and agrees to offer all employees the opportunity to participate in the Plan.
6. The Employer understands that the Plan cannot be made available to individuals who are not the Employer’s common law employees and agrees not to offer such individuals the opportunity to participate in the Plan.
7. The Employer understands that each employee’s deferrals under the Plan and any other eligible deferred compensation plan maintained by the Employer are subject to certain limits imposed by the Plan and the federal tax code. The Employer agrees to limit employees’ deferrals under all plans maintained by the Employer to amounts that do not exceed applicable limitations.
8. The Employer agrees to deduct deferral amounts from employees’ salaries and wages in accordance with the employees’ elections, to remit all amounts deducted to the Plan as soon as reasonably practicable after such amounts are withheld, and to accurately report the amounts remitted.
9. The Employer understands and agrees that all amounts deferred under the Plan shall be 100% vested and shall be deposited in the Public Employees’ Deferred Compensation Fund (the “Fund”), a trust established to hold such amounts, for the exclusive benefit of participants and their beneficiaries. The Employer shall have no right to Fund assets or to sell, redeem, or otherwise liquidate Fund assets, except as provided Plan section 10.6.

Investments

- 10. The Employer understands and agrees that employees who defer compensation under the Plan will have the right to direct the investment of their individual Plan accounts by choosing among the investment options selected by the CalPERS Board of Administration (the "Board") and offered under the Plan. The Employer further understands and agrees that any employee who does not provide timely directions for investing his or her account will be deemed to have selected the Plan's default investment. The Plan's default investment is currently the CalPERS Target Retirement Fund designated for an employee, based on his or her expected retirement date. The Employer understands and agrees that the Board, in its sole discretion, may add, eliminate, or consolidate investment options offered under the Plan, including the Plan's default investment option.
- 11. The Employer further understands and agrees that certain fees are charged to Plan participants for investment and administration expenses, and that such fees will be offset against investment returns or deducted from participants' Plan accounts periodically.

Administration

- 12. The Employer understands and agrees that, except as specifically set forth in the Plan, the administration of the Plan and Fund is subject to the exclusive control of the Board and that the Board has the authority to retain third parties to provide investment services, record keeping, accounting, or other services for the Plan.
- 13. The Employer agrees to assist and cooperate in providing Plan information to employees and to follow administrative procedures established by the Board or its designee(s) from time to time.
- 14. The Employer has completed the attached New Employer Data Sheet, which is incorporated by reference. The Employer hereby certifies that all information provided in connection with its adoption of the Plan is true and accurate.
- 15. The Employer understands and agrees that the Board has retained the power and authority to amend the Plan from time to time, subject to limitations set forth in the California Government Code and the Plan. The Employer may not amend the Plan.
- 16. The Employer understands and agrees that its participation in the Plan may be terminated by the Employer or by the Board upon sixty (60) days advance written notice. Upon termination, all amounts held for participants will continue to be held in the Fund for the exclusive benefit of participants and their beneficiaries, except for distributions or transfers permitted under the Plan terms.

Name of Employer: _____

By: _____

Title: _____

Date: _____

Accepted by CalPERS (or an agent duly appointed by the Board) on behalf of the Board of Administration of the California Public Employees' Retirement System.

To be completed by CalPERS

Signature: _____

Print Name: _____

Title: _____

Date: _____

New Employer Information Sheet

I. General Information

CalPERS ID: _____

Employer Name _____

Number of Employees _____

Employee Tax Identification Number _____ - _____

Fiscal Year End Date ____ / ____ / _____

Employer Address _____

City / State / Zip _____

Plan Administrator _____

Email _____

Telephone _____

Payroll Contact _____

Email _____

Telephone _____

Choose one: Add CalPERS as a Plan Provider (new enrollments only) Add CalPERS as an exclusive Plan Provider and convert assets — See Section III Asset Transfer Information

II. Contribution Information

Frequency of Payroll Deductions Weekly Bi-weekly Semi Monthly Monthly*I understand a payroll contribution file will be submitted through my|CalPERS* EFT Debit payment will be submitted via my|CalPERS EFT Credit payment will be submitted via my|CalPERS Check payment will be submitted with my|CalPERS Remittance AdviceMake check payable to **CalPERS 457 Plan** and include **Plan ID #**, and submit by standard mail or overnight.**Please mail your documentation to one of the following addresses:****Standard Delivery: (Standard Mail)**CalPERS 457 Plan
P.O. Box 942713
Sacramento, CA 94229-2713**Overnight Delivery:**CalPERS 457 Plan
400 Q Street
Sacramento, CA 95811

New Employer Information Sheet

III. Asset Transfer Information

(Complete ONLY if conducting a conversion into the CalPERS 457 Plan)

Former Plan Provider _____

Total Number of Employees _____

Address _____

City / State / Zip _____

Payroll Contact _____

Email _____

Telephone _____

IV. Signatures

Print Name: _____

Title _____

Employee Signature: _____

Date: _____

New Employer Plan Number assigned by CalPERS: 4 5 ___ ___ ___

Loan Feature

Planning for the unexpected can be difficult. Before you decide to tap into your CalPERS 457 Plan account, make sure you understand how a loan could impact your retirement savings.

Who may apply for a loan?

Any participant, whose Agency has adopted the Loan Provision, may take a loan from their account with the CalPERS 457 Plan (the "Plan"). You will need to contact your Agency or the Plan Information Line **800-260-0659** to learn if your Agency has adopted the Loan Provision.

What are the fees associated with applying for a loan?

- The charge is \$50 per loan application paid by the participant. This fee is deducted from your Plan account.
- There is an annual maintenance fee of \$35.00, assessed on a quarterly basis as \$8.75.

The following may help you in determining if requesting a loan is really the best method for you to meet those unexpected expenses:

Taking a loan from the Plan

How do you apply for a loan?

As a participant in the Plan, you may apply for a loan over the Plan Information Line at **800-260-0659** or online at calpers.voya.com.

What happens if and when the loan is approved?

Once the application is submitted and approved the following will occur:

- You will receive the loan check along with a Truth-in-Lending Disclosure Statement.
- The promissory note and security agreement will be printed on the back of the loan check.
- The notice will contain the amount financed, the finance charge, the loan's annual percentage rate, the repayment procedure, the security interest and a copy for you to keep for your records.

What are the minimum and maximum loan amounts?

The minimum loan amount is \$1,000.

The maximum loan amount is the lesser of:

- 50% of your vested account balance as of the Valuation Date of the loan or, \$50,000
 - The Valuation Date is the business day immediately preceding the date on which the loan is approved
- This amount is then reduced by your highest outstanding loan balance, if any, over the last 12 months.

How is the maximum loan amount calculated?

The IRS Limits the amount you may take from multiple plans for loans. For the purpose of determining the maximum loan amount available to you, any loan from any other plan maintained by a participating employer will be treated as if it were a loan made from this Plan. The maximum loan amount is the lesser of: (1) 50 percent of your vested account balance as of the Valuation Date immediately preceding the date on which the loan is approved, or (2) \$50,000, less the highest outstanding loan balance over the last 12 months. By submitting this loan you are stating that you are in compliance with these regulations.

How is the money taken out of my Plan investment offerings?

Loan disbursements will be taken pro rata across all the money sources, including any Roth balances, and investment funds in your account, excluding SMA Funds.

Will I have to pay taxes on the loan amount as if it was a distribution from my account?

No. Amounts borrowed through the Plan are not taxable distributions and are not subject to federal withholding taxes as long as the loan is repaid in full.

Will I have to pay interest on my loan?

Yes, you will pay interest on your loan at a rate of the Prime Rate plus one percent, as printed in the Wall Street Journal on the last business day of the prior month. These interest payments will go back into your account; however, you will not be able to deduct this interest on your income tax return.

- The Service Members Civil Relief Act (an update to the Soldiers' and Sailors' Civil Relief Act of 1940) imposes a 6% maximum limit on the interest rate charged to military service members for loans during the duration of active military service. For more information, contact a Participant Service Representative at **800-260-0569**, Monday through Friday, 6:00 a.m. to 5:00 p.m. Pacific Time, except on New York Stock Exchange holidays.

How a loan may affect your savings

Pros	Cons
You have access to the money in your Plan account.	The amount of the interest may be less than the money you would have earned had you invested the loan balance.
You pay yourself back with interest that may be lower than a bank interest rate.	Your loan repayments are made with after-tax dollars.
No credit check.	Many participants decrease or stop contributions while paying back a loan which negatively impacts your retirement savings.

Requesting a Loan

There are two ways to apply for a loan:

- 1 Log on to the CalPERS website at calpers.voya.com and select your Plan.
 - Under the *My Account* tab, click on *Loans*, then *Request a Loan*.
 - You will be required to provide your password to request a loan.
- 2 Call the CalPERS Plan Information Line at **800-260-0659**, and speak with a Participant Service Representative. Representatives are available Monday through Friday, 6:00 a.m. to 5:00 p.m. Pacific Time, except on New York Stock Exchange holidays.

Upon approval, your loan application will be processed and a check will be mailed usually within 2 business days.

Loan Repayments

How long may I take to repay the loan?

The minimum loan period is 1 year and the maximum loan period is 5 years.

How do I repay the loan?

You will repay yourself with interest through payroll deductions that are automatically deducted from your employer's payroll system.

- Payments will begin with the regular payroll beginning the second month, or as soon thereafter as is administratively practicable.
- Payroll contributions and payments, including after-tax repayments, will be submitted through the my|CalPERS system.
- Terminated participants can continue to make payments on an outstanding loan balance via reverse ACH. If a terminated participant elects the option to continue making payments, the loan will be amortized to a monthly payment. Please call the Participant Information Line to set up this option.

How are payments applied to my account?

Loan repayments will be reinvested according to your current investment elections.

May I payoff the loan in full?

Yes, you may prepay your loan in full at any time by paying the outstanding loan balance by cashier's check or certified check made payable to: CalPERS 457 Plan.

- Partial payments are not allowed.

What if I am called to Military Duty?

If you are called to military duty, loan repayment and the default process will be suspended. The loan repayment period is extended for the period of time you are on active military duty under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA).

What if I am on an approved unpaid leave of absence (LOA)?

Once an unpaid LOA is verified by your employer, loan payments will be suspended for up to 12 months from your leave date, but not to exceed your originally scheduled loan payoff date. When you return to work, your loan will be re-amortized to a new loan repayment amount that includes your missed payments. Please call the Participant Information Line to notify Voya of your leave and your return to work.

Under what circumstances may my loan be immediately due and payable?

- Upon death, insufficient paycheck funds, retirement or termination of employment, your outstanding loan balance will be immediately due and payable. Terminated participants also have the option of continuing loan payments as an amortized monthly amount instead.

Loan Restrictions

How many loans may be taken out?

- For all CalPERS 457 Plans, the maximum number of loans permitted at one time is one.
- No new loan may be taken until the outstanding loan is paid off.
- Loan refinancing is not allowed.
- Loans can not be taken on the self-managed Personal Choice Retirement Account's investments.

If I have a loan outstanding may I transfer monies between participating employers' plans?

- If you have an outstanding loan with the CalPERS 457 Plan and request a transfer of your account to another CalPERS 457 Plan maintained by a participating employer, CalPERS will process the transfer of your unencumbered account balance less the outstanding loan balance payable to the CalPERS 457 Plan.
 - Further transfer requests will not be processed until your loan with the CalPERS 457 Plan has been repaid in full.
- If you have an outstanding loan from any other plan provider maintained by a CalPERS 457 participating employer, CalPERS will accept a transfer of your unencumbered account balance from the other plan, less the amount of the outstanding loan balance payable to the other plan.

May I use something besides my Plan account as collateral for a loan?

No. A loan may only be secured by an interest in your vested account pre-tax balance and Roth balance, if available.

Loan Default

What happens if I fail to make a scheduled payment?

CalPERS will treat a loan in default if any scheduled repayment remains unpaid after the expiration of the maximum grace period — the last day of the calendar quarter following the calendar quarter in which the required repayment was due, or if there is outstanding principal existing on the loan after the last scheduled repayment date.

What happens if I enter into default on my loan?

If your loan is defaulted, your vested account balance will be offset by the outstanding loan balance to the extent that a distribution from your account is permissible under the Plan.

- The distribution made for the loan repayment will be reported as earned income and a 1099R will be issued.

Employer Loan Provision Form

I. General Information

Agency/Employer Plan Number: **45** _____

Employer Name _____

Telephone # _____

Contact Name _____

Email Address _____

II. Adoption of CalPERS 457 Loan Program

The Employer referenced above adopted the CalPERS 457 Plan (Plan) effective _____, and is a sponsor of the Plan. The individual signing below hereby certifies that he or she is duly authorized to execute this form on behalf of the Employer and that all necessary action has been taken by the Employer to authorize and approve this action. The Employer hereby elects to offer the CalPERS 457 Loan Program Option to its employees. This election may be revoked at any time; employees with outstanding loans at the time of revocation will be permitted to pay off the loans, but will not be permitted to take out new loans.

The loan provisions are set forth in Section 8 of the CalPERS 457 Deferred Compensation Plan Document. The Employer acknowledges that it has received a copy of the current Plan document and has had the opportunity to review the terms for the Loan Program. Here is a summary of the program:

- The minimum loan amount is \$1,000; the maximum loan amount is the lesser of 50% of a participant's account balance or \$50,000 (reduced by the highest balance of any loan outstanding in the last twelve months). The maximum limit is applied taking into account all loans outstanding from any retirement plan sponsored by the Employer.
- Loans must use level amortization, require payments at least quarterly, and may not have a term longer than five years.
- Interest on a loan is charged at a rate equal to prime plus 1% and the loan must be secured by the participant's account balance.
- Loan payments must be made by payroll deduction and are made on an "after-tax" basis.
- A participant may pay off the balance of an outstanding loan, in full, with no prepayment penalty. Partial payments are not accepted.
- Weekly feedback reports are provided via the Sponsor Website. These feedback reports provide information regarding any new loans issued or loans paid during the prior week. In addition, an automated email is sent to the Employer's designated contact advising when new feedback reports become available. It is the Employer's responsibility to ensure that contact information for the Employer's designated contact is current and correct. Additionally, it is the Employer's responsibility to monitor weekly feedback reports.
- If the Employer has multiple plan providers which permit participant loans, it is the Employer's responsibility to monitor that a participant has not exceeded the maximum loan limit as described by the IRS. (\$50,000). Please contact CalPERS immediately if you become aware of an issue. Participants submitting online loan requests are notified of IRS loan limits at the time the request is made, however, the Employer also agrees to monitor aggregate balances of participants with loans from multiple providers.

III. Signature

I hereby acknowledge and agree to the terms of this form.

Employer Signature_____/_____/_____
Date_____
Printed Name_____
Title

Accepted by CalPERS (or an agent duly appointed by the Board) on behalf of the Board of Administration of the California Public Employees' Retirement System.

By_____
Title_____/_____/_____
Effective Date

Roth Contribution Option Overview

What is the Roth Contribution Option?

The CalPERS 457 Plan offers a voluntary Roth after-tax contribution option to give you more flexibility when saving for retirement. If your employer can process your Roth contribution from their payroll to the CalPERS 457 Plan, you can elect to make Roth contributions of money from your paycheck that has already been taxed. This helps you build a nest egg of tax-free income in retirement.

How do I make Roth contributions to the CalPERS 457 Plan?

► If you are *already contributing* the CalPERS 457 Plan, follow these steps:

1. Confirm with your employer that they can process your Roth contribution from their payroll to the CalPERS 457 Plan.
2. Visit calpers457.com to download a **Participant Change Authorization Form**.
3. Complete the form, choosing to add or replace pre-tax savings with the Roth contribution source in the **Change Contribution Amount** section.
4. Sign the **Participant Change Authorization Form** and get your employer's signature on page 2 before submitting for processing.
5. Roth after-tax contributions will begin to be deducted from your net pay within 2-3 pay periods.

► If you are *not currently participating* in the CalPERS 457 Plan, follow these steps:

1. Confirm with your employer that they participate in the CalPERS 457 Plan and can process your Roth contributions from their payroll.
2. Visit calpers457.com to download and complete the **Participant Enrollment Kit**.
3. On the **Employee New Enrollment Form**, choose the Roth contribution source in the Employee Contribution Election section.
4. Sign the **Employee New Enrollment Form** and get your employer's signature on page 2 before submitting all paperwork for processing.
5. Roth after-tax contributions will begin to be deducted from your net pay within 2-3 pay periods.

Key Benefits with CalPERS

- Invest Roth contributions using automatic payroll deductions.
- Roth contributions can be invested in the same menu of CalPERS Target Date Funds and Core Funds.
- Roth contributions to the CalPERS 457 Plan allow you to contribute more than into an IRA you set up on your own.

Managing Your Account

You can access all of your CalPERS 457 Plan account information in one place.

- Register or log into your account at calpers.voya.com.
- Call **800-260-2659** and press 2 for a Participant Service Representative weekdays between 6:00 a.m. - 5:00 p.m. PT.
- Download the **Voya Retire** mobile app. Search keyword: **Voya Retire** at your favorite app store.

Schedule an Appointment

Dedicated Account Managers are available to review and discuss your retirement saving strategy. Go to calpers457.timetap.com or call **888-713-8244** to schedule an appointment at a date and time that is most convenient for you.

Information from registered Plan Service Representatives is for educational purposes only and is not legal, tax or investment advice. Local Plan Service Representatives are registered representatives of Voya Financial Advisors, Inc., member SIPC (VFA). Plan administration services provided by Voya Institutional Plan Services, LLC.

Here's how the Roth contribution option works

My income is too high to contribute to a Roth IRA. Can I make designated Roth contributions to the CalPERS 457 Plan?

Yes, you can contribute to the designated Roth account in your CalPERS Plan even if your income is too high to be able to contribute to a Roth IRA.

Can I contribute to both the pre-tax and Roth accounts in the CalPERS 457 Plan?

Yes. You can contribute to both accounts in the same year in any proportion you choose. The combined amount of all contributions must not exceed the annual deferral limit. Visit voya.com/irslimits for information on the annual deferral and catch-up contribution limits for 457 Plans.

Can I change or stop making voluntary Roth contributions at any time?

Yes. Please complete a **Participant Change Authorization Form** to stop or change your Roth contributions.

I've made Roth contributions and have changed my mind. Can I change them to pre-tax contributions instead?

No. Once you have designated contributions as Roth, you cannot later change them to pre-tax.

Are my Roth and pre-tax contribution sources kept separate?

Yes. Designated Roth contributions are kept completely separate from your pre-tax contributions within the CalPERS 457 Plan. Your employer has established a separate account for each participant to make designated Roth contributions.

Can I convert the pre-tax contributions I've made and their earnings to the Roth plan?

Yes. You can convert part or all of your vested plan balance, including earnings, to the designated Roth account. This is called an "in-plan Roth conversion." You can convert part or all of your pre-tax contributions, pre-tax rollover contributions from qualified former employer plans, and their earnings. Generally, the amount you convert becomes part of your gross income for the tax year in which you convert it.

Please consider all of your options and consult with your tax advisor before making any decisions to request an in-plan Roth conversion. For more information, you can also refer to the **In-Plan Roth Conversions - Frequently Asked Questions** document that accompanies the conversion request form.

You are strongly urged to consult with an accountant and/or tax advisor before making your final decision to contribute to the CalPERS Roth 457 Plan. Once Roth contributions are made, they are irrevocable and cannot be reversed. While CalPERS and Voya Financial® representatives are able to explain the options to you, they cannot tell you whether Roth contributions are appropriate for you. CalPERS and Voya® will not provide tax or legal advice. Neither this document, Employee New Enrollment Form nor the Participant Change Authorization Form represents tax or legal advice.

CalPERS 457 Deferred Compensation Plan Document

TABLE OF CONTENTS

Article I - Definitions.....	5
1.1 Account.....	5
1.2 Adoption Agreement.....	5
1.3 Beneficiary.....	5
1.4 Board.....	5
1.5 Code.....	5
1.6 Deferral.....	6
1.7 Deferral Agreement.....	6
1.8 Eligible Deferred Compensation Plan.....	6
1.9 Employee.....	6
1.10 Employer.....	6
1.11 Fund.....	6
1.12 Government Code.....	6
1.13 Includible Compensation.....	6
1.14 Investment Option.....	6
1.15 Normal Retirement Age.....	6
1.16 Participant.....	7
1.17 CalPERS.....	7
1.18 Plan.....	7
1.19 Rehired Employee.....	7
1.20 Required Beginning Date.....	7
1.21 Roth Elective Deferrals.....	7
1.22 Self-Managed Account.....	7
1.23 Severance from Employment.....	7
1.24 Transfer.....	7
1.25 Trustee.....	8
1.26 Unforeseeable Emergency.....	8
1.27 Year.....	8
Article II - Employer Participation.....	8
2.1 Initial Participation.....	8
2.2 Terms of Participation.....	8
2.3 Duration of Employer Participation.....	8
Article III - Employee Participation.....	8
3.1 Eligibility.....	8
3.2 Initial Enrollment.....	9
3.3 Effect of Deferral Agreement.....	9
3.4 Amendment of Deferral Agreement.....	9
3.5 Investment Options.....	9
3.6 Beneficiary Designation.....	10
3.7 Additional Deferrals.....	10
3.8 Roth Elective Deferrals.....	11
Article IV - Deferral Limitations.....	12
4.1 General Limitation.....	12
4.2 Age 50 Catch-up Deferral Contributions.....	12
4.3 Special Section 457 Catch-up Limitation.....	12
4.4 Special Rules.....	12
4.5 Deferrals Prior To or After Severance from Employment, Including Sick, Vacation, and	

Back Pay	13
4.6 Correction of Excess Deferrals.....	14
4.7 Protection of Persons Who Serve in a Uniformed Service	14
Article V - Participant Accounts.....	14
5.1 Crediting of Accounts	14
5.2 Account Balances	15
Article VI - Distributions	15
6.1 Commencement of Distributions upon Severance from Employment	15
6.2 Optional Distribution Forms	15
6.3 Deferred Commencement Date	16
6.4 In-Service Distributions From Rollover Account.....	16
6.5 Cash-outs and Combined Payments	16
6.6 Unforeseeable Emergency Distributions.....	16
6.7 Death Benefits	16
6.8 Uniformed Service Member Distributions.....	18
6.9 Latest Distribution Date.....	18
6.10 Distributions/Rollovers from Fund	19
Article VII – Transfers and In-Plan Conversions.....	20
7.1 Acceptance of Transfers.....	20
7.2 Eligible Rollover Contributions to the Plan	21
7.3 Transfers to other Plans	21
7.4 Transfer Conditions	22
7.5 Permissive Service Credit Transfers	22
7.6 In-Plan Roth Conversions	22
Article VIII – Loans.....	23
8.1 Loans.....	23
8.2 Maximum Loan Amount.....	23
8.3 Terms of Loan	23
8.4 Security for Loan; Default.....	23
8.5 Repayment	24
Article IX - Participant Rights.....	25
9.1 Participants' Interest in the Fund	25
9.2 Benefits Based on Account Balances	25
9.3 Nonassignability	25
9.4 Transfers under Domestic Relations Orders	25
9.5 Release from Liability to Participant	25
9.6 Participation in Legal Proceedings	26
Article X - Terms of Fund Investments	26
10.1 Use of Fund.....	26
10.2 Administration of Fund.....	26
10.3 Investment Options.....	26
10.4 Fund Investments.....	27
10.5 Valuation and Accounting.....	27
10.6 Redemption Restrictions	27
Article XI - Administration of Plan.....	28
11.1 Duties of Board	28
11.2 Delegation of Authority	28
11.3 Duties of Employer.....	28

11.4	Plan Expenses.....	29
11.5	Communications from Participants	29
11.6	Communications to Employers	29
11.7	Communications to Participants.....	29
11.8	Time Periods	30
Article XII - General Provisions.....		30
12.1	Amendment.....	30
12.2	Effect on Employment.....	30
12.3	Binding Contract	30
12.4	Supplementary Information and Procedures.....	30
12.5	Incompetence of Payee	30
12.6	Inability to Locate Beneficiary.....	31
12.7	Applicable Law.....	31

The purpose of the California Public Employees' Deferred Compensation Plan (the "Plan") is to provide deferred compensation for California public employees that elect to participate in the Plan. This Plan is established pursuant to Sections 21670 through 21685 of the Government Code of the State of California and is intended to constitute an "eligible deferred compensation plan" within the meaning of Section 457 of the Federal Internal Revenue Code. Except as otherwise provided herein, this amendment and restatement of the Plan is effective January 1, 2020.

Article I - Definitions

The following terms when used herein shall have the following meaning:

1.1 Account: The bookkeeping account maintained with respect to each Participant which reflects the value of the deferred compensation credited to the Participant, including the Participant's Deferrals, the earnings or loss of the Fund (net of Fund expenses) allocable to the Participant, any Transfers for the Participant's benefit, and any distributions made to the Participant or the Participant's Beneficiary.

If a Participant has more than one Beneficiary at the time of the Participant's death, then a separate Account Balance shall be maintained for each Beneficiary. The Account Balance includes any account established under Section 7.2 for rollover contributions and plan-to-plan transfers made for a Participant, the account established for a Beneficiary after a Participant's death, and any account or accounts established for an alternate payee (as defined in Section 414(p)(8) of the Code).

1.2 Adoption Agreement: The agreement under which an Employer becomes a participating Employer under this Plan.

1.3 Applicable Required Minimum Distribution (RMD) Age: The Applicable RMD Age is (a) age 70-1/2 if the individual attains age 70-1/2 prior to January 1, 2020; (b) age 72 if the individual attains age 70-1/2 after December 31, 2019 and age 72 before January 1, 2023; (c) age 73 if the individual attains age 72 after December 31, 2022 and age 73 before January 1, 2033; or (d) age 75 if the individual attains age 74 after December 31, 2032. Notwithstanding the foregoing, the Applicable RMD Age will be the age prescribed by Section 401(a)(9) of the Code, including any regulations thereunder.

1.4 Beneficiary: The person or persons designated by the Participant to receive distributions from the Participant's Account after the Participant's death. A designated person may include, but is not limited to, one or more of the following: an individual, trust, corporation or firm, or the estate of the Participant. A designation shall be made on a Board-approved beneficiary designation form.

1.5 Board: The Board of Administration of CalPERS.

1.6 Code: The Federal Internal Revenue Code of 1986, as amended from time to time.

1.7 Deferral: An amount credited to a Participant's Account by reason of the Participant's agreement to contribute a portion of his or her salary or wages to the Plan.

1.8 Deferral Agreement: The agreement between an Employer and an Employee, including any amendments thereto, which specifies the amount of Deferrals to be made by the Employee. Each Deferral Agreement or amendment thereto shall be made or confirmed in writing under procedures established by the Board.

1.9 Eligible Deferred Compensation Plan: An eligible governmental plan as defined in Section 1.457-2(f) of the Income Tax Regulations.

1.10 Employee: Any individual who is a common law employee of an Employer and is a member of CalPERS or for whom the Board is otherwise authorized to administer this Plan under the Government Code. An Employee does not include an independent contractor.

1.11 Employer: Any political subdivision of the State of California, or any agency or instrumentality of the State of California or political subdivision of the State of California for which the Board is authorized to administer this Plan under the Government Code and that has become a participating employer under this Plan pursuant to Article 2. Where required by the context, references to the Employer shall mean the current or former Employer of the Employee or Participant.

1.12 Fund: The Public Employees' Deferred Compensation Fund that has been established as part of the Plan pursuant to Section 21676 of the Government Code. For purposes of Section 9.1 of this Plan, the Fund shall not include the asset management and services account maintained pursuant to Section 21678 of the Government Code.

1.13 Government Code: Those statutes of the State of California that have been codified as the Government Code.

1.14 Includible Compensation: A Participant's compensation, as defined in Section 415(c)(3) of the Code, for services performed for the Employer. Includible Compensation shall be determined without regard to any community property laws.

1.15 Investment Option: One of the available alternatives for crediting investment earnings to a Participant's Account, which shall be based upon the performance of one or a combination of the investment portfolios maintained under the Fund.

1.16 Normal Retirement Age: The age used to determine the three-year period in which a Participant may utilize the catch-up limitation under Section 4.3. A Participant may designate as his or her Normal Retirement Age an age that is not earlier than age 62 and that is not later than age 70-1/2. Notwithstanding the preceding sentence, a Participant may designate as his or her Normal Retirement Age an age that is earlier than age 62 if the Participant can demonstrate that such age is not earlier than the age the Participant will attain in the earliest Year in which the

Participant will be eligible to retire without actuarial or similar reduction under CalPERS or another retirement system.

Once a Participant has utilized the catch-up limitation under Section 4.3 or under a comparable provision of another Eligible Deferred Compensation Plan that Participant's Normal Retirement Age may not thereafter be changed. An Employer sponsoring more than one Eligible Deferred Compensation Plan may not permit a Participant to have more than one Normal Retirement Age under the Eligible Deferred Compensation Plans it sponsors.

1.17 Participant: Any Employee or former Employee for whom a Deferral has been credited under the Plan and for whom an Account is maintained.

1.18 CalPERS: The California Public Employees' Retirement System.

1.19 Plan: The California Public Employees' Deferred Compensation Plan established pursuant to Sections 21670 through 21685 of the Government Code, the terms of which are set forth in this Plan document. To the extent required under Section 457 of the Code, each Employer's participation in this Plan shall be treated as a separate plan, and each Employer's separate plan shall be deemed to include any other Eligible Deferred Compensation Plan maintained by that Employer.

1.20 Rehired Employee: An Employee who has had a Severance from Employment with an Employer, and thereafter becomes an Employee of that Employer. An Employee shall be treated as a Rehired Employee on the date he or she becomes reemployed with the Employer.

1.21 Required Beginning Date: April 1st of the Year following the Year of a Participant's attainment of the Applicable RMD Age or Severance from Employment, whichever is later.

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

1.23 Self-Managed Account: A brokerage account established by a Participant through which such Participant makes self-directed investments with respect to amounts reflected in the Participant's account.

1.24 Severance from Employment: The date that the Employee dies, retires, or otherwise has a severance from employment with the Employer, as determined by the Employer (and taking into account guidance issued under the Code). A Rehired Employee shall no longer be treated as having a Severance from Employment upon the date of his or her rehire.

1.25 Transfer: An amount credited to a Participant's Account by reason of a transfer from another Eligible Deferred Compensation Plan.

1.26 Trustee: The Board of Administration of CalPERS.

1.27 Unforeseeable Emergency: A severe financial hardship of the Participant resulting from: an illness or accident of the Participant, the Participant's spouse, the Participant's domestic partner pursuant to a state domestic relations law who is a designated primary Beneficiary or the Participant's dependent (as defined in Section 152(a) of the Code, without regard to Section 152(b)(1), (b)(2), and (d)(1)(B)); loss of the Participant's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); the need to pay for the funeral expenses of the Participant's spouse or dependent (as defined in Section 152(a) of the Code, without regard to Section 152(b)(1), (b)(2), and (d)(1)(B)); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. For example, the imminent foreclosure of or eviction from the Participant's primary residence may constitute an Unforeseeable Emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an Unforeseeable Emergency. A need to send a child to college or to purchase a new home shall not constitute an Unforeseeable Emergency.

1.28 Year: A calendar year.

Article II - Employer Participation

2.1 Initial Participation: This Plan shall be available to the Employees of an Employer only if the Employer has executed an Adoption Agreement and provided the Board with such information as the Board deems necessary to administer the Plan on behalf of the Employer. CalPERS, in its sole discretion, will decide whether an Employer may participate in this Plan.

2.2 Terms of Participation: By executing an Adoption Agreement, an Employer agrees to adhere to all terms and conditions of the Plan, as amended from time to time, to invest all Deferrals and Transfers in the Fund, and to follow all administrative procedures established by the Board. Except as otherwise provided herein, the terms of this Plan shall apply on a uniform basis to all Employers participating hereunder. The Board may, in its sole discretion, upon sixty (60) days advance written notice terminate an Adoption Agreement with an Employer for participation of its Employees in the Plan.

2.3 Duration of Employer Participation: In the event that an Employer withdraws from participation in the Plan, all amounts credited to the Accounts of the Employer's participating Employees will continue to be held in the Fund and will be distributed in accordance with the terms of the Plan, except to the extent of any transfers from the Plan pursuant to Section 7.3.

Article III - Employee Participation

3.1 Eligibility: Except as provided in Section 21670 of the Government Code, all Employees of an Employer shall be eligible to participate in the Plan. Notwithstanding the above, an Employee

who is a minor may only participate in this Plan to the extent he or she may enter into an enforceable contract that cannot be disaffirmed by the minor.

3.2 Initial Enrollment: In order to become a Participant, an Employee must enter into a Deferral Agreement pursuant to any procedures established by the Board; provided, however, that prior to January 1, 2023, such Deferral Agreement shall become effective no earlier than the calendar month following the month in which the agreement is made. A Deferral Agreement will be given effect only if the Deferral amount elected therein satisfies whatever minimum the Board may establish, and the Employee provides all information called for on the agreement form.

3.3 Effect of Deferral Agreement: Commencing with the effective date of an Employee's Deferral Agreement, his or her gross salary or wages shall be reduced by the Deferral amount specified in the Deferral Agreement. Deferrals shall continue to be made in such amount unless and until the Deferral Agreement is amended or the Employee has a Severance from Employment with the Employer. Subject to the limitations of Article 4, Deferrals shall not be subject to Federal or California income tax withholding and shall not be reported as gross income on the Employee's annual wage statement (Form W-2). However, Deferrals shall be subject to FICA taxation when earned.

3.4 Amendment of Deferral Agreement: A Participant may amend or revoke his or her Deferral Agreement at any time pursuant to any procedures established by the Board; provided, however, that prior to January 1, 2023, no change in the amount of a Participant's Deferrals will become effective until the calendar month following the month in which the Deferral Agreement is amended.

3.5 Investment Options: Upon initial enrollment in the Plan, the Participant's future Deferral will be invested in the Plan's designated "default" option for investment of contributions unless the Participant makes an affirmative investment election to the contrary prior to the date his or her Deferral is first invested. To the extent the Participant does not wish to have his or her contributions invested in the designated "default" Investment Option, the Participant may designate another Investment Option or Investment Options to which his or her Deferrals are to be allocated or elect to make investments through a Self-Managed Account. A Participant may thereafter re-allocate his or her Account balance among the available Investment Options or through a Self-Managed Account. The minimum amounts or percentages that may be allocated among Investment Options and/or through a Self-Managed Account, and the timing and frequency of re-allocations, shall be subject to such limitations and procedures as the Board may from time to time establish. In addition, investments and trading with respect to a Self-Managed Account will be subject to any rules or restrictions adopted by the third party provider that administers such accounts. The Board, in its sole discretion, may make available to Participants certain investment guidance services or investment advice services through a third party provider. Such services may be utilized only at the voluntary election of a Participant and shall not limit a Participant's responsibility for the allocation of his or her Accounts in and among the Investment Options. The Board may eliminate the availability of such services at any time.

3.6 Beneficiary Designation:

(a) Upon enrollment, the Participant shall designate a Beneficiary to receive distributions from the Participant's Account in the event of the Participant's death. Such designation shall be made in a form and manner prescribed by the Board. A Participant may change his or her designated Beneficiary at any time, provided that an amended Beneficiary designation shall be given effect only if it is made by the Participant in a form and manner prescribed by the Board and delivered to a Plan representative (or post-marked for delivery) prior to the Participant's death. The Board may allow a Beneficiary designation or change in Beneficiary designation to be made through use of an electronic medium to the extent permitted by applicable law. The last Beneficiary designation made by the Participant and delivered to a Plan representative as described above shall revoke all prior Beneficiary designations. A Participant may designate any person or persons as Beneficiaries, subject to the limitations in (b) below. The Board shall apply the provisions of this Section to determine the proper persons to whom payment shall be made, and the decisions of the Board shall be final, binding, and conclusive on all interested persons for all purposes.

(b) If a Participant is married or in a registered domestic partnership and the Participant designates a Beneficiary who is not the Participant's spouse or domestic partner, such designation shall not be effective unless and until the spouse or domestic partner consents in writing in a form and manner prescribed by the Board.

(c) If a Participant designates more than one Beneficiary, but does not specify the percentage of benefits for each, then all designated Beneficiaries shall be entitled to equal shares of the benefits payable upon the Participant's death.

(d) Upon the death of a Participant, if there is no designated Beneficiary, or if no designated Beneficiary survives the Participant for a period of fifteen (15) days, or if a beneficiary designation form is not in good order, 100% of the Participant's benefits shall be paid to the Participant's survivors in the following order:

- (1) The Participant's spouse or registered domestic partner.
- (2) The Participant's natural or adopted children.
- (3) The Participant's parents.
- (4) The Participant's estate.

3.7 Additional Deferrals: An Employer may make additional Fund investments with respect to any Employee, resulting in additional credits to the Account of such Employee. Any such additional credits shall be treated as Deferrals for all purposes of the Plan. The Employer shall notify the Board of any such additional Deferrals, and each Employee for whom such Deferrals are to be made must complete a Deferral Agreement, regardless of whether elective Deferrals are to be made by such Employee.

3.8 Roth Elective Deferrals:

(a) General Application. Employers may elect to allow their Employees to make Roth Elective Deferrals in accordance with this Section 3.8. This Section will apply to Deferrals beginning on the effective date that an Employer adopts this Section, but in no event before March 1, 2019. As of such date, the Plan will accept Roth Elective Deferrals made on behalf of a Participant who is an Employee of an Employer that has adopted this Section. A Participant's Roth Elective Deferrals will be allocated to a separate sub-account maintained for such Deferrals as described in subpart (b) below. Unless specifically stated otherwise, Roth Elective Deferrals will be treated as Deferrals for all purposes under the Plan.

(b) Separate Accounting. Contributions and withdrawals of Roth Elective Deferrals will be credited and debited to a separate Roth Elective Deferral sub-account maintained within the Participant's Account. The Plan will maintain a record of the amount of Roth Elective Deferrals in each Participant's Account. Gains, losses, and other credits or charges must be separately allocated on a reasonable and consistent basis to each Participant's Roth Elective Deferral sub-account and the remaining portion of the Participant's Account under the Plan. No contributions other than Roth Elective Deferrals, adjusted in accordance with Article 5, will be credited to a Participant's Roth Elective Deferral sub-account.

(c) Rollovers and Transfers.

(1) Notwithstanding Sections 6.10 and 7.3, a direct rollover or transfer of a distribution from a Roth Elective Deferral sub-account under the Plan will only be made to another Roth Elective Deferral account under an applicable retirement Plan described in Section 402A(e)(1) of the Code or to a Roth IRA described in Section 408A of the Code, and only to the extent the rollover is permitted under the rules of Section 402(c) of the Code.

(2) Notwithstanding Article 7, the Plan will accept a rollover contribution to a Roth Elective Deferral sub-account only if it is a direct rollover or transfer from another Roth Elective Deferral account under an applicable retirement Plan described in Section 402A(e)(1) of the Code and only to the extent the rollover is permitted under the rules of Section 402(c) of the Code.

(3) Eligible rollover distributions from a Participant's Roth Elective Deferral sub-account are taken into account in determining whether the total amount of the Participant's Account balances under the Plan exceeds \$1,000 for purposes of Section 6.5 of the Plan.

(d) Correction of Excess Contributions. In the case of a distribution of excess contributions, the Plan shall distribute pre-tax Deferrals and earnings thereon first.

(e) Contributions and Distributions. In the absence of an affirmative election to the contrary, all Deferrals contributed to the Plan shall be designated as pre-tax Deferrals. Loans from a Participant's Account must be made and repaid from pre-tax available sources and/or Roth Elective Deferrals, subject to any ordering rules established by the Board. Participants may

designate whether hardship withdrawals from their account will reduce pro-rata their Roth or their pre-tax available sources.

Article IV - Deferral Limitations

4.1 General Limitation: Except as provided in Section 4.2 or 4.3, a Participant's Deferrals for a Year shall not exceed the lesser of: (a) the Applicable Dollar Amount, or (b) the Participant's Includible Compensation for the Year.

The Applicable Dollar Amount is the amount established under Section 457(e)(15) of the Code as may be amended from time to time. The Applicable Dollar Amount is adjusted for the cost-of-living from time to time to the extent provided under Section 415(d) of the Code.

4.2 Age 50 Catch-up Deferral Contributions: A Participant who will attain age 50 or more by the end of the Year is permitted to elect an additional amount of Deferrals as permitted under the Code ("Age 50 Catch-up"). The maximum annual Age 50 Catch-up is the amount established by the Code (as indexed) and is subject to the limitations of Section 414(v) of the Code. The maximum dollar amount of the Age 50 Catch-up Deferrals is adjusted for the cost-of-living from time to time to the extent provided under the Code.

4.3 Special Section 457 Catch-up Limitation: If a Participant has designated a proper Normal Retirement Age in the manner established by the Board, and if the amount determined under this Section 4.3 exceeds the amount computed under Sections 4.1 and 4.2, then for one or more of the three (3) Years ending before the Year in which a Participant attains that Normal Retirement Age, the Participant's Deferrals shall not exceed the lesser of:

(a) An amount equal to 2 times the Section 4.1 Applicable Dollar Amount for such year, or

(b) The sum of:

(1) An amount equal to (A) the aggregate Section 4.1 limit for the current year plus each prior calendar year beginning after December 31, 2001 during which the Participant was an Employee under the Plan, minus (B) the aggregate amount of salary and wages that the Participant deferred under the Plan during such years, plus

(2) An amount equal to (A) the aggregate limit referred to in Section 457(b)(2) of the Code for each prior calendar year beginning after December 31, 1978 and before January 1, 2002 during which the Participant was an Employee (determined without regard to Sections 4.2 and 4.3), minus (B) the aggregate contributions to Pre-2002 Coordination Plans for such years.

4.4 Special Rules: For purposes of this Section 4, the following rules shall apply:

(a) Participant Covered By More Than One Eligible Plan. If the Participant is or has been a participant in one or more other eligible plans within the meaning of Section 457(b) of the Code, then this Plan and all such other plans shall be considered as one plan for purposes of applying the

foregoing limitations of this Section 4. For this purpose, the Employer shall take into account any other such eligible plan maintained by the Employer and shall also take into account any other such eligible plan for which the Employer receives from the Participant sufficient information concerning his or her participation in such other plan.

(b) Pre-Participation Years. In applying Section 4.3, a year shall be taken into account only if (i) the Participant was eligible to participate in the Plan during all or a portion of the year and (ii) salary and wages, if any, under the Plan during the year was subject to the Basic Annual Limitation described in Section 4.1 or any other plan ceiling required by Section 457(b) of the Code.

(c) Pre-2002 Coordination Years. For purposes of Section 4.3(b)(2)(B), “contributions to Pre-2002 Coordination Plans” means any employer contribution, salary reduction or elective contribution under any other eligible Code Section 457(b) plan, or a salary reduction or elective contribution under any Code Section 401(k) qualified cash or deferred arrangement, Code Section 402(h)(1)(B) simplified employee pension (SARSEP), Code Section 403(b) annuity contract, and Code Section 408(p) simple retirement account, or under any plan for which a deduction is allowed because of a contribution to an organization described in Section 501(c)(18) of the Code, including plans, arrangements or accounts maintained by the Employer or any employer for whom the Participant performed services. However, the contributions for any calendar year are only taken into account for purposes of Section 4.3(b)(2)(B) to the extent that the total of such contributions does not exceed the aggregate limit referred to in Section 457(b)(2) of the Code for that year.

(d) Disregard Excess Deferral. For purposes of Sections 4.1, 4.2 and 4.3, an individual is treated as not having deferred compensation under a plan for a prior taxable year to the extent Excess Deferrals under the plan are distributed, as described in Section 4.6. To the extent that the combined deferrals for pre-2002 years exceeded the maximum deferral limitations, the amount is treated as an Excess Deferral for those prior years.

4.5 Deferrals Prior To or After Severance from Employment, Including Sick, Vacation, and Back Pay:

A Participant who has not had a Severance from Employment may elect to defer accumulated sick pay, accumulated vacation pay, and back pay under the following terms and pursuant to any procedures established by the Board:

(a) Deferrals attributable to accumulated sick pay, accumulated vacation pay, and back pay may be deferred for any calendar month only if an agreement providing for the Deferral is entered into before the amounts would otherwise be paid or made available and the Participant is an Employee on the date the amounts would otherwise be paid or made available (provided, however, that prior to January 1, 2023, such Deferrals may be deferred for any calendar month only if an agreement providing for the Deferral is entered into before the beginning of the month in which the amounts would otherwise be paid or made available and the Participant is an Employee on the date the amounts would otherwise be paid or made available), or

(b) Deferrals attributable to accumulated sick pay, accumulated vacation pay, and back pay may be made for former Employees with respect to compensation described in Section 1.415(c)-2(e)(3)(i) of the Income Tax Regulations (relating to certain compensation paid by the later of 2½ months following Severance From Employment or the end of the limitation year that includes the date of severance from employment), compensation described in Section 1.415(c)-2(g)(4) of the Income Tax Regulations (relating to compensation paid to participants who are permanently and totally disabled), and compensation relating to qualified military service under Section 414(u) of the Code.

4.6 Correction of Excess Deferrals: If the Deferrals on behalf of a Participant for any calendar year exceed the limitations described above, or the Deferrals on behalf of a Participant for any calendar year exceed the limitations described above when combined with other amounts deferred by the Participant under another Eligible Deferred Compensation Plan for which the Participant provides information that is accepted by the Employer, then the Deferral, to the extent in excess of the applicable limitation (adjusted for any income or loss in value, if any, allocable thereto), shall be distributed to the Participant.

4.7 Protection of Persons Who Serve in a Uniformed Service: An Employee whose employment is interrupted by qualified military service under Section 414(u) of the Code or who is on a leave of absence for qualified military service under Section 414(u) of the Code may elect to make additional Deferrals upon resumption of employment with the Employer equal to the maximum Deferrals that the Employee could have elected during that period if the Employee's employment with the Employer had continued (at the same level of salary or wages) without the interruption or leave, reduced by the Deferrals, if any, actually made for the Employee during the period of the interruption or leave. This right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption or leave). 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 shall be entitled to receive any additional benefits (other than additional credits described in Section 3.7 or similar 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 Severance from Employment on account of death.

Article V - Participant Accounts

5.1 Crediting of Accounts: All Deferrals and Transfers with respect to a Participant shall be credited to the Participant's Account as of the date such amounts are invested in the Fund in accordance with the procedures established by the Board. The Employer shall remit to CalPERS all Deferrals and Transfers directed by Participants to be invested in the Fund as soon as reasonably practicable after such amounts are withheld from the Participant's salary or wages or are available from the transferor plan, as applicable, and in no event longer than is reasonable for the proper administration of Participant accounts.

5.2 Account Balances: The value, or balance, of each Participant's Account shall equal the aggregate value of the Fund investments held with respect to the Participant, based on the Investment Options selected by the Participant, and the method of valuation established by the Board. Each Participant shall periodically receive a statement which shows his or her Account balance and summarizes any credits or other transactions since the preceding statement. In the event that an individual has participated in this Plan by reason of employment with two or more Employers, separate Accounts shall be maintained for such individual with respect to each employment relationship.

Article VI - Distributions

6.1 Commencement of Distributions upon Severance from Employment or Attainment of the Applicable RMD Age without a Severance from Employment: Upon a Participant's Severance from Employment with an Employer (including a Severance from Employment described in Section 6.8), or upon a Participant's attainment of the Applicable RMD Age without a Severance from Employment with an Employer, the Participant may elect to receive distributions under one of the optional distribution forms described in Section 6.2, or the Participant may elect a deferred commencement date under Section 6.3. If no election is made by the date the Participant attains the Applicable RMD Age (or, if later, 30 days after the Participant's Severance from Employment), distributions shall commence in accordance with Section 6.9. If a Participant who has not attained the Applicable RMD Age becomes a Rehired Employee, then following the date of rehire, he or she shall no longer be entitled to commence distributions on account of a Severance from Employment occurring prior to becoming a Rehired Employee. Further, any outstanding distributions which commenced prior to such a Participant becoming a Rehired Employee shall be discontinued following the date of such Participant's rehire to the extent such distributions were on account of a Severance from Employment.

6.2 Optional Distribution Forms: Prior to the commencement date under Section 6.1 or Section 6.3, as applicable, the Participant may elect to have his or her Account distributed in one of the following forms:

- (a) a single lump sum payment;
- (b) installment payments for a period of years (payable on an annual, semi-annual, quarterly, or monthly basis) which extends no longer than the life expectancy of the Participant or such longer period as permitted under Section 6.9(b);
- (c) partial lump sum payment of a designated amount;
- (d) any combination of the above forms of distribution; or
- (e) such other form of installment payments as may be approved by the Board consistent with the limitations of Section 6.9.

The Participant or a Beneficiary, after a Participant's death, may request a change to the form of

distribution initially elected under this Section. Any such election must be made in writing at least 60 days prior to the effective date of the change. The Participant's distributions made under a subsequent election shall be under one of the optional distribution forms described in this Section.

6.3 Deferred Commencement Date: A Participant may elect a deferred commencement date for part or all of the Participant's Account balance at any time prior to the calendar year the Participant attains the Applicable RMD Age (or, if later, 30 days after the Participant's Severance from Employment). Such date may not be later than the Participant's Required Beginning Date.

6.4 In-Service Distributions From Rollover Account: If a Participant has a separate account attributable to rollover contributions to the Plan, the Participant may at any time elect to receive a distribution of all or any portion of the amount held in the rollover account under any optional distribution form described in Section 6.2.

6.5 Cash-outs and Combined Payments: The Board reserves the right to adopt guidelines, which shall be uniformly applied to all Plan Participants and Beneficiaries, under which Account balances below a specified level may be distributed in a lump sum upon Severance from Employment or at a deferred commencement date and installment payments below a specified amount may be combined and paid at less frequent intervals (but not less frequently than annually).

Subject to the limitations of Sections 457(e)(9)(A) and 457(d)(3) of the Code and Section § 1.457-6(e)(1) of the Treasury regulations, and at the direction of the Board, a Participant's Account balance shall be distributed in a lump sum without the Participant's consent, provided that (i) the Participant's Account balance does not exceed \$1,000, (ii) no Deferral has been credited to the Participant's Account in the preceding twenty-four (24) months, and (iii) no prior payment has been made to the Participant under Section 6.1 or this Section 6.5.

6.6 Unforeseeable Emergency Distributions:

In the event of an Unforeseeable Emergency prior to or after the commencement of distributions, a Participant may apply to receive that part of the value of the Participant's Account that is reasonably needed to satisfy the emergency need, including any income tax resulting from the distribution. Payment will not be made to the extent that the financial hardship may be satisfied through cessation of Deferrals, insurance or other reimbursement, or a liquidation of other assets to the extent such liquidation would not itself cause severe financial hardship. The Board, or its delegate, shall determine whether a Participant is entitled to a distribution on account of an Unforeseeable Emergency, provided that the Board, or its delegate, may require the Employer to substantiate an Unforeseeable Emergency at its request.

6.7 Death Benefits: Upon the Participant's death, the Participant's remaining Account balance shall be payable to the Beneficiary as soon as reasonably practicable after the Participant's death, unless the Beneficiary elects a deferred commencement date that is consistent with the limitations set forth below. Prior to the Beneficiary's commencement date, the Beneficiary may elect to receive

the Participant's remaining Account balance under any optional distribution form described in Section 6.2, provided that the elected distribution form satisfies the limitations set forth below.

(a) If the Participant dies prior to the Participant's Required Beginning Date and the Beneficiary is the Participant's surviving spouse, the commencement date shall be no later than the last day of the Year in which the Participant would have attained the Applicable RMD Age (or, if later, the Year immediately following the Year of the Participant's death) and shall be paid over a period that does not exceed the Beneficiary's life expectancy using the single life table in Section 1.401(a)(9)-9, A-1, of the Income Tax Regulations for the spouse's age on the spouse's birthday for that year.

(b) If the Participant dies prior to the Participant's Required Beginning Date and the Beneficiary is not the Participant's surviving spouse, the entire Account balance shall be distributed no later than (i) the last day of the Year which includes the fifth (5th) anniversary of the Participant's death, or (ii) if distributions to the Beneficiary commence by the last day of the Year immediately following the Year of the Participant's death, the entire Account balance shall be distributed over the Beneficiary's life expectancy determined in the year following the year of the Participant's death using the single life table in Section 1.401(a)(9)-9, A-1, of the Income Tax Regulations for the Beneficiary's age on the Beneficiary's birthday for that year, reduced by one for each year that has elapsed after that year.

(c) If the Participant dies after the Participant's Required Beginning Date or after the commencement of distributions in the form of an annuity, the Beneficiary may not elect to defer the commencement of death benefits, and the Participant's remaining Account shall be distributed at least as rapidly as under the method selected by the Participant.

(d) In the event that a Beneficiary dies before all payments to the Beneficiary have been completed, the remaining value of the Participant's Account shall be paid to the estate of the Beneficiary in a lump sum.

(e) If there are two or more Beneficiaries, the provisions of this Section 6.7 and Section 6.9 shall be applied separately to each Beneficiary with respect to that Beneficiary's share in the Participant's Account.

(f) No Beneficiary shall have any right of recovery against the Employer or the Plan for any distributions that are made in the name of the Participant before a Plan representative has been duly notified of the Participant's death.

(g) If the Participant dies on or after January 1, 2022, the following additional limitations shall apply, in addition to the limitations set forth in Sections 6.7(a)-(e):

(1) Unless the designated Beneficiary meets the requirements of an eligible designated beneficiary, as defined in Code Section 401(a)(9)(E), and whether the Participant dies before or after distribution has begun, a Participant's entire interest will be distributed to the designated Beneficiary by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(2) An eligible designated beneficiary, as defined in Code Section 401(a)(9)(E), may receive distributions over the life of such eligible designated beneficiary, subject to any other limitations set forth in Sections 6.7(a)-(e).

(3) This Section 6 shall be subject to all applicable requirements specified under Code Section 401(a)(9)(H), Section 401 of the Setting Every Community Up for Retirement Enhancement Act of 2019 and any regulatory guidance issued thereunder.

6.8 Uniformed Service Member Distributions: Effective January 1, 2009, a Participant who is performing service in the uniformed services (as defined in chapter 43 of title 38, United States Code) and on active duty for a period of more than 30 days will be treated as if the Participant has experienced a “Severance from Employment” under Section 6.1 above, in accordance with Section 414(u)(12)(B) of the Code. Such Participant may elect to receive a distribution of all or a portion of the Participant’s Account; provided, however, that the Participant will not be required to take a distribution under this Section 6.8. A Participant who elects to receive a distribution pursuant to this Section 6.8 will be precluded from making Deferrals to the Plan during the six (6) month period beginning on the date of such distribution.

6.9 Latest Distribution Date:

(a) In general. In no event shall any distribution under this Section 6 begin later than the Required Beginning Date. If distributions commence in the calendar year following the later of the calendar year in which the Participant attains the Applicable RMD Age or the calendar year in which the Severance from Employment occurs, the distribution on the date that distribution commences must be at least equal to the minimum installment payment for the year that the Participant has a Severance from Employment (determined under paragraph (b)) and an amount at least equal to the minimum installment payment for the year after Severance from Employment (determined under paragraph (b)) must also be paid before the end of the calendar year of commencement.

(b) Minimum installment amount. Unless a lower amount is permitted under Code Section 401(a)(9), the minimum installment amount is the amount payable equal to a fraction of the Account balance equal to one divided by the distribution period set forth in the Uniform Lifetime Table at Section 1.401(a)(9)-9, A-2, of the Income Tax Regulations for the Participant's age on the Participant's birthday for that year. If the Participant's age is less than age 70, the distribution period is 27.4 plus the number of years that the Participant's age is less than age 70. The Account balance for this calculation (other than the final installment payment) is the Account balance as of the end of the year prior to the year for which the distribution is being calculated.

(c) Extended 2020 RMDs. Notwithstanding Section 6.7 and this Section 6.9, a Participant or Beneficiary who would have been required to receive a RMD in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Section 401(a)(9)(I) of the Code (“2020 RMDs”), and who would have satisfied that requirement by receiving distributions that are either (1) equal to the 2020 RMDs, or (2) one or

more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Participant's designated Beneficiary, or for a period of at least 10 years ("Extended 2020 RMDs"), will not receive those distributions for 2020 unless the Participant or Beneficiary affirmatively elects, at the time and in the manner prescribed by the Board, to receive such distributions. In addition, notwithstanding other provisions of the Plan, and solely for applying the direct rollover provisions of the Plan, 2020 RMDs and Extended 2020 RMDs are treated as eligible rollover distributions for 2020.

6.10 Distributions/Rollovers from Fund:

(a) In general. Except as otherwise provided herein, all distributions shall be made directly from the Fund to the Participant or Beneficiary. To the extent required by law, income and other taxes shall be withheld from each benefit payment, and payments shall be reported to the appropriate governmental agency or agencies.

(b) Rollover Distributions. A Participant, the surviving spouse of a Participant (or a Participant's former spouse who is the alternate payee under a domestic relations order, as defined in Section 414(p) of the Code), or a nonspouse Beneficiary who is entitled to an eligible rollover distribution may elect, at the time and in the manner prescribed by the Board, to have all or any portion of the distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover.

(c) Definitions. For purposes of this Section 6.10, an eligible rollover distribution means any distribution of all or any portion of a Participant's Account balance, except that an eligible rollover distribution does not include (a) any installment payment under Section 6.2 for a period of 10 years or more (b) any distribution made under Section 6.6 as a result of an unforeseeable emergency, or (c) for any other distribution, the portion, if any, of the distribution that is a required minimum distribution under Section 401(a)(9). In addition, an eligible retirement plan means 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 qualified trust described in Section 401(a) of the Code, an annuity plan described in Section 403(a) or 403(b) of the Code, an eligible governmental plan described in Section 457(b) of the Code, or a Roth individual retirement account described in Section 408A of the Code, that accepts the eligible rollover distribution, provided however that with respect to a nonspouse Beneficiary who is entitled to an eligible rollover distribution, an eligible retirement plan shall mean an individual retirement account or an individual retirement annuity that will be treated as an inherited IRA.

6.11 Qualified Birth or Adoption Distributions:

(a) A Participant's Account may be distributed on or after January 1, 2020 as a qualified birth or adoption distribution. A qualified birth or adoption distribution is any distribution of up to \$5,000 (or such other amount as may be announced by the Internal Revenue Service in generally applicable guidance) from the Plan to a Participant if made during the one-year period beginning

on the date the child of the Participant is born or the legal adoption by the Participant of an eligible adoptee is finalized. A distribution of up to \$5,000 (or such other amount as may be announced by the Internal Revenue Service in generally applicable guidance) for each child can be made with respect to multiple births and adoptions if the distribution is made within the one-year period following the date on which the children are born, or the adoptions are finalized. An eligible adoptee is defined as any individual who either: (1) has not attained age 18, or (2) is physically or mentally incapable of self-support. An individual is physically or mentally incapable of self-support if they are unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or to be of long continued and indefinite duration, as supported by medical evidence. Absent actual knowledge to the contrary, the Board may accept the Participant's certification that any requested distribution under this Section satisfies the above-described criteria.

(b) A Participant who receives one or more qualified birth or adoption distributions under the Plan is entitled to recontribute the distributions (not to exceed the amount of the distributions) if the Participant is eligible to make a rollover contribution to the Plan at the time of recontribution. A Participant who makes a recontribution to the Plan will be treated as having received the distributions in an eligible rollover distribution and as having transferred the amount to the Plan in a direct trustee-to-trustee transfer within 60 days of the distribution.

6.12 Temporary Coronavirus-Related Distributions:

(a) A Participant's Account may be distributed as a coronavirus-related distribution. A coronavirus-related distribution is any distribution made from the Plan on or after January 1, 2020, and before December 31, 2020, to a qualified individual, as defined in Section 2202(a)(4)(A)(ii) of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and Section 1B of Notice 2020-50, which does not exceed, in the aggregate, \$100,000.

(b) A Participant who receives a coronavirus-related distribution that is eligible for tax-free rollover treatment may recontribute all or a portion of the coronavirus-related distribution at any time during the three-year period beginning the day after the date of a coronavirus-related distribution made under the Plan. The recontribution of a coronavirus-related distribution that is eligible for tax-free rollover treatment and made within the three-year period described above will be treated as a rollover contribution to the Plan.

Article VII – Transfers and In-Plan Conversions

7.1 Acceptance of Transfers: Participants who are participants in another Eligible Deferred Compensation Plan may transfer assets to the Plan as provided in this Section 7.1. Such Transfer is permitted only if the other plan provides for the direct transfer of each Participant's interest therein to the Plan, and shall be in cash or other property that the Board accepts for investment in the Fund. The Transfer shall be credited to the Participant's Account Balance and shall be held, accounted for, administered and otherwise treated in the same manner as a Deferral by the

Participant under the Plan, except that the Transfer shall not be considered a Deferral in determining the maximum Deferral amounts under Article IV.

7.2 Eligible Rollover Contributions to the Plan:

(a) A Participant who is an Employee and who is entitled to receive an eligible rollover distribution from another eligible retirement plan may request to have all or a portion of the eligible rollover distribution paid to the Plan. The Board may require such documentation from the distributing plan as it deems necessary to effectuate the rollover in accordance with Section 402 of the Code and to confirm that such plan is an eligible retirement plan within the meaning of Section 402(c)(8)(B) of the Code.

(b) For purposes of this Section 7.2, an eligible rollover distribution means any distribution of all or any portion of a Participant's benefit under another eligible retirement plan, except that an eligible rollover distribution does not include (1) any installment payment for a period of 10 years or more, (2) any distribution made as a result of an unforeseeable emergency or other distribution which is made upon hardship of the employee, or (3) for any other distribution, the portion, if any, of the distribution that is a required minimum distribution under Section 401(a)(9) of the Code. In addition, an eligible retirement plan means 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 qualified trust described in Section 401(a) of the Code, an annuity plan described in Section 403(a) or 403(b) of the Code, or an eligible governmental plan described in Section 457(b) of the Code, that accepts the eligible rollover distribution.

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

7.3 Transfers to Other Plans:

(a) At the election of a Participant, all or a portion of the Participant's Account balance may be transferred to another Eligible Deferred Compensation Plan maintained by the Employer or another employer of the Participant. A transfer is permitted under this Section 7.3 for a Participant only under the conditions described in paragraphs (b)(2), (3) and (4) of Section 1.457-10(b) of the Income Tax Regulations (relating to post-severance plan-to-plan transfers, plan-to-plan transfers of all plan assets, and plan-to-plan transfers among eligible governmental plans of the same employer) and provided that the Participant is an employee of the entity that maintains the other Eligible Deferred Compensation Plan. Further, a transfer is permitted under this Section 7.3 only if the other Eligible Deferred Compensation Plan provides for the acceptance of plan-to-plan transfers with respect to the Participants and Beneficiaries and for each Participant and Beneficiary to have an amount deferred under the other plan immediately after the transfer at least equal to the

amount transferred, and provided that the transfer is otherwise in accordance with Section 457(e)(10) of the Code and Section 1.457-10(b) of the Income Tax Regulations.

(b) In connection with an Employer withdrawal from participation in the Plan, such Employer may direct the transfer of all Participant Account balances to another Eligible Deferred Compensation Plan, provided that such other plan accepts transfers and the transfer is otherwise in accordance with Section 457(e)(10) of the Code and Section 1.457-10(b) of the Income Tax Regulations.

7.4 Transfer Conditions: The Board reserves the right to limit the terms and conditions under which Transfers will be accepted from or made to other Eligible Deferred Compensation Plans, including requiring such documentation from the other plan as it deems necessary to effectuate the transfer in accordance with Section 457(e)(10) of the Code and Section 1.457-10(b) of the Income Tax Regulations and to confirm that the other plan is an Eligible Deferred Compensation Plan.

7.5 Permissive Service Credit Transfers: If a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in Section 414(d) of the Code) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant may elect to have any portion of the Participant's Account balance transferred to such defined benefit governmental plan as may be permitted by such defined benefit governmental plan. A transfer under this Section 7.5 may be made before the Participant has had a Severance from Employment; provided, however, that such a transfer may be made only if the transfer is either for the purchase of permissive service credit (as defined in Section 415(n)(3)(A) of the Code) under the receiving defined benefit governmental plan or a repayment to which Section 415 of the Code does not apply by reason of Section 415(k)(3) of the Code.

7.6 In-Plan Roth Conversions: The Board may, but shall not be required to, permit in-plan Roth conversions in accordance with this Section 7.6. If the Board permits in-plan Roth conversions, then a Participant, a surviving spouse Beneficiary, or a Participant's former spouse who is the alternate payee under a domestic relations order, as defined in Section 414(p) of the Code may elect to irrevocably transfer any portion of the Participant's Account (other than the Roth Elective Deferral sub-account) to the Participant's Roth Elective Deferral sub-account, in accordance with Code Section 402A(c)(4) and applicable guidance thereunder. Any such transfer shall be direct, unless the transferred amount is otherwise distributable. The Plan will maintain such records as are necessary for the proper reporting of in-plan Roth conversions. Within the Roth Elective Deferral sub-account, the Plan will separately account for amounts converted pursuant to this Section 7.6 that were distributable at the time of conversion, amounts converted pursuant to this Section 7.6 that were not distributable at the time of conversion, and rollovers from other plans of Roth elective deferrals or Roth in-plan conversion amounts, as well as any gains or losses attributable thereto. Such amounts shall be subject to the rules that apply to Roth Elective Deferrals under Section 3.8, except that the converted amount shall not be considered in determining the maximum Deferral amounts under Article IV. Provided further, to the extent such amounts were distributable at the time of conversion, they shall be subject to the distribution rules that apply to eligible rollover distributions that are paid to the Plan, and to the extent such amounts

were not distributable at the time of conversion, they shall continue to be subject to any distribution constraints that applied to the amounts prior to conversion.

Article VIII – Loans

8.1 Loans: A Participant who is an Employee of an Employer that has adopted the Loan Provision for its Employees may apply for and receive a loan from his or her Account Balance as provided in this Section 8. Any such loan may not be for an amount less than \$1,000.

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

- (a) \$50,000, reduced by the greater of (i) the outstanding balance on any loan from the Plan to the Participant on the date the loan is made or (ii) the highest outstanding balance on loans from the Plan to the Participant during the one-year period ending on the day before the date the loan is approved by the Plan (not taking into account any payments made during such one-year period), or
- (b) one half of the value of the Participant's vested Account Balance (as of the Valuation Date immediately preceding the date on which such loan is approved by the Plan).

For purposes of this Section 8.2, any loan from any other plan maintained by a participating Employer shall be treated as if it were a loan made from the Plan, and the Participant's vested interest under any such other plan shall be considered a vested interest under this Plan; provided, however, that the provisions of this paragraph shall not be applied so as to allow the amount of a loan under this Section 8.2 to exceed the amount that would otherwise be permitted in the absence of this paragraph.

8.3 Terms of Loan: The terms of the loan shall:

- (a) require level amortization with payments not less frequently than quarterly throughout the repayment period, except that alternative arrangements for repayment may apply in the event that the borrower is on an bona fide unpaid leave of absence for a period not to exceed one year for leaves other than a qualified military leave within the meaning of Section 414(u) of the Code or for the duration of a leave which is due to qualified military service;
- (b) require that the loan be repaid within five years; and
- (c) provide for interest at a rate equal to one percentage point above the prime rate as published in the Wall Street Journal on the first business day of the month in which the loan is approved by the Plan.

8.4 Security for Loan; Default:

- (a) Security. Any loan to a Participant under the Plan shall be secured by the pledge of the portion of the Participant's interest in the Plan invested in such loan.

(b) Default. In the event that a Participant fails to make a loan payment under this Section 8 within the last day of the quarter following the quarter when the payment is due, a default on the loan shall occur. The rules that apply in the event of such a default shall be governed by separate loan procedures to be adopted by the Board.

8.5 Repayment: The Participant shall be required, as a condition to receiving a loan, to enter into an irrevocable agreement authorizing the Employer to make payroll deductions from his or her Compensation as long as the Participant is an Employee and to transfer such payroll deduction amounts to the Trustee in payment of such loan plus interest. Repayments of a loan shall be made by payroll deduction of equal amounts (comprised of both principal and interest) from each paycheck, with the first such deduction to be made as soon as practicable after the loan funds are disbursed; provided however, that a Participant may prepay the entire outstanding balance of his loan at any time (but may not make a partial prepayment); and provided, further, that if any payroll deductions cannot be made in full because a Participant is on an unpaid leave of absence or the Participant's paycheck is insufficient for any other reason, the Participant shall either repay the loan in full in accordance with procedures established by the Board, or to the extent permitted by the Board, pay directly to the Plan the full amount that would have been deducted from the Participant's paycheck, with such payment to be made by the last business day of the calendar month in which the amount would have been deducted. If a Participant with an outstanding loan balance has a Severance from Employment, the Participant may repay the loan in full in accordance with procedures established by the Board or continue to make repayments on the loan according to the loan's amortization schedule by paying such amounts directly to the Plan by the last business day of the calendar month for which the payment is attributable.

8.6 Temporary Expanded Loan Provisions:

(a) The Plan permits coronavirus-related loans. A loan to a Participant may be treated as a coronavirus-related loan, subject to the requirements of this Section 8.6(a). A coronavirus-related loan is a loan made from the Plan on or after March 27, 2020, and before September 23, 2020, to a qualified individual, as defined in Section 2202(a)(4)(A)(ii) of the CARES Act and Section 1B of Notice 2020-50, which does not exceed the lesser of: (1) \$100,000 (minus outstanding Plan loans of the individual), or (2) the individual's vested benefit under the Plan and other retirement plans maintained by the Employer. Absent actual knowledge to the contrary, the Board may accept the Participant or Beneficiary's certification that the above-described criteria are satisfied.

(b) If a loan is outstanding on or after March 27, 2020, and any repayment on the loan is due from March 27, 2020, to December 31, 2020, the due date for that repayment may be delayed under the Plan for up to one year. Any payments after the suspension period must be adjusted to reflect the delay and any interest accruing during the delay, and the period of delay must be disregarded in determining the five-year period and the term of the loan under Code Sections 72(p)(2)(B) and (C).

Article IX - Participant Rights

9.1 Participants' Interest in the Fund: The Fund shall constitute a trust held for the exclusive benefit of Participants and Beneficiaries under the Plan. The Board is the Trustee of the Fund. No part of the corpus or income of the Fund shall be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries, and no Employer or creditor of an Employer shall have any interest in or claim against any part of the assets of the Fund.

9.2 Benefits Based on Account Balances: The benefits payable to each Participant (and his or her Beneficiary) shall be measured by and limited to the amounts properly credited to the Participant's Account. A Participant shall have no claim under the Plan for any loss or diminution of his or her Account balance that is attributable to any loss in the value of the investment portfolios of the Fund that correspond with the Investment Options selected by the Participant or in connection with any other investment selected by the Participant through a Self-Managed Account.

9.3 Nonassignability: Except as provided in Section 9.4, and except for a return of Employer contributions made under a mistake of fact and returned without interest within twelve (12) months of the contribution, the rights of a Participant or Beneficiary under this Plan may not be sold, assigned, pledged, committed, transferred, or otherwise conveyed, and any attempt to assign or transfer rights or benefits under this Plan shall not be recognized. Except as otherwise required by law, the rights of a Participant or Beneficiary under this Plan shall not be subject to attachment, garnishment, or execution, or to transfer by operation of law in the event of bankruptcy or insolvency of the Participant or Beneficiary or otherwise.

9.4 Transfers under Domestic Relations Orders: To the extent required under a final judgment, decree, or order (including approval of a property settlement agreement) made pursuant to a state domestic relations law, any portion of a Participant's Account may be paid or set aside for payment to a spouse, former spouse, or child of the Participant. Where necessary to carry out the terms of such an order, a separate account shall be established with respect to the spouse, former spouse, or child who shall be entitled to choose Investment Options in the same manner as the Participant. Any amount so set aside for a spouse, former spouse, or child shall be paid out in a lump sum, unless the judgment, decree, or order directs a different form of payment. The Board also may adopt administrative procedures to permit payment to be made without regard to whether the Participant is eligible for a distribution under the Plan. Nothing in this Section 9.4 shall be construed to authorize any amount to be distributed under the Plan at a time or in a form that is not permitted under Section 457 of the Code.

9.5 Release from Liability to Participant: A Participant's right to receive benefits under the Plan shall be reduced to the extent that any portion of a Participant's Account has been paid or set aside for payment to a spouse, former spouse, or child pursuant to Section 9.4 or to the extent that the Employer or the Plan is otherwise subject to a binding judgment, decree, or order for the attachment, garnishment, or execution of any portion of the Participant's Account or of any distributions therefrom. The Participant shall be deemed to have released the Employer and the Plan from any claim with respect to such amounts in any case in which (i) the Employer, the Plan, or

any Plan representative has been served with legal process or otherwise joined in a proceeding relating to such amounts, (ii) the Participant has been notified of the pendency of such proceeding in the manner prescribed by the law of the jurisdiction in which the proceeding is pending for service of process or by mail from the Employer or a Plan representative to the Participant's last known mailing address, and (iii) the Participant fails to obtain an order of the court in the proceeding relieving the Employer and the Plan from the obligation to comply with the judgment, decree, or order.

9.6 Participation in Legal Proceedings: Neither the Employer nor any Plan representative shall be obligated to incur any cost to defend against or set aside any judgment, decree, or order relating to the division, attachment, garnishment, or execution of the Participant's Account or of any distribution therefrom. Notwithstanding the foregoing, if the Employer, the Plan, or a Plan representative is joined in any such proceeding, a Plan representative shall take such steps as it deems necessary and appropriate to protect the terms of the Plan.

Article X - Terms of Fund Investments

10.1 Use of Fund: Except as otherwise provided herein, the Fund shall serve as the exclusive investment vehicle for amounts held under this Plan. By executing an Adoption Agreement, each participating Employer shall agree to accept the terms and conditions of Fund investments set forth herein and to invest all Deferrals and Transfers with respect to its Employees in the Fund. Except as otherwise authorized by the Board, Fund investments shall be restricted to participating Employers that have adopted this Plan.

10.2 Administration of Fund: As provided in Section 21677 of the Government Code, the Board has the exclusive control of the administration and investment of the Fund. As provided in Section 21676 of the Government Code, the Board may retain a bank or trust company to serve as a custodian for safekeeping, recordkeeping, delivery, securities valuation, investment performance reporting, or other services in connection with the investment of the Fund. In addition, the Board may retain one or more investment managers or investment advisors to manage or participate in the management of the investment portfolios of the Fund. All expenses and fees incurred in the administration of the Fund shall be treated as Plan expenses under Section 11.4.

10.3 Investment Options: The Board shall establish such Investment Options as it deems necessary to provide Participants with a diversified range of alternatives, including but not limited to Investment Options of the type described in Section 21673 of the Government Code. The Board may designate a "default" Investment Option under the Plan in accordance with the procedures and investment policy established by the Board. Each Investment Option shall be based upon the investment performance of one or a combination of separate investment portfolios maintained under the Fund. The Board shall specify the investment objectives and characteristics of each Investment Option and the corresponding investment portfolio or portfolios and shall provide Employers and eligible Employees with a written description of each available Investment Option. The Board, in its sole discretion, may add, eliminate, or consolidate Investment Options and corresponding investment portfolios from time to time. In the event that an Investment Option is

eliminated, the Board shall provide prior notice of such elimination, and if the Participants whose Accounts were wholly or partially allocated to that Investment Option do not make a re-allocation, the Board shall re-allocate such amounts to the available Investment Option or Investment Options that the Board in its sole discretion deems most comparable to the eliminated Investment Option.

10.4 Fund Investments: Subject to the limitations of applicable law and such further limitations as the Board may establish, each investment portfolio of the Fund may hold any form of investment that is consistent with its investment objectives. Without limiting the generality of the foregoing, the investment portfolios may hold equity or debt securities (other than securities issued by any Employer), fixed or variable annuity contracts (including deposit administration contracts) issued by life insurance companies, certificates of deposit or fixed rate investment contracts issued by a bank or similar institution, and such short-term instruments or deposits as the Board deems necessary to satisfy the liquidity needs of the Fund. In addition, each investment portfolio may hold shares, units, or participating interests in regulated investment companies, common or collective trust funds maintained by banks or similar institutions, investment partnerships, or other pooled investment funds or trusts that may issue participating interests to Eligible Deferred Compensation Plans. Notwithstanding the foregoing, the Board, in its sole discretion, may also permit Participants to invest in a Self-Managed Account. Amounts invested by a Participant in a Self-Managed Account will be retained within the Plan and a Participant may be required to sell or exchange such investments and/or transfer amounts invested through a Self-Managed Account into one or more Investment Options made available under the Fund before taking a distribution from the Plan. Unlike the Investment Options made available under the Fund, the investments available under the Self-Managed Account are not selected, reviewed, or monitored by the Board. The Board may eliminate the availability of Self-Managed Accounts at any time.

10.5 Valuation and Accounting: Each investment portfolio of the Fund shall be valued at least monthly, and the value of each Participant's Account shall be determined by reference to the portion of the Participant's Account allocable to each investment portfolio. The valuation of each investment portfolio shall reflect income received and accrued, realized and unrealized gains and losses, and allocable Fund expenses. The value of each Participant's interest in an investment portfolio may be measured in units, shares, or dollars. In addition, the Board shall maintain records showing the value of the Fund investments allocable to all Participants (and deceased Participants) whose entitlement to benefits under the Plan is attributable to employment with each participating Employer.

10.6 Redemption Restrictions: No Employer shall have any right to redeem, revoke, sell, or otherwise liquidate any contribution to or investment in the Fund, except as may be necessary to:

- (a) effectuate a Participant's election to transfer all or a portion of his or her Account balance to another Eligible Deferred Compensation Plan pursuant to Section 7.3(a);
 - (b) effectuate a transfer of Participant Account balances to another Eligible Deferred Compensation Plan as part of an Employer's withdrawal from this Plan pursuant to Section 7.3(b);
- or

- (c) correct an investment in the Fund made by reason of a mistake of fact.

Nothing in paragraphs (a) through (c), above, shall give any Employer the right to redeem, revoke, sell, or otherwise liquidate any Fund investment, unless the Board or its designee has been provided with adequate evidence of the Employer's right to do so.

Article XI - Administration of Plan

11.1 Duties of Board: Except as provided in Section 11.3, the administration of the Plan shall be under the exclusive control of the Board. The decisions of the Board shall be final, binding, and conclusive on all interested persons for all purposes. No member of the Board shall be entitled to act on or decide any matters relating solely to himself or herself or any of his or her rights or benefits under the Plan. To the maximum extent permitted by law, each member of the Board shall be held harmless for all acts performed in good faith in connection with the Plan.

11.2 Delegation of Authority: The Board may delegate to any individual member of the Board, any employee or employees of CalPERS, or any independent contractor the authority to act as the Board's agent with respect to any matter within the control of the Board, provided that any such delegation of authority shall be subject to revocation by the Board. Any act that the Board is required or authorized to perform under the terms of this Plan, including any communication to be made or received by the Board and the adoption of any supplementary guidelines or procedures, may be performed by an agent of the Board, provided such person is acting within the scope of that person's delegation of authority from the Board. To the maximum extent permitted by law, each employee of CalPERS shall be held harmless for any act performed in good faith in connection with the Plan.

11.3 Duties of Employer: In accordance with procedures established by the Board, the Employer shall be responsible:

- (a) to assure that participation in the Plan is limited to Employees of the Employer and to make the Plan available to all eligible Employees;
- (b) to assure that Deferrals are properly deducted from the salaries and wages of participating Employees and remitted on a timely basis and as soon as reasonably practicable to the Fund, in no event longer than is reasonable for the proper administration of Participant accounts, and to report the amount of such Deferrals on Employee's wage statements in the manner required under applicable law;
- (c) to assure that Deferrals, taking account of amounts deferred under any other Eligible Deferred Compensation Plan maintained by the Employer, do not exceed the limitations described in Article 4;
- (d) to approve distribution elections and applications, except as otherwise provided herein, in accordance with the requirements of Article 6;

- (e) to assure that an Employee's Severance from Employment described in Section 1.24 is reported to CalPERS timely and in the manner prescribed by the Board.
- (f) to provide the Board with such information and in such form as the Board deems necessary for the proper administration of the Plan; and
- (g) to carry out such other responsibilities as the Employer and the Board may agree.

11.4 Plan Expenses: The expenses of administering the Plan and Fund, including (i) expenses incurred by the Board in the administration of the Plan and Fund, (ii) fees and expenses approved by the Board for investment advisory, custodial, recordkeeping, and other plan administration and communication services, and (iii) any other expenses or charges allocable to the Plan or the Fund that have been approved by the Board shall be charged to the Fund or, as appropriate, to a particular Investment Option or Investment Options under the Fund and shall be reflected in Participants' Account balances as provided in Section 5.2. Brokerage fees, transfer taxes, and any other costs incident to the purchase or sale by the Fund of securities or other investments shall be deemed to be part of the cost of such securities or investments or deducted in computing the sales proceeds therefrom and shall be accounted for accordingly. Notwithstanding the foregoing, the Board reserves the right, as provided in Section 21675 of the Government Code, to enter into arrangements with Employers under which specified administration costs are borne by such Employers or charged against additional Deferrals under Section 3.7 at the time invested in the Fund.

11.5 Communications from Participants: All enrollments, elections, designations, applications and other communications by or from an Employee, Participant, Beneficiary, or legal representative of any such person regarding that person's rights under the Plan shall be made in the form and manner established by the Board and shall be deemed to have been made and delivered only upon actual receipt by the person designated by the Board to receive such communication. Neither the Board nor the Employer shall be required to give effect to any such communication that is not made on the prescribed form and in the prescribed manner and that does not contain all information called for on the prescribed form. The Employer shall promptly furnish the Board or its designee a copy of any such communication that is delivered or transmitted to the Employer.

11.6 Communications to Employers: All notices, statements, reports, and other communications from the Board to any Employer shall be deemed to have been duly given when delivered, including electronic delivery, or when mailed by first class mail, to the official of the Employer who has been designated by the Employer in connection with its Adoption Agreement (or as a modification of the information provided in connection with its Adoption Agreement) to receive such communications.

11.7 Communications to Participants: All notices, statements, reports, and other communications from the Board or an Employer to any Employee, Participant, Beneficiary, or legal representative of any such person shall be deemed to have been duly given when delivered,

including electronic delivery, or when mailed by first class mail, to such person at his or her last mailing address appearing on the Plan records.

11.8 Time Periods: As necessary or desirable to facilitate the proper administration of the Plan and consistent with the requirements of Section 457 of the Code, the Board may further restrict the time periods during which a Participant or Beneficiary is required to make any election under the Plan, including the making or amending of a Deferral Agreement, the making or amending of Investment Option selections, the election of distribution commencement dates or distribution forms.

Article XII - General Provisions

12.1 Amendment: Subject to the requirements of the Government Code, the Board reserves the right at any time to amend or modify the Plan without the consent of any Employer, Participant, or Beneficiary. The Board shall give notice of any such amendment or modification to participating Employers. Except as may be required to maintain the status of the Plan as an Eligible Deferred Compensation Plan under Section 457 of the Code or to comply with other applicable law, no amendment or modification shall impair any individual's right to benefits under the Plan or expand any Employer's obligation to provide benefits with respect to amounts previously credited to Participants' Accounts.

12.2 Effect on Employment: Nothing contained herein shall give any Employee the right to be retained in the employment of an Employer or affect the right of an Employer to terminate any Employee's employment.

12.3 Binding Contract: The terms of this Plan, as duly amended from time to time, shall constitute a contract between each Participant and the Employer and shall be binding, as applicable, upon their heirs, administrators, trustees, successors, assigns, and Beneficiaries.

12.4 Supplementary Information and Procedures: Any explanatory brochures, pamphlets, or notices distributed by the Board to Employees, Participants, Beneficiaries, or Employers shall be distributed for information purposes and shall not override any provision of this Plan or give any person any claim or right not provided for under this Plan. Notwithstanding the foregoing, to the extent that the terms of this Plan document authorize the Board to adopt supplementary guidelines or procedures, any publication announcing such guidelines or procedures may be relied upon by the persons to whom it is distributed, unless and until modified by a subsequent publication. Any procedural requirement described in any such publication shall be binding upon the Employee, Participant, Beneficiary, or Employer, as applicable, to the same extent as if such requirement were set forth in this Plan document.

12.5 Incompetence of Payee: If an Employer or the Board shall find that any person to whom any amount is payable under the Plan is unable to care for his or her affairs, is a minor, or has died, any payment due him or her, or his or her estate, may be paid to his or her spouse, a child, a relative, or any other person maintaining or having custody of such person, unless a prior claim

therefor has been made by a duly appointed legal representative. Any such payment shall be a complete discharge of all liability under the Plan thereof.

12.6 Inability to Locate Beneficiary: Each Participant and each Beneficiary designated by the Participant (to the extent the Participant is deceased) shall be responsible for filing with the Board the Participant's or Beneficiary's (as applicable) current mailing address and other contact information that may be requested by the Board. Any communication, statement or notice addressed to a Participant or Beneficiary at the mailing address on file with the Board shall be binding on the Participant and each Beneficiary for all purposes of the Plan. If the Board notifies a Participant or Beneficiary at such mailing address that the Participant or Beneficiary is entitled to payment, and the Participant or Beneficiary fails to claim his or her benefits or is not able to be located after reasonable diligence within three (3) years after such notification, the Participant's or Beneficiary's benefits shall escheat to the state of California, to the extent permitted by applicable law.

12.7 Applicable Law: This Plan shall be construed under the laws of the State of California and in conformity with the requirements of Section 457 of the Code and all regulations thereunder applicable to Eligible Deferred Compensation Plans.

**RESOLUTION TO AMEND AND RESTATE
THE CALIFORNIA PUBLIC EMPLOYEES'
DEFERRED COMPENSATION PLAN**

WHEREAS, the Board of Administration (“Board”) of the California Public Employees’ Retirement System (“CalPERS”) administers the California Public Employees’ Deferred Compensation Plan, as amended and restated effective March 1, 2019 (the “Plan”);

WHEREAS, section 12.1 of the Plan reserves to the Board the right to amend or modify the Plan at any time;

WHEREAS, the Chief, Pension Contract & Prefunding Programs Division (“PCPP”), holds delegated authority to conduct and approve plan amendments to the Plan on behalf of CalPERS;

WHEREAS, certain changes in the law resulting from the 2019 *Setting Every Community Up for Retirement Enhancement Act* (“SECURE Act”), the *Coronavirus Aid, Relief, and Economic Security Act* (“CARES Act”), and the *SECURE 2.0 Act of 2022* (“SECURE 2.0 Act”) affect the Plan;

WHEREAS, the Plan was amended effective January 1, 2020 to increase the required beginning date in accordance with changes made by the SECURE Act to Internal Revenue Code section 401(a)(9) that took effect on January 1, 2020; and

WHEREAS, the Chief, PCPP, has determined that it is appropriate and necessary to amend and restate the Plan in order to incorporate certain additional changes made by the SECURE Act, the CARES Act and the SECURE 2.0 Act.

NOW THEREFORE, BE IT RESOLVED, that the Plan is amended and restated in substantially the form attached hereto effective as of January 1, 2020.

Executed this 17 day of May, 2023.

**CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT
SYSTEM BOARD OF ADMINISTRATION**



By: Melody Benavides

Title: Division Chief

Date: 5/17/23

**FIRST AMENDMENT TO
THE CALIFORNIA PUBLIC EMPLOYEES'
DEFERRED COMPENSATION PLAN**
as amended and restated effective January 1, 2020

WHEREAS, the Board of Administration (“Board”) of the California Public Employees’ Retirement System (“CalPERS”) administers the California Public Employees’ Deferred Compensation Plan, as amended and restated effective January 1, 2020 (the “Plan”);

WHEREAS, section 12.1 of the Plan reserves to the Board the right to amend or modify the Plan at any time;

WHEREAS, the Chief, Pension Contract & Prefunding Programs Division (“PCPP”), holds delegated authority to conduct and approve plan amendments to the Plan on behalf of CalPERS;

WHEREAS, the Plan was amended and restated effective January 1, 2020 in order to incorporate certain changes made by the 2019 Setting Every Community Up for Retirement Enhancement Act, the Coronavirus Aid, Relief, and Economic Security Act, and the SECURE 2.0 Act of 2022 (“SECURE 2.0 Act”);

WHEREAS, the Plan currently provides that participating employers may elect to allow their employees to make Roth Elective Deferrals (as defined in the Plan) to the Plan; and

WHEREAS, the Chief, PCPP, has determined that the Plan should be amended to permit the Plan to accept Roth Elective Deferrals from all participants, regardless of whether their employers previously elected to allow their employees to make Roth Elective Deferrals, in order to incorporate certain additional changes made by the SECURE 2.0 Act.

NOW THEREFORE, the Plan is hereby amended as follows, effective January 1, 2024:


1. Section 3.8(a) is amended to read as follows:

“(a) General Application. Effective January 1, 2024, Participants may elect to make Roth Elective Deferrals in accordance with this Section 3.8. As of such date, the Plan will accept Roth Elective Deferrals made on behalf of a Participant who is an Employee of an Employer. A Participant’s Roth Elective Deferrals will be allocated to a separate sub-account maintained for such Deferrals as described in subpart (b) below. Unless specifically stated otherwise, Roth Elective Deferrals will be treated as Deferrals for all purposes under the Plan.”

2. In order to set forth the provisions of the Plan in a single document, changes made by this amendment may be incorporated into the most recent restatement of the Plan.

Executed this 7 day of December, 2023.

**CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**



By: Melody Benavides

Title: Division Chief

Date: 12/7/23

Your choice, simplified.

For more information on how to put the CalPERS 457 Plan to work for your employees, please contact CalPERS at **800-696-3907**, or visit the Employer Resource Center at **calpers-sip.com** today!



