

CalPERS 457 Deferred Compensation Plan Document

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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, 2025.

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 73 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. 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.

(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 maximum amount established by the Code (as indexed), including the increased limit, as applicable, for Participants who attain age sixty (60), sixty-one (61), sixty-two (62), or sixty-three (63) before the end of the Year, 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. Effective January 1, 2026, Age 50 Catch-up Deferrals made by a Participant whose FICA wages (as defined in Section 3121 of the Code) from his or her Employer for the preceding calendar year exceeded \$145,000 (indexed for inflation after 2024 as set forth in Code section 414(v)(7)(E)) must be designated as a Roth Elective Deferral, and may not be designated as a pre-tax Deferral, in accordance with and subject to the limitations of Section 414(v) of the Code. Notwithstanding the preceding sentence, if the 2-year administrative transition period described in Internal Revenue Service Notice 2023-62 (regarding the requirements of Code section 414(v)(7)) is extended beyond December 31, 2025 by the Internal Revenue Service, or the requirements of Code section 414(v)(7) are otherwise delayed by regulatory action, the effective date of the preceding sentence shall be the earliest date on which such provision is required to be operationally implemented under applicable law, including applicable regulatory guidance.

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 delegee, shall determine whether a Participant is entitled to a distribution on account of an Unforeseeable Emergency, provided that the Board, or its delegee, 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) Death After December 31, 2021. The provisions of this Section 6.7(a) are effective with respect to Participants who die after December 31, 2021.

(1) Distributions in the Event of Death Before Required Beginning Date. If a Participant dies prior to the Participant's Required Beginning Date, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(A) Surviving Spouse as Sole Beneficiary. If the Participant's sole Beneficiary is his or her surviving spouse, then, except as provided under Section 6.7(a)(1)(E), distributions to the surviving spouse must begin by the later of: December 31 of the calendar year immediately following the calendar year in which the Participant died, or December 31 of the calendar year in which the Participant would have attained the Applicable RMD Age. Unless the ten-year rule or five-year rule is elected pursuant to Section 6.7(a)(1)(E), the minimum amount that must be distributed for each calendar year after the year of the Participant's death is determined based on the surviving spouse's remaining life expectancy. Notwithstanding the foregoing, the surviving spouse may elect to be treated as the Participant for purposes of determining the required minimum distribution for a calendar year.

(B) Non-Spouse Eligible Designated Beneficiary. If a Participant's surviving spouse is not the sole Beneficiary, but the Participant has designated an Eligible Designated Beneficiary, then, except as provided in Section 6.7(a)(1)(E), distributions to the Eligible Designated Beneficiary must begin by December 31 of the calendar year following the calendar year of the Participant's death. Unless the ten-year rule or five-year rule is elected pursuant to Section 6.7(a)(1)(E), the minimum amount that must be distributed for each calendar year after the year of the Participant's death is determined initially using the Beneficiary's age as

of his or her birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(C) No Eligible Designated Beneficiary. If the Participant has a Beneficiary who is not an Eligible Designated Beneficiary or surviving spouse, the Participant's entire interest must be distributed by December 31 of the calendar year that includes the tenth anniversary of the Participant's death.

(D) No Designated Beneficiary. If there is no Beneficiary as of the date of the Participant's death who remains a Beneficiary as of September 30 of the year immediately following the year of the Participant's death, the Participant's entire interest must be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(E) Beneficiaries to Elect Five-Year Rule or Ten-Year Rule. An Eligible Designated Beneficiary under this Section 6.7(a)(1) may elect in writing on an individual basis whether the applicable life expectancy rule under Section 6.7(a)(1)(A) or 6.7(a)(1)(B), or either the ten-year rule under 6.7(a)(1)(C) or the five-year rule under Section 6.7(a)(1)(D), applies to distributions after the death of a Participant who has an Eligible Designated Beneficiary. The election must be made no later than September 30 of the calendar year in which distributions would be required to begin under Section 6.7(a).

(2) Distributions in the Event of Death On or After Required Beginning Date. If a Participant dies on or after the Participant's Required Beginning Date but before his or her entire interest is distributed, distributions to the Participant's Beneficiary must begin no later than December 31 of the year following the year of the Participant's death, and the Participant's remaining interest must be distributed at least as rapidly as under the distribution method used by the Participant as of the date of the Participant's death. The minimum amount that must be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Beneficiary, determined as follows:

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

(B) If the Participant's surviving spouse is the Participant's sole Beneficiary, the applicable distribution period is measured by the surviving spouse's life expectancy using the surviving spouse's birthday for each distribution calendar year after the calendar year of the Participant's death. The surviving spouse's remaining life expectancy is redetermined each distribution calendar year using the surviving spouse's age as of the surviving spouse's birthday in that distribution calendar year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

(C) If the Participant's surviving spouse is not the Participant's sole Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(i) If an Eligible Designated Beneficiary dies before the portion of the Participant's interest is entirely distributed, the remainder of such portion must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Eligible Designated Beneficiary's death.

(ii) If a child who is an Eligible Designated Beneficiary by reason of the child not having reached the age of majority before the Participant's death, reaches the age of majority before the portion of the Participant's interest subject to this Section is entirely distributed, the remainder of such portion must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Eligible Designated Beneficiary's attainment of the age of majority.

(iii) An Eligible Designated Beneficiary for purposes of this Section means a Participant's Designated Beneficiary who, as of the date of the Participant's death, is:

(I) the Participant's surviving spouse,

(II) a child of the Participant who has not reached the age of majority within the meaning of Code section 401(a)(9)(F),

(III) disabled within the meaning of Code section 72(m)(7),

(IV) a chronically ill individual within the meaning of Code section 7702B(c)(2), except that the requirements of subparagraph (A)(i) thereof will be treated as met only if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one that is reasonably expected to be lengthy in nature, or

(V) an individual not described in any of the preceding subsections who is not more than 10 years younger than the Participant.

(D) If the Participant's surviving spouse is not the Participant's sole Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death.

(3) Distribution to Trust or if no Beneficiary. If no Beneficiary is designated (as described in the Treasury Regulations issued with respect to section 401(a)(9) of the Code) or if the Beneficiary is a trust, estate or organization, the entire remaining account balance must be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(b) Death On or Before December 31, 2021. The Provisions of this Section 6.7(b) are effective with respect to Participants who die on or before December 31, 2021.

(1) 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.

(2) 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.

(3) 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.

(c) Additional Beneficiary Requirements, Regardless of Year of Death.

(1) 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.

(2) 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.

(3) 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.

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. Required minimum distributions will be determined under this Section 6.9 beginning with the first distribution calendar year and continuing up to, and including, the distribution calendar year that includes the Participant's date of death. Effective January 1, 2024, this Section 6.9 shall not apply to amounts in a living Participant's Roth Elective Deferral sub-account.

(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) 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, 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 distribution) at any time during the three-year period beginning on the day after the date on which such distribution was received, in the case of distributions made after December 29, 2022, or at any time after such distribution and before January 1, 2026, in the case of distributions made on or before December 29, 2022, 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 Qualified Disaster Distributions and Loans:

(a) Qualified Disaster Recovery Distributions.

(1) Subject to rules established by the Internal Revenue Service and this Section 6.12, a Qualified Individual may request one or more Qualified Recovery Disaster Distributions from the Participant's Account by filing a request with the Board. A Participant's request for a Qualified Recovery Disaster Distribution must include evidence deemed necessary by the Board, and the Board is permitted to rely on reasonable representations of eligibility for a Qualified Recovery Disaster Distribution made by the Participant, absent actual knowledge to the contrary. A request for a Qualified Recovery Disaster Distribution must be made at such time and in such manner as the Board determines.

(2) A Qualified Recovery Disaster Distribution shall be distributed from the Participant's Account in the manner determined by the Board for withdrawals from the Plan. The total amount of Qualified Disaster Recovery Distributions to a Qualified Individual may not exceed the Maximum Amount per Qualified Disaster. Qualified Disaster Recovery Distributions from the Plan to a Qualified Individual may not exceed the amount of the Participant's vested Account Balance.

(3) A Qualified Disaster Recovery Distribution from the Plan may be recontributed to the Plan at any time during the three-year period beginning on the day after the date on which such distribution was received, 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.

(b) Qualified Disaster Recovery Loans. For Qualified Disasters with an Incident Period beginning on or after January 26, 2021, increased loan limits will apply to any Plan loan to a Qualified Individual made during the Applicable Period with respect to the Qualified Disaster. The maximum disaster-related loan under this provision is the lesser of (a) \$100,000 (minus the highest outstanding balance of loans from the Plan during the prior 1-year period), or (b) the Participant's vested Account Balance. For Qualified Disasters with an Incident Period beginning on or after January 26, 2021, if a loan to a Qualified Individual is outstanding on or after the first day of the Incident Period of the disaster, the due date for any repayment with respect to such loan that is due during the period beginning on the first day of the incident period, and ending on the date which is 180 days after the last day of the incident period, will be delayed under the Plan for one year. The period of delay will be disregarded in determining the term of the loan and the level of amortization under Code sections 72(p)(2)(B) and (C). Any payments after the suspension period will be adjusted to reflect the delay and interest accruing during the delay.

(c) Definitions. For purposes of this Section 6.12, the following definitions shall apply:

(1) The "Maximum Amount" with regard to any Qualified Disaster is \$22,000, or a lesser amount specified in the Plan's disaster relief policy.

(2) A "Qualified Disaster" is a disaster declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act after December 27, 2020.

(3) With respect to a Qualified Disaster, the "Disaster Area" is the area with respect to which the Qualified Disaster was declared.

(4) With respect to a Qualified Disaster, the "Incident Period" is the period specified by the Federal Emergency Management Agency as the period during which the Qualified Disaster occurred.

(5) With respect to a Qualified Disaster, the "Applicable Date" is the latest of (1) December 29, 2022, (2) the first day of the Incident Period for the disaster, or (3) the date the disaster was declared by the President.

(6) With respect to a Qualified Disaster, the "Applicable Period" is the period beginning on the first day of the Incident Period of the disaster and ending on the date which is 179 days after the last day of such Incident Period.

(7) A "Qualified Disaster Recovery Distribution" is a distribution to a Qualified Individual with respect to a Qualified Disaster during the Applicable Period.

(8) With respect to a Qualified Disaster, a “Qualified Individual” is an individual whose principal place of abode during the Incident Period of the Qualified Disaster was located in the Disaster Area, and who sustained an economic loss by reason of the Qualified Disaster. Participants, alternate payees and Beneficiaries of deceased Participants can be treated as Qualified Individuals.

6.13 Emergency Personal Expense Distributions:

(a) Subject to rules established by the Internal Revenue Service and this Section 6.13, a Participant may request an EPED from the Participant’s Account by filing a request with the Board. An “EPED” means an emergency personal expense distribution equal to the lesser of \$1,000 or the excess of the Participant’s vested Account Balance over \$1,000, made for purposes of meeting unforeseeable or immediate financial needs relating to necessary personal or family emergency expenses. A Participant’s request for an EPED must include evidence deemed necessary by the Board, and the Board is permitted to rely on reasonable representations of eligibility for an EPED made by the Participant, absent actual knowledge to the contrary. A request for an EPED must be made at such time and in such manner as the Board determines.

(b) An EPED shall be distributed from the Participant’s Account in the manner determined by the Board for withdrawals from the Plan. In no event shall a Participant receive more than one EPED in a calendar year. If a Participant receives an EPED during a calendar year, the Participant shall not be eligible to receive another EPED during the following three calendar years, except where the previous EPED is fully repaid to the Plan pursuant to this Section 6.13, or the aggregate of the Participant’s Deferrals after the previous EPED is at least equal to the amount of the previous EPED that has not been repaid.

(c) An EPED from the Plan may be recontributed to the Plan at any time during the three-year period beginning on the day after the date on which such distribution was received, 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.

6.14 Eligible Distribution to a Domestic Abuse Victim:

(a) Subject to rules established by the Internal Revenue Service and this Section 6.14, a Participant who has been a victim of domestic violence may request a distribution as an eligible distribution to a domestic abuse victim (“EDDAV”) from the Participant’s Account by filing a request with the Board. A Participant’s request for an EDDAV must include evidence deemed necessary by the Board, and the Board is permitted to rely on reasonable representations of eligibility for an EDDAV made by the Participant, absent actual knowledge to the contrary. A request for an EDDAV must be made at such time and in such manner as the Board determines. An EDDAV made under this Section shall be subject to the following conditions:

(1) The EDDAV must be made to the Participant during the one-year period beginning on any date on which the individual is a victim of domestic abuse by a spouse or domestic partner. “Domestic abuse” means physical, psychological, sexual, emotional, or economic abuse, including efforts to control, isolate, humiliate, or intimidate the victim, or to undermine the victim’s ability to reason independently, including by means of abuse of the victim’s child or another family member living in the household;

(2) A Participant may request an EDDAV of up to the lesser of \$10,000 or 50% of the Participant’s vested Account Balance, and such amount shall be distributed from the Participant’s Account in the manner determined by the Board for withdrawals from the Plan; and

(3) An EDDAV from the Plan may be recontributed to the Plan at any time during the three-year period beginning on the day after the date on which such distribution was received, 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.

6.15 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.