

PRINCE GEORGE'S COUNTY
PENSION PLAN
FOR EMPLOYEES REPRESENTED BY THE
PRINCE GEORGE'S CORRECTIONAL OFFICERS' ASSOCIATION, INC.

(As Amended and Restated Effective December 31, 2010)



PRINCE GEORGE'S COUNTY, MARYLAND

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PREAMBLE

The purpose of this document is to set forth the provisions of the Prince George's County Pension Plan for Employees Represented by The Prince George's Correctional Officers' Association, Inc. (hereinafter "the Plan").

The Plan was originally adopted on June 26, 1990 and became effective as of July 1, 1990. The Plan was subsequently amended as follows:

1. First Amendment adopted on December 17, 1990, effective as of December 30, 1990.
2. Second Amendment adopted on December 17, 1990, effective as of July 1, 1990.
3. Third Amendment adopted on May 13, 1991, effective as of July 1, 1991.
4. Fourth Amendment adopted on May 13, 1991, effective as of July 1, 1990.
5. Fifth Amendment adopted on April 10, 1992, effective as of February 1, 1992.
6. Sixth Amendment adopted on June 3, 1992, effective as of July 1, 1992.
7. Seventh Amendment adopted on July 14, 1993, effective as set forth therein.
8. Eighth Amendment adopted on June 22, 1994, effective as of May 1, 1994.
9. Ninth Amendment adopted on October 6, 1995, effective as of July 6, 1995.
10. Tenth Amendment adopted on February 5, 1996, effective as of July 1, 1996.
11. Eleventh Amendment adopted June 12, 1998, effective as of October 9, 1997.
12. Twelfth Amendment adopted November 12, 1998, effective as set forth therein.
13. Thirteenth Amendment adopted April 14, 2000, effective as set forth therein.
14. CB-8-2001 adopted April 10, 2001, effective May 25, 2001.
15. Fourteenth Amendment adopted August 29, 2002, effective July 1, 2001.
16. Fifteenth Amendment adopted January 23, 2004, effective July 1, 2003.
17. Sixteenth Amendment adopted April 18, 2007, effective as set forth therein.
18. CB-18-2008 adopted July 1, 2008, effective August 14, 2008, being the Seventeenth Amendment.
19. Eighteenth Amendment adopted December 16, 2008, effective as set forth therein.
20. Nineteenth Amendment adopted August 25, 2010, effective August 25, 2010.

This document restates the Plan as so amended. All Plan provisions are effective July 1, 1990, unless specifically noted otherwise.

Section 1 - Definitions

1.1 Actual Service. (a) For a Supplemental Participant, Actual Service means service while employed as a Covered Employee on or after the Effective Date of the Plan, plus prior service as a Covered Employee which is credited pursuant to Section 2.3. Actual Service also means the service identified in the Memoranda of Understanding between the County and the Prince George's Correctional Officers' Association, Inc. dated September 25, 1990, and August 8, 1996, as amended on March 9, 2000, copies of which are appended to this Plan. Service shall be credited in units of years and fractional years, with each completed month of service providing 1/12 of a year of service. [Amended 2/5/96, effective 7/1/96; amended 4/14/00, effective 8/8/96]

To the extent required by Federal or State law, Actual Service also includes a period of service in the Armed Forces of the United States that immediately follows service as a Covered Employee, provided that (i) the Covered Employee complies with all of the requirements of Federal or State law in order to be entitled to reemployment and service credit, (ii) the Covered Employee returns to employment with the County within the period provided by such law and (iii) the Covered Employee pays into the Trust Fund the contributions that would have been made during such period by the Covered Employee as required by Section 7.1(c), to the extent that such payment does not violate Federal or State law. [Amended 2/5/96, effective 7/1/96].

(b) For a Comprehensive Participant, (i) Actual Service prior to July 1, 1996, shall equal Actual Service as otherwise calculated under subsection (a) of this definition for which the accumulated contributions of such Covered Employee and the amount of reserve in the State Plan from contributions of the County on account of such Covered Employee have been transferred to the Trust Fund from the State Plan and (ii) Actual Service on and after July 1, 1996, shall be calculated under subsection (a) of this definition, provided that a Comprehensive Participant's total Actual Service shall not exceed the maximum number of years provided in Section 3B.1. [Added 2/5/96, effective 7/1/96]

(c) Notwithstanding the foregoing, Actual Service shall not include any period during which a Participant is on approved leave without pay, unless such Participant pays into the Trust Fund the contributions that would have been made during such period by the Participant pursuant to Section 7.1. [Added 5/13/91, effective 7/1/90]

1.2 Average Annual Compensation. (a) For a Supplemental Participant, Average Annual Compensation means an amount computed by dividing by three the Compensation actually received by a Covered Employee during whatever period of thirty-six consecutive months of Continuous Service will provide the largest total Compensation for any such period. [Amended 2/5/96, effective 7/1/96]

(b) For a Comprehensive Participant, Average Annual Compensation means an amount computed by dividing by two the Compensation actually received by an Employee during whatever period of twenty-four consecutive months of service as an Employee will provide the largest total Compensation for any such period. [Added 2/5/96, effective 7/1/96]

(c) For any Participant who retires on or after July 1, 1991, Average Annual Compensation shall be calculated as if the Participant had received the 7% cost of living increase set forth in Article 22, paragraph C of the collective bargaining agreement dated October 8, 1991, and scheduled to become effective on July 14, 1991, in each case projected through the last day of employment. [Amended 7/14/93, effective 7/1/91]

(d) For any Participant who retires on or after July 1, 1993, Average Annual Compensation shall be calculated as if the Participant had received any step increase the Participant would have otherwise received during the first year of the collective bargaining agreement dated June 10, 1994, but for the deferral of such step increase. This salary shall also be applicable for calculating any leave payouts under the Plan due upon retirement during this period of time. [Added 2/5/96, effective 7/1/93]

(e) For purposes of calculating the pre-retirement death benefit payable to a surviving spouse for a Death in the Line of Duty benefit, Average Annual Compensation shall be calculated by assuming that any posthumously awarded promotion of the Participant applies for all years of service used in the calculation, and by assuming that a Participant with fewer than twenty-four months of service has twenty-four months, and that the compensation earned for imputed months of service equals the average of compensation earned during actual months of service. [Added 7/1/08, effective 8/14/08]

1.3 Beneficiary means any person designated by a Participant to receive death benefits or a joint and survivor pension under this Plan.

1.4 Code means the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder.

1.5 Compensation means the basic compensation actually received by a Covered Employee for services rendered as a Covered Employee for the County, excluding any overtime or other premium pay, bonuses or other additional compensation. For purposes of this Section, Compensation will not be reduced even if a Participant has agreed to a reduction in compensation under (a) the County's deferred compensation plan under Section 457 of the Code, or (b) any statutory fringe benefit program sponsored by the County and permitted by the Code. Compensation taken into account for any purpose under this Plan may not exceed \$200,000 in any year, or such greater amount as may be specified by the Secretary of the Treasury pursuant to Section 401(a)(17) of the Code. [Amended 2/5/96, effective 1/1/96; amended 4/18/07, effective 1/1/07]

1.6 Comprehensive Benefit means a retirement benefit calculated in accordance with Section 3B of this Plan. [Added 2/5/96, effective 7/1/96]

1.7 Comprehensive Participant means a Participant who (A) became a Participant prior to July 1, 1996 and elected to withdraw from the State Plan pursuant to Section 2.4 or (B) became a Participant on or after July 1, 1996. [Added 2/5/96, effective 7/1/96]

1.8 Continuous Service. (a) For a Supplemental Participant, Continuous Service means the most recent unbroken period of employment as a Covered Employee of the County on

or after the Effective Date of the Plan, plus prior service as a Covered Employee which is credited pursuant to Section 2.3. Continuous Service also means the service identified in the Memoranda of Understanding between the County and the Prince George's Correctional Officers' Association, Inc. dated September 25, 1990, and August 8, 1996, as amended on March 9, 2000, copies of which are appended to this Plan. [Amended 5/13/91, effective 7/1/90; amended 4/14/00, effective 8/8/96]

For purposes of determining Continuous Service, employment shall not be deemed to be broken by any of the following:

- (i) Termination of employment followed by reemployment within 180 days of the date of termination.
- (ii) Lay-off followed by reemployment within three years of the date of lay-off.
- (iii) Approved leave without pay of not more than twelve months, or absence due to illness or disability, provided that the Covered Employee (A) returns to the employment of the County at the end of any such period of absence, (B) is not employed during the period of any such absence unless such employment is approved by the County, and (C) makes the contributions required by Section 7.1(b).
- (iv) To the extent required by Federal or State law, service in the Armed Forces of the United States immediately following service as a Covered Employee, provided that (A) the Covered Employee complies with all of the requirements of Federal or State law in order to be entitled to reemployment and service credit, (B) the Covered Employee returns to employment with the County within the period provided by such law and (C) the Covered Employee pays into the Trust Fund the contributions that would have been made during such period by the Covered Employee as required by Section 7.1(c), to the extent that such payment does not violate Federal or State law.

[Amended 2/5/96, effective 7/1/96]

(b) For a Comprehensive Participant, (i) Continuous Service prior to July 1, 1996, shall equal Continuous Service as otherwise calculated under subsection (a) of this definition for which the accumulated contributions of such Covered Employee and the amount of reserve in the State Plan from contributions of the County on account of such Covered Employee have been transferred to the Trust Fund from the State Plan and (ii) Continuous Service on and after July 1, 1996, shall be calculated under subsection (a) of this definition, provided that a Comprehensive Participant's total Continuous Service shall not exceed the maximum number of years provided in Section 3B.1. [Added 2/5/96, effective 7/1/96]

1.9 Converted Sick Leave means New Annual Leave that is converted to sick leave pursuant to Section 3B.5 of the Plan. [Added 4/14/00, effective 7/1/96]

1.10 County means Prince George's County, Maryland.

1.11 County Personnel Law means Subtitle 16 of the Prince George's County Code.
[Added 4/10/92, effective 2/1/92]

1.12 Covered Employee means any Employee who, on or after the Effective Date, is employed Full-time by the County in (i) any position covered by the collective bargaining agreement between the County and the Prince George's Correctional Officers' Association, Inc., (ii) any correctional officer command staff position through the rank of major, and (iii) the job classifications of Correctional Administrator and Deputy Director, but only if prior to promotion to such position, the Employee was a Participant in the Plan, but excluding (a) any person who is actively participating in one of the Prince George's County Plans listed on Schedule A attached to this Plan, (b) any person who is a "Leased Employee" as defined in Section 1.20 and (c) any person employed Full-time by the County as a corrections civilian employee who is paid in accordance with the County's salary schedule Q. [Amended 8/29/02, effective 7/1/01]

1.13 Death in the Line of Duty means a death that occurs as a result of and arising out of or in the course of the actual performance of duty for Prince George's County, Maryland. A death shall not be considered to be a Death in the Line of Duty if: (A) the death was caused by the intentional misconduct of the decedent or by such decedent's intention to bring about such decedent's death; (B) the decedent was voluntarily intoxicated (as defined in section 1204 of the 1968 Omnibus Crime Control and Safe Streets Act) at the time of death; (C) the decedent was performing such duties in a grossly negligent manner at the time of death; or (D) the payment is to an individual whose actions were a substantial contributing factor to the death of the decedent. An eligibility determination at the death of a Participant for the benefits payable as a result of a Death in the Line of Duty shall be made by the Administrative Review Board. [Added 7/1/08, effective 8/14/08]

1.14 Disability Retirement Date means the first day of the month coinciding with or immediately following the date of termination of a Comprehensive Participant's paid employment by the County as a result of a disability coming within the definition of disability in Section 3C.1. [Added 2/5/96, effective 7/1/96]

1.15 Domestic Relations Order means a court order which complies with Section 11.3.
[Added 2/5/96, effective 7/1/96]

1.16 Effective Date means July 1, 1990.

1.17 Eligible Spouse means the person to whom the Participant is married on the date of the election described in Section 5.4 who will receive the lifetime survivor's benefit under the Joint and Survivor Pension. [Added 2/5/96, effective 7/1/96]

1.18 Employee means any person who is employed Full-time by the County.

1.19 Full-time has the meaning given such term in Section 16-120 of the Prince George's County Code.

1.20 Leased Employee means any person who provides services for the County if (a) such services are provided pursuant to an agreement between the County and any other person or leasing organization, (b) such person has performed such services for the County on a substantially full-time basis for a period of at least one year, and (c) such services are of a type historically performed in the business field of the County by Employees. Except as otherwise provided in this Plan, such Leased Employees shall be considered Employees of the County for purposes of this Plan, unless the Leased Employees constitute less than 20% of the County's nonhighly compensated workforce within the meaning of Section 414(n)(5)(C)(ii) of the Code and are covered under a plan maintained by the leasing organization, which plan is a money purchase pension plan with a nonintegrated employer contribution rate of at least 10% and which provides for immediate participation and for full and immediate vesting. For purposes of this definition, a person has performed services on a substantially full-time basis if during a consecutive 12-month period the person has either (i) performed at least 1,500 hours of service for the County, or (ii) performed services for the County for a number of hours at least equal to 75% of the average number of hours that are customarily performed by an Employee of the County in the particular position.

1.21 New Annual Leave means annual leave accumulated after January 4, 1997. [Added 4/14/00, effective 7/1/96]

1.22 New Sick Leave means sick leave accumulated after January 4, 1997. [Added 4/14/00, effective 7/1/96]

1.23 Normal Retirement Date. (a) For a Supplemental Participant, Normal Retirement Date means the first day of the first month coinciding with or immediately following (1) the later of (A) the date on which the Supplemental Participant reaches twenty-five (25) years of service that is both Actual Service and Continuous Service, or would have attained twenty-five (25) years of service that is both Actual Service and Continuous Service had the Supplemental Participant not separated from service as a Covered Employee for the County, and (B) the date on which the Supplemental Participant actually separates from service as a Covered Employee, (2) has then attained State Normal Retirement Date, or (3) the date on which the Supplemental Participant attains age 60, whichever date is earlier. [Amended 4/10/92, effective 2/1/92; Amended 7/14/93, effective 6/30/93; amended 2/5/96, effective 7/1/96]

(b) (i) For a Comprehensive Participant, Normal Retirement Date means the first day of the first month coinciding with or immediately following the later of (1) the date on which the Comprehensive Participant reaches (A) twenty-five (25) years of service that is both Actual Service and Continuous Service or (B) age fifty-five (55), whichever occurs earlier, (2) the date on which the Comprehensive Participant would have attained twenty-five (25) years of service that is both Actual Service and Continuous Service had the Comprehensive Participant not separated from service as a Covered Employee for the County, and (3) the date on which the Comprehensive Participant actually separates from service as a Covered Employee. [Added 2/5/96, effective 7/1/96; amended 4/14/00, effective 7/1/99]

(ii) Notwithstanding the foregoing, effective July 1, 1999, for a Comprehensive Participant, Normal Retirement Date means the first day of the first month coinciding with or

immediately following the later of (1) the date on which the Comprehensive Participant reaches (A) twenty-two and one half (22 1/2) years of service that is both Actual Service and Continuous Service or (B) age fifty-five (55), whichever occurs earlier, (2) the date on which the Comprehensive Participant would have attained twenty-two and one-half (22 1/2) years of service that is both Actual Service and Continuous Service had the Comprehensive Participant not separated from service as a Covered Employee for the County, and (3) the date on which the Comprehensive Participant actually separates from service as a Covered Employee. [Added 4/14/00, effective 7/1/99]

(iii) Notwithstanding the foregoing, effective July 1, 2003, for a Comprehensive Participant, Normal Retirement Date means the first day of the first month coinciding with or immediately following the later of (1) the date on which the Comprehensive Participant reaches (A) twenty (20) years of service that is both Actual Service and Continuous Service or (B) age fifty-five (55), whichever occurs earlier, (2) the date on which the Comprehensive Participant would have attained twenty (20) years of service that is both Actual Service and Continuous Service had the Comprehensive Participant not separated from service as a Covered Employee for the County, and (3) the date on which the Comprehensive Participant actually separates from service as a Covered Employee. [Added 1/23/04, effective 7/1/03]

1.24 Old Annual Leave means annual leave accumulated before January 5, 1997. [Added 4/14/00, effective 7/1/96]

1.25 Old Sick Leave means sick leave accumulated before January 5, 1997. [Added 4/14/00, effective 7/1/96]

1.26 Participant means any Covered Employee who is actually participating in the Plan.

1.27 Plan means the defined benefit retirement plan as herein set forth and as it may be amended from time to time. The Plan may be referred to as "Prince George's County Pension Plan for Employees Represented by the Prince George's Correctional Officers' Association, Inc."

1.28 Plan Year means the calendar year. [Added 2/5/96, effective 7/1/96]

1.29 Retirement Administrator means the person designated as the administrator of the Plan as provided in Section 8.2.

1.30 Service in the Armed Forces of the United States means any full time active or reserve military service in the armed forces or reserve armed forces of the United States prior to a Participant's employment by the County for which the Participant can provide satisfactory proof to the Retirement Administrator. [Added 11/12/98, effective 8/24/98]

1.31 State means the State of Maryland. [Added 2/5/96, effective 7/1/96]

1.32 State Normal Retirement Date means the date on which a Supplemental Participant is eligible to receive a normal retirement benefit from the State Plan. [Added 4/10/92, effective 2/1/92; amended 2/5/96, effective 7/1/96]

1.33 State Plan means the Maryland State Retirement or Pension System, as the case may be, in which a Supplemental Participant also participates. [Added 4/10/92, effective 2/1/92; amended 2/5/96, effective 7/1/96]

1.34 Supplemental Benefit means a retirement benefit calculated in accordance with Section 3 of this Plan. [Added 2/5/96, effective 7/1/96]

1.35 Supplemental Participant means a Participant who does not elect to withdraw from the State Plan under Section 2.4. [Added 2/5/96, effective 7/1/96]

1.36 Transferred Accrued Benefit means the vested accrued benefit credited pursuant to Section 4.4 to a Participant who transfers to the Plan from one of the pension plans of the County listed on Schedule A.

1.37 Transferred Employee Contributions means (i) any employee contributions that are transferred to the Plan from any pension plan of the County listed on Schedule A and deposited in the Trust Fund pursuant to Section 4.4 or 7.6 and (ii) any accumulated contributions that are transferred by the State to the Trust Fund credited to the account of a Participant pursuant to Section 31-304 of the State Personnel and Pensions Article of the Annotated Code of Maryland, or any successor provision. [Added 5/13/91, effective 7/1/90; amended 2/5/96, effective 7/1/96]

1.38 Trust Agreement means the Trust Agreement for the Prince George's Pension Plan for Employees Represented by The Prince George's Correctional Officers' Association, Inc., entered into between the County and the trustee or trustees named therein, as it may be amended from time to time, which Trust Agreement forms a part of the Plan.

1.39 Trust Fund means the assets held in trust by the trustees under the Trust Agreement.

1.40 Trustees means the person or persons who, at the particular time, constitute the Board of Trustees under Article III of the Trust Agreement.

Section 2 - Requirements for Participation

2.1 Who Must Participate.

(a) Every Covered Employee on or after the Effective Date must participate in the Plan, subject to all the provisions of the Plan from time to time in effect.

(b) Every Covered Employee must complete, sign and file with the Retirement Administrator any and all additional forms or other instruments that may be required by the rules adopted from time to time by the Retirement Administrator or by the Trustees.

2.2 Effective Date of Participation.

Every Covered Employee on the Effective Date is a Participant as of the Effective Date. Every Covered Employee who becomes a Covered Employee after the Effective Date is a Participant effective on the first day of employment as a Covered Employee.

2.3 Effect of Participation.

(a) Every Supplemental Participant will have all service as a Covered Employee prior to the effective date of his or her participation credited for purposes of determining Actual Service and Continuous Service under the Plan, except for any service as a Covered Employee which is used to compute a vested accrued benefit under any County Pension Plan listed on Schedule A attached hereto, including any Transferred Accrued Benefit. [Amended 5/13/91, effective 7/1/90; amended 4/10/92, effective 2/1/92; amended 2/5/96, effective 7/1/96]

(b) Every Comprehensive Participant will have all service as a Covered Employee prior to July 1, 1996 credited for purposes of determining Actual Service and Continuous Service under the Plan as provided in Sections 1.1, 1.8 and 2.4. [Added 2/5/96, effective 7/1/96]

2.4 Supplemental Participants; Comprehensive Participants.

(a) Except as provided in subsections (b) and (c), every Participant shall be a Supplemental Participant and shall not be eligible for a Comprehensive Benefit.

(b) Every Covered Employee who becomes a Participant on or after July 1, 1996 shall be a Comprehensive Participant and shall not be eligible for a Supplemental Benefit.

(c) (i) Each Supplemental Participant on March 15, 1996 must either (A) elect to cease participating in the State Plan and become a Comprehensive Participant or (B) elect to continue to be a Supplemental Participant. Such election must be made in the form and within the time limits established by the Retirement Administrator and is irrevocable.

(ii) An election to become a Comprehensive Participant is effective on July 1, 1996. Any Supplemental Participant who declines to cease participating in the State Plan pursuant to subsection (c)(i), forfeits the right to do so.

(iii) Upon the effective date of the election described in subsection (c)(i)(A) and the transfer of the contributions described in subsection (iv), the Comprehensive Participant will be eligible for a Comprehensive Benefit in accordance with the Plan and will no longer be eligible for any Supplemental Benefit (except for any Transferred Accrued Benefit credited to such Participant pursuant to Section 4.4).

(iv) Upon the withdrawal of a Participant from the State Plan on June 30, 1996 pursuant to an election made under subsection (c)(i)(A), the accumulated contributions of such Participant and the amount of reserve in the State Plan from contributions of the County on account of such Participant shall be transferred to the Trust Fund promptly. Upon such transfer,

such amounts shall be treated as employee and employer contributions, as applicable, for all purposes under the Plan.

(d) (i) Each eligible Supplemental Participant on June 1, 1999 must either (A) elect to cease participating in the State Plan and become a Comprehensive Participant or (B) elect to continue to be a Supplemental Participant. Such election must be made in the form and within the time limits established by the Retirement Administrator and is irrevocable. Any Supplemental Participant who has applied for disability retirement with the State Plan or who has documented a disabling condition which may prevent them from performing the essential functions of a Correctional Officer is ineligible to become a Comprehensive Participant pursuant to this paragraph (d).

(ii) An election to become a Comprehensive Participant is effective on July 1, 1999. Any Supplemental Participant who declines to cease participating in the State Plan pursuant to subsection (d)(i), forfeits the right to do so.

(iii) Upon the effective date of the election described in subsection (d)(i)(A) and the transfer of the contributions described in subsection (iv), the Comprehensive Participant will be eligible for a Comprehensive Benefit in accordance with the Plan and will no longer be eligible for any Supplemental Benefit (except for any Transferred Accrued Benefit credited to such Participant pursuant to Section 4.4).

(iv) Upon the withdrawal of a Participant from the State Plan on June 30, 1999 pursuant to an election made under subsection (d)(i)(A), the accumulated contributions of such Participant and the amount of reserve in the State Plan from contributions of the County on account of such Participant shall be transferred to the Trust Fund promptly. Upon such transfer, such amounts shall be treated as employee and employer contributions, as applicable, for all purposes under the Plan.

[Paragraphs (a) - (c) added 2/5/96, effective 7/1/96; paragraph (d) added 4/14/00, effective 6/1/99]

Section 3 - Supplemental Benefit Accrual and Amounts

The rate of Supplemental Benefit accrual and amount of the Supplemental Benefit payable under this Plan to each Supplemental Participant is determined as follows:

3.1 Supplemental Benefit Accrual.

(a) Each Supplemental Participant accrues benefits at the rate of six-tenths of one percent (0.6%) of Average Annual Compensation for each year that is both Actual Service and Continuous Service, to a maximum of twenty-five (25) years.

(b) Notwithstanding the foregoing provisions of this Section 3.1, each Supplemental Participant who is actively participating in the Plan on June 30, 1993 accrues benefits at the rate of eight-tenths of one percent (0.8%) of Average Annual Compensation for

each year that is both Actual Service and Continuous Service, to a maximum of twenty-five (25) years. Except as specifically provided elsewhere in this Plan, this Subsection (c) shall not apply to any Supplemental Participant who separated from service with the County prior to June 30, 1993, whether by virtue of retirement or otherwise. [Added 7/14/93, effective 6/30/93]

(c) Notwithstanding the foregoing provisions of this Section 3.1, a Supplemental Participant who is actively participating in the Plan on June 30, 1993 and has at least twenty-five years of service that is both Actual Service and Continuous Service will accrue additional Supplemental Benefits at the rate of one percent (1.0%) for each year of service exceeding twenty-five (25) years that is both Actual Service and Continuous Service, to a maximum of five (5) additional years. [Added 7/14/93, effective 6/30/93; amended 2/5/96, effective 7/1/96]

(d) Notwithstanding the foregoing provisions of this Section 3.1, each Supplemental Participant who is actively participating in the Plan on January 1, 1999, accrues benefits at the rate of one percent (1.0%) of Average Annual Compensation for each year that is both Actual Service and Continuous Service, to a maximum of thirty years. [Added 11/12/98, effective 1/1/99]

(e) Notwithstanding the foregoing provisions of this Section 3.1, each Supplemental Participant who is actively participating in the Plan on or after July 1, 1999, accrues benefits as follows: (i) at the rate of one and two-tenths percent (1.2%) of Average Annual Compensation for each year that is both Actual Service and Continuous Service, to a maximum of twenty-five years, and (ii) if the Supplemental Participant has at least twenty-five (25) years of service that is both Actual Service and Continuous Service, additional benefits at the rate of one percent (1.0%) of Average Annual Compensation for each year of service exceeding twenty-five (25) years that is both Actual Service and Continuous Service, to a maximum of five (5) additional years. [Added 4/14/00, effective 7/1/99]

(f) Notwithstanding the foregoing provisions of this Section 3.1, each Supplemental Participant who is actively participating in the Plan on or after July 1, 2003, accrues benefits as follows: (i) at the rate of one and three-tenths percent (1.3%) of Average Annual Compensation for each year that is both Actual Service and Continuous Service, to a maximum of twenty-five (25) years, and (ii) if the Supplemental Participant has at least twenty-five (25) years of service that is both Actual Service and Continuous Service, additional benefits at the rate of one and one-quarter percent (1.25%) of Average Annual Compensation for each year of service exceeding twenty-five (25) years that is both Actual Service and Continuous Service, to a maximum of five (5) additional years. [Added 1/23/04, effective 7/1/03]

3.2 Supplemental Benefit Amount.

The annual Supplemental Benefit payable to a Supplemental Participant pursuant to Section 5 is equal to the Supplemental Participant's accrued benefit, calculated pursuant to Section 3.1, as of the date of the Supplemental Participant's separation from service as a Covered Employee for the County, plus any Transferred Accrued Benefit. [Amended 2/5/96, effective 7/1/96]

3.3 Maximum Supplemental Benefit.

(a) Pursuant to Section 3.1, the maximum Supplemental Benefit payable to any Supplemental Participant is fifteen percent (15%) of the Supplemental Participant's Average Annual Compensation, plus any Transferred Accrued Benefit. [Amended 2/5/96, effective 7/1/96]

(b) Notwithstanding the foregoing provisions of this Section 3.3, the maximum Supplemental Benefit payable to any Supplemental Participant who is actively participating in the Plan on June 30, 1993 is twenty percent (20%) of the Supplemental Participant's Average Annual Compensation, plus any Transferred Accrued Benefit. Except as specifically provided elsewhere in this Plan, this Subsection (c) shall not apply to any Supplemental Participant who separated from service with the County prior to June 30, 1993, whether by virtue of retirement or otherwise. [Added 7/14/93, effective 6/30/93; amended 2/5/96, effective 7/1/96]

(c) Notwithstanding the foregoing provisions of this Section 3.3, the maximum Supplemental Benefit payable to a Supplemental Participant described in Subsection 3.1(c) is twenty-five percent (25%) of the Supplemental Participant's Average Annual Compensation, plus any Transferred Accrued Benefit. [Added 7/14/93, effective 6/30/93; amended 2/5/96, effective 7/1/96]

(d) Notwithstanding the foregoing provisions of this Section 3.3, the maximum Supplemental Benefit payable to a Supplemental Participant who is actively participating in the Plan on January 1, 1999 is thirty percent (30%) of the Supplemental Participant's Average Annual Compensation, plus any Transferred Accrued Benefit. [Added 11/12/98, effective 1/1/99]

(e) Notwithstanding the foregoing provisions of this Section 3.3, the maximum Supplemental Benefit payable to a Supplemental Participant who is actively participating in the Plan on or after July 1, 1999 is thirty-five percent (35%) of the Supplemental Participant's Average Annual Compensation, plus any Transferred Accrued Benefit. [Added 4/14/00, effective 7/1/99]

(f) Notwithstanding the foregoing provisions of this Section 3.3, the maximum Supplemental Benefit payable to a Supplemental Participant who is actively participating in the Plan on or after July 1, 2003 is thirty-seven and one-half percent (37.5%) of the Supplemental Participant's Average Annual Compensation, plus any Transferred Accrued Benefit. [Added 1/23/04, effective 7/1/03]

Section 3A - Additional Benefits

3A.1 Additional Benefits for Participants Who Reach State Normal Retirement Date on or before June 30, 1992

(a) Notwithstanding any other provision of this Plan, a Participant who satisfies the criteria set forth in paragraph (b) shall be eligible to receive an additional retirement benefit as described in this Section 3A.1.

(b) A Participant who (i) will reach State Normal Retirement Date on or before June 30, 1992 and (ii) elects to retire as set forth herein shall be eligible for the additional retirement benefit described in this Section 3A.1. On and after the date on which any such Participant actually separates from service as an Employee, such Participant shall not be eligible to receive any benefits related to annual and sick leave accumulations under Section 16-221.2 of the County Personnel Law, or successor provision, in consideration of the benefit described herein, except as otherwise expressly permitted by this Section 3A.1.

(c) Each Participant who satisfies the criteria set forth in paragraph (b) shall be eligible for an additional retirement benefit in addition to the other retirement benefits payable to the Participant under this Plan. This additional benefit shall be calculated, alternatively, at the Participant's election, as either:

(i) a lump sum benefit equal to 100% of all or any portion of the sum of (A) the Participant's annual leave balance multiplied by the Participant's final base hourly rate of pay, plus (B) 50% of the Participant's sick leave balance multiplied by the Participant's final base hourly rate of pay, all as certified by the County, and calculated on the day before the Participant's retirement, such benefit to be payable on the first day of the first month coinciding with or immediately following the date on which the Participant actually separates from service as an Employee; or

(ii) an additional annual pension benefit, calculated by converting (A) 40 hours of annual leave to one month, or a benefit equal to .1667% of the Participant's Average Annual Compensation, and (B) 80 hours of sick leave to one month, or a benefit equal to .1667% of the Participant's Average Annual Compensation, in each case as certified by the County and calculated on the day before the Participant's retirement, such benefit to be payable monthly for the life of the Participant, beginning on the first day of the first month coinciding with or immediately following the date on which the Participant actually separates from service as an Employee.

(d) A Participant may elect to receive part or all of this additional retirement benefit as a lump sum or as an annual pension benefit by allocating annual and sick leave credits between these benefits.

(e) Notwithstanding the other provisions of this Section 3A.1, (i) a Participant who has been involuntarily separated from employment with the County for disciplinary reasons shall not be entitled to receive any benefits under this Section 3A.1 based on sick leave accumulated at the time of separation and (ii) a Participant who has been separated from employment under a separation disability action pursuant to Section 16-189 of the County Personnel Law, or any successor provision, shall not be entitled to receive any benefits under this Section 3A.1 based on sick leave accumulated at the time of separation.

(f) Notwithstanding the other provisions of this Section 3A.1, if a Participant elects to retain or transfer all or any portion of annual and sick leave balances, pursuant to Section 16-221.2(a)(1) or (2) of the County Personnel Law or any successor provision, no credits shall exist under this Plan for the retained or transferred portion and, therefore, no benefits shall

be provided under this Section 3A.1 for the retained or transferred portion. However, a Participant may retain or transfer a portion of such balances under Section 16-221.2(a)(1) or (2) of the County Personnel Law and apply the remaining portion to the additional retirement benefit under this Section 3A.1.

(g) To be eligible for an additional retirement benefit under this Section 3A.1, a Participant must elect to retire and make the election described in paragraph (c) in the form required by the rules adopted from time to time by the Retirement Administrator or by the Trustees.

(h) Notwithstanding any other provision of this Plan to the contrary, the County must contribute to the Trust Fund from time to time such amounts as are actuarially determined to be required to provide the additional retirement benefit described in this Section 3A.1, including any increase in such benefit pursuant to Section 3A.2.

(i) A Participant who elects the monthly benefit described in paragraph (c)(ii) may elect to receive a Joint and Survivor Pension pursuant to Section 5.6.

(j) To the extent a Participant is entitled to a benefit under this Section 3A.1, including by virtue of the increased annual pension benefit calculated under Section 3A.2, which would exceed the maximum benefit permitted under Section 13.1, this Section 3A.1 and Section 3A.2 shall not be operative as to that part of the Participant's benefit which is based on annual and sick leave accumulations and is in excess of the limits of Section 13.1. Said Participant shall receive annual and sick leave accumulations under Section 16-221.2 of the County Personnel Law, or any successor provision, with respect to such excess amounts, and this Section 3A.1 shall be of no effect as to that portion.

(k) The benefits payable under this Section 3A.1 shall be in addition to the benefits a Participant is entitled to receive pursuant to this Plan. The limitation on benefits described in Sections 3.3 and 3B.3 shall not apply to the additional benefits payable under this Section 3A.1, including any increased annual pension benefit calculated under Section 3A.2. [Amended 2/5/96, effective 7/1/96]

[Added 4/10/92, Effective 2/1/92]

3A.2 Retirement Incentive Program Available Between February 24, 1992 and April 8, 1992.

(a) If a Participant actually retires on or before July 1, 1992, or upon the direction of the Retirement Administrator and meets the other requirements of paragraph (c), the annual pension benefit available under Section 3A.1(c)(ii), if any, shall be calculated under the special rules of this Section 3A.2, notwithstanding other Plan provisions to the contrary.

(b) Notwithstanding Section 3A.1(c)(ii), the additional annual pension benefit described in such Section shall be calculated by converting (A) 40 hours of annual leave to one month, or a benefit equal to .1667% of the Participant's Average Annual Compensation, and (B) 40 hours of sick leave to one month, or a benefit equal to .1667% of the Participant's Average

Annual Compensation, in each case as certified by the County as credited to the Participant and based on accumulations through the pay period ending February 22, 1992; provided, however, that a Participant with both annual leave and sick leave balances may exchange sick leave hours under Section 3A.1(c)(ii) only to the extent that such Participant exchanges an equivalent number of annual leave hours under Section 3A.1(c)(ii) and, provided further, that if a Participant's leave balances subsequently fall below the February 22, 1992 level, actual leave balances at retirement shall be used.

(c) To be eligible for the retirement incentive program described in this Section 3A.2, a Participant must:

(i) have reached State Normal Retirement Date on or before June 30, 1992;

(ii) make a timely election to retire between February 24, 1992 and April 8, 1992, inclusive; and

(iii) actually retire on or before July 1, 1992, or upon the direction of the Retirement Administrator.

(d) Notwithstanding any provision of this Plan to the contrary, the County must contribute to the Trust Fund from time to time such amounts as are actuarially determined to be required to provide the increased amount of benefits described in this Section 3A.2.

[Added 4/10/92, effective 2/1/92]

Section 3B - Comprehensive Benefit Accrual and Amounts

The rate of Comprehensive Benefit accrual and amount of the Comprehensive Benefit payable under this Plan to each Comprehensive Participant is determined as follows:

3B.1 Comprehensive Benefit Accrual.

(a) Each Comprehensive Participant accrues benefits at the rate of two percent (2%) of Average Annual Compensation for each year that is both Actual Service and Continuous Service, up to a maximum of twenty-five (25) years. [Added 2/5/96, effective 7/1/96]

(b) A Comprehensive Participant who has at least twenty-five (25) years of service that is both Actual Service and Continuous Service will accrue additional Comprehensive Benefits at the rate of two and two-tenths percent (2.2%) for each year of service exceeding twenty-five (25) years that is both Actual Service and Continuous Service, to a maximum of five (5) additional years. [Added 2/5/96, effective 7/1/96]

(c) Notwithstanding the foregoing provisions of this Section 3B.1, each Comprehensive Participant who is actively participating in the Plan on January 1, 1999, accrues benefits at the rate of two and two-tenths percent (2.2%) of Average Annual Compensation for

each year that is both Actual Service and Continuous Service, to a maximum of thirty years. [Added 11/12/98, effective 1/1/99]

(d) (i) A Comprehensive Participant who otherwise qualifies for retirement under Section 1.22(b), but has not yet separated from service as a Covered Employee, may elect in writing prior to the date he separates from service as a Covered Employee to purchase up to twenty-four months of Service in the Armed Forces of the United States not included in Actual Service under any other provision of the Plan, if he makes the payments into the Trust Fund provided for in this Section. [Added 11/12/98, effective 8/24/98]

(ii) For each month of military service which the Comprehensive Participant wishes to purchase, the Comprehensive Participant must agree to pay into the Trust Fund an amount that will reimburse the Plan for all costs associated with the additional Comprehensive Benefits related to such service. The Retirement Administrator will establish and advise each Comprehensive Participant making the election provided for in this Section of the dollar amount which such Comprehensive Participant must pay in order to purchase such service at no cost to the Plan. [Added 11/12/98, effective 8/24/98]

(iii) A Comprehensive Participant electing to purchase military service pursuant to this Section must pay such amount into the Trust Fund within thirty days of his election to purchase such service or under an extended payment plan approved by the Retirement Administrator. A Comprehensive Participant who has elected to make such payment over time may elect at any time to make no further payments, and will receive service credit described in paragraph (iv) below for all months of military service that have been fully paid for. Such Comprehensive Participant may not thereafter resume such payments or otherwise elect to purchase additional military service under this Section. [Added 11/12/98, effective 8/24/98]

(iv) Upon payment in full of all amounts required by this Section, the Comprehensive Participant shall receive service credit for the number of months of military service purchased, which service credit will be treated as Actual Service and Continuous Service solely for purposes of calculating the Comprehensive Participant's accrued benefit under this Section. [Added 11/12/98, effective 8/24/98]

(v) Upon retirement at Normal Retirement Date, if a Comprehensive Participant has accrued service credit in excess of the maximum specified in Section 3B.3 and has previously purchased military service under this Section, such Comprehensive Participant shall receive a refund of the payments made for any such excess military service, with interest thereon at a rate of five percent (5%) per annum. [Added 11/12/98, effective 8/24/98]

(e) Any Comprehensive Participant who became a Comprehensive Participant on July 1, 1996 and had less than ten (10) years of service under the State Plan as of that date, but who would have reached ten (10) years of service under the State Plan on July 1, 1999 had he not withdrawn from the State Plan may apply to the Retirement Administrator on or before March 31, 2002, to receive up to three (3) years of credit for Service in the Armed Forces of the United States not included in Actual Service under any other provision of the Plan, at no cost to the Participant. Such service shall be credited upon receipt by the Retirement Administrator on or

before March 31, 2002, of a request for such service credit and such evidence of Service in the Armed Forces of the United States as she may require to establish such Comprehensive Participant's eligibility for service credit under this paragraph. [Added 4/14/00, effective 7/1/00; amended 8/29/02, effective 7/1/01]

(f) Notwithstanding the foregoing provisions of this Section 3B.1, each Comprehensive Participant who is actively participating in the Plan on or after July 1, 1999, accrues benefits as follows: (i) at the rate of two and forty-four hundredths percent (2.44%) of Average Annual Compensation for each year that is both Actual Service and Continuous Service, to a maximum of twenty-two and one-half (22 1/2) years, (ii) if the Comprehensive Participant has at least twenty-two and one-half (22 1/2) years of service that is both Actual Service and Continuous Service, additional benefits at the rate of two percent (2.0%) of Average Annual Compensation for each year of service exceeding twenty-two and one-half (22 1/2) years that is both Actual Service and Continuous Service, to a maximum of two and one-half (2 1/2) additional years, and (iii) if the Comprehensive Participant has at least twenty-five (25) years of service that is both Actual Service and Continuous Service, additional benefits at the rate of one and two-tenths percent (1.2%) of Average Annual Compensation for each year of service exceeding twenty-five (25) years that is both Actual Service and Continuous Service, to a maximum of five (5) additional years. [Added 4/14/00, effective 7/1/99]

(g) Notwithstanding the foregoing provisions of this Section 3B.1, each Comprehensive Participant who is actively participating in the Plan on or after July 1, 2001, accrues benefits as follows: (i) at the rate of two and six-tenths percent (2.6%) of Average Annual Compensation for each year that is both Actual Service and Continuous Service, to a maximum of twenty (20) years, (ii) if the Comprehensive Participant has at least twenty (20) years of service that is both Actual Service and Continuous Service, additional benefits at the rate of two and eight-tenths percent (2.8%) of Average Annual Compensation for each year of service exceeding twenty (20) years that is both Actual Service and Continuous Service, to a maximum of five (5) additional years, and (iii) if the Comprehensive Participant has at least twenty-five (25) years of service that is both Actual Service and Continuous Service, additional benefits at the rate of one percent (1.0%) of Average Annual Compensation for each year of service exceeding twenty-five (25) years that is both Actual Service and Continuous Service, to a maximum of five (5) additional years. [Added 8/29/02, effective 7/1/01]

(h) Notwithstanding the foregoing provisions of this Section 3B.1, each Comprehensive Participant who is actively participating in the Plan on or after July 1, 2003, accrues benefits as follows: (i) at the rate of three percent (3.0%) of Average Annual Compensation for each year that is both Actual Service and Continuous Service, to a maximum of twenty (20) years and (ii) if the Comprehensive Participant has at least twenty (20) years of service that is both Actual Service and Continuous Service, additional benefits at the rate of two and one-half percent (2.5%) of Average Annual Compensation for each year of service exceeding twenty (20) years that is both Actual Service and Continuous Service, to a maximum of ten (10) additional years. [Added 1/23/04, effective 7/1/03]

3B.2 Comprehensive Benefit Amount.

The annual Comprehensive Benefit payable to a Comprehensive Participant on or after his Normal Retirement Date is equal to his accrued Comprehensive Benefit, calculated pursuant to Section 3B.1, as of the date of his separation from service as a Covered Employee, plus any Transferred Accrued Benefit. [Added 2/5/96, effective 7/1/96]

3B.3 Maximum Comprehensive Benefit.

(a) Pursuant to Section 3B.1, the maximum Comprehensive Benefit payable to any Comprehensive Participant is sixty-one percent (61%) of the Comprehensive Participant's Average Annual Compensation, plus any Transferred Accrued Benefit. [Added 2/5/96, effective 7/1/96; amended 11/12/98; effective 1/1/99]

(b) Notwithstanding the foregoing provisions of this Section 3B.3, the maximum Comprehensive Benefit payable to a Comprehensive Participant who is actively participating in the Plan on or after January 1, 1999 is sixty-six percent (66%) of the Comprehensive Participant's Average Annual Compensation, plus any Transferred Accrued Benefit. [Added 11/12/98, effective 1/1/99]

(c) Notwithstanding the foregoing provisions of this Section 3B.3, the maximum Comprehensive Benefit payable to a Comprehensive Participant who is actively participating in the Plan on or after July 1, 2001 is seventy-one percent (71%) of the Comprehensive Participant's Average Annual Compensation, plus any Transferred Accrued Benefit. [Added 8/29/02, effective 7/1/01]

(d) Notwithstanding the foregoing provisions of this Section 3B.3, the maximum Comprehensive Benefit payable to a Comprehensive Participant who is actively participating in the Plan on or after July 1, 2003 is eighty-five percent (85%) of the Comprehensive Participant's Average Annual Compensation, plus any Transferred Accrued Benefit. [Added 1/23/04, effective 7/1/03]

3B.4 Cost-of-Living Adjustment.

(a) In January of each year, beginning in January, 1998, two-thirds (2/3) of the total investment return on the Trust Fund (on a market value basis excluding any investment expenses incurred but including realized and unrealized capital gains and losses, as well as interest and dividends) in excess of the interest assumption for the previous Plan Year will be transferred to a "post-retirement increase fund." Such fund shall be contained within the Trust Fund and shall not require the addition of a separate entity.

(b) On January 31 of each year, beginning on January 31, 1998, every retiree and every Eligible Spouse, who is then receiving a benefit under this Section 3B will receive a permanent increase in his or her retirement benefit as calculated in paragraph (c).

(c) The permanent increase will be determined by actuarially calculating the lifetime benefit that can be provided each such eligible retiree and Eligible Spouse from the post-retirement increase fund, determined pursuant to paragraph (a), provided:

- (1) Each such eligible retiree and Eligible Spouse will receive an identical dollar amount increase.
- (2) The maximum increase provided shall not exceed \$100.00 per month.
- (3) No increase shall be provided if the amount in the post-retirement increase fund is not sufficient to provide at least a \$10.00 per month benefit increase.

(d) Any amount in the “post-retirement increase fund” described in paragraph (a) in excess of the amount necessary to fund the maximum permanent retirement increase described in paragraph (c)(2) or less than an amount necessary to provide the minimum benefit described in paragraph (c)(3) will be transferred (returned) to the general pension fund assets.

(e) The phrase “actuarially calculating the lifetime benefit” in subparagraph (c)(3), above, means that the Plan’s actuary will include an assumption that the pool of assets that has been determined to be available for cost-of-living purposes, if any, will earn interest at the same rate of return that is assumed for the Trust Fund itself. Also, any negative performance of the Trust Fund (the percentage by which actual returns fall short of the interest assumption) will be carried forward to successive calculations under this procedure until totally absorbed by future positive earnings.

(f) In fiscal year 2008 and again in fiscal year 2009, each retiree and Eligible Spouse receiving benefits under Section 3B will be provided with a bonus check of five hundred dollars (\$500.00). [Added 12/16/08, effective 1/1/07]

[Added 2/5/96, effective 7/1/96]

3B.5 Use of Accumulated Leave for Service Credit.

(a) Any Comprehensive Participant who retires on or after July 1, 1999, and has attained Normal Retirement Date shall also be entitled to the benefits provided in this Section. Comprehensive Participants shall not have the benefits related to sick and annual leave accumulations under the County Personnel Law in consideration of the benefits provided under this Section. Service credit under this Section shall be calculated as of the date such Comprehensive Participant separates from service as an Employee using the Comprehensive Participant's leave balances as of that date, determined pursuant to Section 16-221.2 of the County Personnel Law, or successor provision and certified by the County.

(b) (i) Comprehensive Participants who satisfy the criteria set forth in this Section shall have a benefit in addition to that provided to Comprehensive Participants under the other provisions of this Plan. This additional benefit, in general, shall be calculated as an increase to the monthly benefit otherwise provided under the Plan and shall be calculated by

converting one week (i.e., 40 hours) of annual leave to one month of service credit and two weeks (i.e., 80 hours) of sick leave to one month of service credit, and added to Actual Service and Continuous Service calculated under other Plan provisions.

(ii) (A) Old Annual Leave may be accumulated without limit and may be converted to service credit pursuant to paragraph (b)(i).

(B) New Annual Leave accumulated up to 360 hours may be converted to service credit pursuant to paragraph (b)(i) above; provided that such service credit, when added to the number of years of Actual and Continuous Service credited to a Participant without regard to this Section, shall not exceed the maximum number of years of Actual and Continuous Service described in Section 3B.1. [amended 4/18/07, effective 7/1/05]

(C) Effective July 1, 2000, Converted Sick Leave can be used to purchase service credit at the rate of 40 hours for one month of service credit; provided that the combined total of Old Annual Leave and New Annual Leave is less than 1,040 hours. In such case, the number of Converted Sick Leave hours permitted to be used at the rate of 40 hours for one month of service credit may not exceed the number necessary to bring the combined total of Old Annual Leave, New Annual Leave and Converted Sick Leave up to a maximum of 1,040 hours. Otherwise, Converted Sick Leave may be converted to service credit at the rate of 80 hours to one month of service credit.

(D) Old Sick Leave may be accumulated without limit and converted to service credit pursuant to paragraph (b)(i).

(E) New Sick Leave may be accumulated without limit and converted to service credit pursuant to paragraph (b)(i).

(F) New Annual Leave and Converted Sick Leave, when added, may not be accumulated in excess of 1,040 hours. [Amended 1/23/04, effective 7/1/01]

(c) In lieu of the monthly benefits described in paragraph (b):

(i) any portion of Old Sick Leave may be converted from the monthly benefit to a cash lump sum benefit under the Plan calculated by multiplying each year of service by 50% of the Comprehensive Participant's base rate of pay at the date of separation of employment, provided said rate does not exceed \$32.6534. Notwithstanding the preceding sentence, Comprehensive Participants with less than 20 years of Actual Service who terminate employment due to death or disability shall have the monthly benefit related to Old Sick Leave converted to a cash lump sum benefit under the Plan at the rate of 50%. [amended 4/18/07, effective 7/1/05]

(ii) a Comprehensive Participant terminating employment as a result of death shall have Old Sick Leave and New Sick Leave converted to and paid as a cash lump sum benefit under the Plan at the rate of 50%.

(iii) a portion of annual leave accumulated as of separation from employment and after Normal Retirement Date may be converted from the monthly benefit and paid as a cash lump sum benefit under the Plan at the rate of each year of service multiplied by the Comprehensive Participant's base rate of pay at date of separation of employment, provided that the cash lump sum benefit shall not exceed an amount calculated using the greater of Old Annual Leave or 360 hours.

(d) Notwithstanding the foregoing provisions of this Section, a Comprehensive Participant who has been involuntarily separated from employment with the County for disciplinary reasons is not entitled to any benefits under this Section for sick leave accumulated at the time of separation.

(e) Except as provided in paragraph (b)(ii)(B) above, accumulated annual and sick leave will be credited pursuant to this Section, even if such credit would cause a Comprehensive Participant to accrue more than the maximum number of years of Actual and Continuous Service described in Section 3B.1. [Amended 4/18/07, effective 7/1/05]

(f) Service credited pursuant to this Section cannot be used for qualifying for vesting under Section 4.1 or for purposes of determining a Comprehensive Participant's Normal Retirement Date. Service credited pursuant to this Section shall only be used to calculate a Comprehensive Participant's accrued benefit under Section 3B.1.

(g) If a Comprehensive Participant elects to retain or transfer all or any portion of accumulated annual or sick leave pursuant to Section 16-221.2 of the County Personnel Law or any successor provision, no credit shall be given under this Section for the retained or transferred portion. Any accumulated annual and sick leave not credited pursuant to this Section shall be liquidated as provided in Section 16-221.2 of the County Personnel Law or any successor provision.

(h) To the extent a Comprehensive Participant is entitled to a Comprehensive Benefit relating to service credited pursuant to this Section, which would cause such Comprehensive Participant's total benefits to exceed the maximum benefit permitted under Section 13.1, this Section shall not be operative as to that part of the Comprehensive Participant's benefit which is based on accumulated annual and sick leave credited pursuant to this Section and is in excess of the limits of Section 13.1. Such Comprehensive Participant shall receive accumulated annual and sick leave with respect to such excess amounts, under Section 16-221.2 of the County Personnel Law, or any successor provision.

[Added 4/14/00, effective 7/1/99]

Section 3C - Disability Retirement Benefits

3C.1 Retirement at Disability Retirement Date.

(a) Definition of Disability.

A Comprehensive Participant shall be retired on a Disability Retirement Date if he meets all of the following conditions:

(1) The Comprehensive Participant is so disabled, mentally or physically, that he is unable to fill any position then available to him as a Covered Employee.

(2) His disability is likely to be of long duration.

(3) His disability has not resulted from service in the armed forces of any country for which he receives a military pension, was not caused or connected with chronic alcoholism or addiction to narcotics or use of drugs prohibited by law, or resulted from his engaging in a criminal act or an effort to bring about the injury of himself or any other person.

(b) Determination of Disability.

(1) All determinations of disability shall be made by the Disability Review Board, which shall be composed of the Director of Finance or his designee, the Personnel Officer or his designee, the Chief Administrative Officer or his designee, the Director of Corrections or his designee and the President of the Prince George's Correctional Officers' Association or his designee, in accordance with the rules of procedure of the Disability Review Board as shall be adopted by the Disability Review Board and be in effect from time to time.

A disability determination shall commence upon written application of a Comprehensive Participant, the Retirement Administrator, or the appointing authority, filed with the Medical Advisory Board. The Medical Advisory Board shall be composed of nine (9) physicians selected by the County Executive, and there shall be one (1) position from each of the following specialists: Cardiologist, Psychiatrist, Neurosurgeon, Orthopedist, Physiatrist, Radiologist and two physicians from the specialty of general medicine. In addition, the President of the Prince George's Correctional Officers' Association or his designee, shall serve as a non-voting member of the Medical Advisory Board in cases involving Comprehensive Participants who are represented for purposes of collective bargaining by the Prince George's Correctional Officers' Association. The Medical Advisory Board shall conduct such inquiry as it deems necessary and proper under the circumstances, including a medical examination of the Comprehensive Participant by one or more members of the Medical Advisory Board, or by a physician or physicians selected for that purpose by the Medical Advisory Board, as the Medical Advisory Board deems necessary in order to give the Disability Review Board a written opinion with regard to the nature, cause, degree of permanence and effect of the alleged disability. The preliminary determination of the Disability Review Board shall be communicated to the Comprehensive Participant. If the Comprehensive Participant disagrees with the preliminary determination of the Disability Review Board, he may request a formal hearing which shall be held before the Disability Review Board or a hearing examiner appointed by the Disability

Review Board. Following this formal hearing, the Disability Review Board will render a final determination. If no formal hearing is requested, the preliminary determination shall become final.

(2) At the formal hearing, if so requested, the Comprehensive Participant whose disability is being determined shall be given the opportunity to examine any evidence presented to or otherwise obtained by, the Disability Review Board in connection therewith, to comment on such evidence, and to introduce further evidence with respect thereto.

(3) A disability determination shall include, in all cases where the Disability Review Board finds that a Comprehensive Participant is disabled within the definition of disability in Section 3C.1(a)(1), a determination by the Disability Review Board whether said disability was or was not caused by an injury or sickness suffered as a result of his performance of his duties as a Covered Employee. Such determination shall be based on all of the evidence presented to the Disability Review Board, or otherwise obtained by it, in connection with its determination of disability.

In determining whether an injury or illness is service-connected, the Participant must show that the injury or illness was directly and substantially caused by an employment related accident, occurrence or condition. A pre-existing physical or mental condition found in the Participant which is aggravated by an employment related accident, occurrence or condition and renders the Participant disabled, does not give rise to a service-connected disability. [Added 4/10/01; effective 5/25/01]

For purposes of determining eligibility for service connected disability retirement benefits, any condition or impairment of health caused by heart disease or hypertension resulting in total or partial disability shall be presumed to be a service connected disability and to have been suffered in the line of duty and as a result of his/her employment. It is the intention of this paragraph that any Comprehensive Employee who suffers from a condition or impairment of health caused by heart disease or hypertension receive service connected disability benefits unless evidence is produced which shall demonstrate to a reasonable degree of medical certainty that the Comprehensive Participant's impairment of health or disability is not related to his/her employment. [Added 8/29/02, effective 7/1/01]

(c) Amount of Disability Retirement Benefit for Comprehensive Participants.

The retirement benefit payable monthly upon retirement at a Disability Retirement Date to a Comprehensive Participant shall be determined as follows:

(1) Service-Connected Disability.

The retirement benefit payable monthly upon retirement to a Comprehensive Participant who retires due to a disability caused by an injury or sickness as a result of his performance of his duties as a Covered Employee, shall be a monthly benefit equal to one-twelfth (1/12) of sixty percent (60%) of his Average Annual Compensation, reduced as described in subsection (d). Such benefit shall be payable whether or not this Disability Retirement Date occurs prior to or after his Normal Retirement Date. [Amended 4/14/00,

effective 6/30/01] [Note: Prior to 6/30/01, the retirement benefit payable under this section is fifty percent (50%)]

(2) Non-Service-Connected Disability.

If a Comprehensive Participant's disability was not caused by an injury or sickness suffered as a result of his performance of his duties as a Covered Employee, he shall be entitled to a monthly benefit only if he has completed at least five (5) years of service that is both Actual Service and Continuous Service. If so, the Comprehensive Participant's monthly benefit shall be one-twelfth of thirty percent (30%) of his Average Annual Compensation, reduced as described in subsection (d). [Amended 4/14/00, effective 6/30/01] [Note: Prior to 6/30/01, the retirement benefit payable under this section is twenty-five percent (25%)]

(d) Reduction of Disability Benefits. The monthly disability retirement benefit shall, in each case, be reduced by the sum of the following:

(1) One-half of any monthly Primary Insurance Amount payable to the Comprehensive Participant under the federal Social Security Act as a result of his disability when the same first becomes payable and without regard to any subsequent increases; and

(2) The monthly rate of any other disability benefits to which the Comprehensive Participant may become entitled by law, including Workers' Compensation periodic payments or lump-sum payments in lieu of periodic payments.

(e) Continued Evaluation of Disabled Comprehensive Participants.

A Comprehensive Participant who is receiving disability benefits under this Section 3C.1, must certify to the Retirement Administrator annually, on forms provided by the Retirement Administrator, that (i) the Comprehensive Participant is not providing any compensated services of any kind to the Corrections Department of Prince George's County; and (ii) the Comprehensive Participant is not performing services substantially similar to the duties he performed as a Covered Employee. The annual completion of this form is a prerequisite to a Comprehensive Participant's continued entitlement to such disability benefits.

If the Comprehensive Participant is providing any compensated services to the Corrections Department of Prince George's County, benefits paid under this Plan shall permanently cease during such period of employment. Benefits shall commence again only if such employment ceases, and the Comprehensive Participant provides the certification described in the immediately preceding paragraph. Benefits that do commence again shall not be adjusted for benefits suspended, but shall be in the same amount as before the suspension. If the Comprehensive Participant is performing services substantially similar to the duties he performed as a Covered Employee, the Retirement Administrator will require the Comprehensive Participant to re-establish his disabled status before the Medical Advisory Board and the Disability Review Board. Regardless of the above paragraph, the Retirement Administrator may require the Comprehensive Participant to re-establish his disabled status before the Medical Advisory Board and the Disability Review Board at any time. The Medical Advisory Board shall conduct such inquiry as it deems necessary and proper in the circumstances

in order to determine whether the Comprehensive Participant is not disabled as provided in Section 3C.1(a), which inquiry may include a medical examination of the Comprehensive Participant by one or more members of the Medical Advisory Board, or by a physician or physicians selected for that purpose by the Medical Advisory Board. The Medical Advisory Board shall report on its findings to the Disability Review Board. If the Medical Advisory Board determines that the Comprehensive Participant is not disabled as provided in Section 3C.1(a), the Disability Review Board shall hold a hearing and if the Disability Review Board determines that the Comprehensive Participant is not disabled as provided in Section 3C.1(a), no further disability benefits shall be paid to or on account of the Comprehensive Participant under Section 3C.1, unless he again becomes retired on a Disability Retirement Date after returning to the employ of the County as a Covered Employee.

[Added 2/5/96, effective 7/1/96]

Section 4 - Vesting

4.1 Minimum Continuous Service Requirements.

(a) No Supplemental Participant shall be entitled to any benefit under the Plan until he has (i) completed a minimum of five (5) years of service that is both Actual Service and Continuous Service or (ii) has attained Normal Retirement Date. This requirement does not apply to any Transferred Accrued Benefit. [Amended 4/10/92, effective 2/1/92; amended 2/5/96, effective 7/1/96]

(b) No Comprehensive Participant shall be entitled to any Comprehensive Benefit under the Plan until he has completed a minimum of five (5) years of service that is both Actual Service and Continuous Service. This requirement does not apply to any Transferred Accrued Benefit. [Added 2/5/96, effective 7/1/96]

4.2 Vested Benefit.

A Participant meeting the requirements of Section 4.1 shall be entitled to receive an annual benefit, payable in monthly installments, as determined pursuant to Sections 3 or 3B and subject to the provisions of Section 5, and any additional benefits that the Participant is eligible to receive pursuant to Section 3A. [Amended 4/10/92, effective 2/1/92; amended 2/5/96, effective 7/1/96]

4.3 Transferability of Vested Supplemental Benefits.

(a) A Supplemental Participant who separates from service and is vested in a benefit pursuant to Section 4.2 and becomes eligible to participate in any supplemental pension plan of County listed on Schedule A must transfer his or her vested accrued benefit under the Plan, plus any Transferred Accrued Benefit credited to the Supplemental Participant pursuant to Section 4.4, to such plan upon becoming a participant in such plan, unless the Supplemental Participant receives a return of employee contributions under Section 7.4.

(b) The County must obtain an actuarial valuation of the contributions made pursuant to Section 7.2 allocable to the benefit transferred pursuant to subsection (a) and must transfer such amount plus the contributions made by the transferring Supplemental Participant pursuant to Section 7.1 to the supplemental pension plan to which the Supplemental Participant transfers.

(c) Upon the transfer of the Supplemental Participant's vested accrued benefit and the contributions allocable thereto, the Supplemental Participant's right to any benefit under the Plan shall cease and the Plan may not thereafter pay any benefit to the Supplemental Participant.

[Amended 2/5/96, effective 7/1/96]

4.4 Credit Upon Transfer to Plan.

(a) Any Participant who previously participated in any supplemental pension plan listed on Schedule A will be credited with his or her vested accrued benefit under such plan upon (i) becoming a Supplemental Participant in the Plan, and (ii) the deposit in the Trust Fund of the employee and employer contributions allocable to the Covered Employee's vested accrued benefit under such plan. [Amended 2/5/96, effective 7/1/96]

(b) Any Participant who previously participated in any pension plan operated under the laws of the State or any political subdivision of the State shall receive credit in the Plan in accordance with State law. [Added 2/5/96, effective 7/1/96]

4.5 Transfers to Deputy Sheriffs Plan.

Any Participant who transfers directly to a County Deputy Sheriff's position and becomes eligible for service credit under Section 4.7 of the Prince George's County Deputy Sheriffs' Pension Plan (the "Deputy Sheriffs' Plan"), shall not receive a benefit under this Plan, notwithstanding any other Plan provisions to the contrary, for service earned prior to his/her transfer that is treated as Actual and Continuous Service hereunder and that is subsequently credited under the Deputy Sheriff's Plan, subject to the conditions in this Section described below.

A Participant who transfers to the Sheriff's Department and is otherwise described in this Section shall have his or her benefit canceled under this Section if and only if benefit liabilities and assets related to the benefits accrued under this Plan are transferred to and assumed by the Deputy Sheriff's Plan pursuant to the mutual agreement of the Plans. Said transfer of assets and benefit liabilities must occur within a reasonable period of time after the Participant becomes an employee of the Sheriff's Department. If said transfer of assets and benefit liabilities does not occur prior to the Participant's death, disability, or termination from County employment, this provision shall still be effective and the transfer of assets and benefit liabilities will be completed at the next July 1, or reasonable time thereafter, following the death, disability or termination from County employment as if the Participant had remained employed until that date. If the transfer of assets and benefit liabilities is not completed within 9 months of

that next July 1, however, then this provision shall be of no effect and the Participant will receive a benefit under this Plan starting at that next July 1 as if the change in employment did not occur.

[Added 4/18/07, effective 7/1/05]

Section 5 - Payment of Benefits

5.1 Who May Receive Benefits.

Only a Participant or a Participant's Beneficiary may receive benefits under this Plan.

5.2 Normal Retirement.

The benefit accrued by a Participant under Section 3.1 or 3B.1, and any Transferred Accrued Benefit, shall not be payable until the Participant's Normal Retirement Date. The benefits, if any, payable to a Participant pursuant to Section 3A shall be payable on the dates and in the manner described therein. [Amended 4/10/92, effective 2/1/92]

5.3 Application for Benefits.

Each Participant must apply in order to receive benefits under the Plan in the form required by the rules adopted from time to time by the Retirement Administrator or by the Trustees.

5.4 Commencement of Payment.

Benefit payments to a Participant normally will commence effective on the Participant's Normal Retirement Date. In no event will benefits begin later than the 60th day after the latest of the close of the Plan Year in which --

(A) occurs the date on which the Participant reaches his Normal Retirement Date,

(B) occurs the 5th anniversary of the year in which the Participant commenced participation in the Plan, or

(C) the Participant terminates service as a Covered Employee.

Such commencement date shall be the later of the Participant's Normal Retirement Date or any date that is not more than one calendar year after the date on which the Participant submits an application for benefits.

5.5 Form of Benefit Payments.

Except for any lump sum benefits payable under Section 3A.1, benefits are payable monthly for the life of the Participant, unless the Participant elects to receive a Joint and Survivor Pension pursuant to Section 5.6. [Amended 4/10/92, effective 2/1/92]

5.6 Joint and Survivor Pension.

(a) At the time that the Participant makes an application for any benefit payable monthly from the Plan, the Participant may elect to receive the benefit in the form of a Joint and Survivor Pension payable to the Participant and the Participant's Beneficiary. A Joint and Survivor Pension elected under this subsection will provide a reduced benefit payable during the lifetime of the Participant; the Participant's Beneficiary, if surviving after the Participant's death, will then receive a lifetime survivor's benefit equal to 50% of the reduced benefit that was payable to the Participant. The reduced amount payable to the Participant shall be determined so that the aggregate of the benefit amounts expected to be paid to the Participant and to the Beneficiary is the actuarial equivalent determined pursuant to Section 13.5 of the benefit that would have been payable to the Participant if this election had not been made. An election to receive a Joint and Survivor Pension must be made at the time and in the form prescribed by the Retirement Administrator or the Trustees. [Amended 4/10/92, effective 2/1/92; amended 2/5/96, effective 7/1/96]

(b) If a Participant's Beneficiary dies after the Participant has elected a Joint and Survivor Pension under this Section, but before the date of commencement of benefits, the Participant may revoke such election by giving notice to the Retirement Administrator within 30 days of the death of the Beneficiary and the Participant will receive the benefit provided in Section 5.5.

(c) If a Participant's Beneficiary dies after a Participant begins receiving a Joint and Survivor Pension under this Section, the monthly benefit payable to the Participant shall be increased to the level it would have been had the Joint and Survivor Pension not been elected, with no additional cost to the Participant. The increase shall be effective for the month following the Beneficiary's date of death, but shall not affect previously paid benefits.

(e) If a Participant is eligible to receive more than one benefit from this Plan to which the election described in this Section 5.6 applies, such election shall apply to all such benefits. [Added 4/10/92, effective 2/1/92]

(f) A retired Participant receiving benefits who marries after retirement may, within ninety (90) days of marriage, elect to change the form of his benefit to a Joint and Survivor Pension with his spouse designated as the Beneficiary, provided (i) there is no actuarial cost to the County and (ii) the Participant can show adequate evidence of insurability. [Added 4/18/07, effective 7/1/03]

(g) Any Participant who marries after commencement of retirement benefits may elect to change the form of benefit payments to a Joint and Survivor Pension and name the new spouse as the Beneficiary, provided there is no actuarial cost to the County and there is sufficient evidence of insurability. An election to make such a change shall be on an irrevocable, "one time only" basis, and no further change shall be permitted thereafter. A Participant who changes his election as described herein shall have no adjustment made to benefits paid prior to the change, but shall only receive thereafter the benefits called for by his new election. Such

election must be made at the time and in the form prescribed by the Retirement Administrator.
[Added 8/25/10, effective 8/25/10]

[Amended 8/29/02, effective 7/1/01]

Section 6 - Death Benefits

6.1 Death of a Participant Before Commencement of Benefits.

Upon the death of a Participant who is not receiving benefits under Section 5.5, there shall be payable to the Beneficiary of the Participant an amount equal to the total contributions of the Participant to the Plan and any Transferred Employee Contributions, together with interest thereon at 5% per year compounded annually to the date of death. In the absence of the designation of a Beneficiary, or if the designated Beneficiary is not then living, payment shall be made to the estate of the Participant.

6.2 Death of a Participant After Commencement of Benefits.

Upon (a) the death of a Participant receiving benefits under Section 5.5, or (b) the death of an Eligible Spouse receiving benefits under Section 5.6, there shall be payable to the Beneficiary of the Participant an amount equal to the excess, if any, of (i) the total contributions of the Participant in the Plan and any Transferred Employee Contributions, together with interest thereon at 5% per year compounded annually to the earlier of the date of death or the date on which retirement benefits commenced over (ii) the total amount of benefits under the Plan, including any Transferred Accrued Benefit, received by (A) the Participant under Section 5.5 which are payable under Sections 3.2 and 3B.2 of the Plan, or (B) the Participant and the Participant's Eligible Spouse under Section 5.6 which are payable under Sections 3.2 and 3B.2 of the Plan. In the absence of the designation of a Beneficiary, or if the designated Beneficiary is not then living, payment shall be made to the estate of the Participant. [Amended 4/10/92, effective 2/1/92]

6.3 Death in the Line of Duty.

Effective July 1, 2008, the surviving spouse of a Participant who dies while an Employee and whose death is a Death in the Line of Duty shall receive a monthly benefit for the spouse's life in an amount equal to the benefit the spouse would have received if the Participant had terminated employment on the day before the date of death with exactly twenty years of Actual Service and elected a reduced benefit for his/her life and a 100% Contingent Annuitant benefit with the Participant's surviving spouse named to receive the benefit. The spouse's benefit shall be payable as of the first day of the month following the Employee's death. A surviving spouse eligible to receive the pre-retirement 50% Contingent Annuitant benefit described in Section 6.2 shall not be paid that benefit if he or she receives this 100% Contingent Annuitant benefit for a Death in the Line of Duty. [Added 7/1/08, effective 8/14/08]

Section 7 - Contributions

7.1 Employee Contributions.

(a) (i) Each Supplemental Participant must contribute to the Trust Fund, through regular payroll deduction, from and after the effective date of his or her participation in the Plan as determined pursuant to Section 2.3, such amounts as are actuarially determined to be required to provide twenty-five percent (25%) of the cost of providing Supplemental Benefits under Section 3.2 of the Plan. A Supplemental Participant cannot make any additional voluntary contributions to the Plan. [Amended 4/10/92, effective 2/1/92; amended 2/5/96, effective 7/1/96]

(ii) Each Comprehensive Participant shall contribute to the Trust Fund, through regular payroll deduction, from and after July 1, 1996, such amounts as are actuarially determined to be required to provide twenty-five percent (25%) of the cost of providing Comprehensive Benefits under Section 3B.2 of the Plan. [Added 2/5/96, effective 7/1/96]

(iii) In addition to the contributions required by Section 7.1(a)(i), effective July 1, 1995, the contributions of each Supplemental Participant who became a Covered Employee before July 1, 1995, shall be increased by an amount equal to one percent (1%) of the Supplemental Participant's annual salary. [Added 2/5/96, effective 7/1/95]

(iv) In addition to the contributions required by Section 7.1(a)(i), effective July 1, 1995, the contributions of each Supplemental Participant who became a Covered Employee on or after July 1, 1995, shall be increased by an amount equal to two percent (2%) of the Supplemental Participant's annual salary. [Added 2/5/96, effective 7/1/95]

(v) In addition to the contributions required by Section 7.1(a)(ii), effective July 1, 1996, the contributions of each Comprehensive Participant who became a Covered Employee before July 1, 1995, shall be increased by an amount equal to one percent (1%) of the Comprehensive Participant's annual salary. [Added 2/5/96, effective 7/1/96]

(vi) In addition to the contributions required by Section 7.1(a)(ii), effective July 1, 1996, the contributions of each Comprehensive Participant who became a Covered Employee on or after July 1, 1995, shall be increased by an amount equal to two percent (2%) of the Comprehensive Participant's annual salary. [Added 2/5/96, effective 7/1/96]

(vii) In addition to the contributions required by Section 7.1(a)(i), effective July 1, 1999, the contributions of each Supplemental Participant shall be increased by an amount equal to two and one-half percent (2 1/2%) of the Supplemental Participant's annual salary. [Added 4/1/00, effective 7/1/99]

(viii) In addition to the contributions required by Section 7.1(a)(ii), effective July 1, 1999, the contributions of each Comprehensive Participant shall be increased by an amount equal to three percent (3%) of the Comprehensive Participant's annual salary. [Added 4/1/00, effective 7/1/99]

(ix) Notwithstanding the foregoing provisions of this paragraph (a), (A) each Comprehensive Participant hired before July 1, 1995, shall contribute an amount equal to twelve percent (12.0%) of the Comprehensive Participant's annual salary and (B) each Comprehensive Participant hired on and after July 1, 1995, shall contribute an amount equal to thirteen percent (13.0%) of the Comprehensive Participant's annual salary. [added 4/18/07, effective 7/1/05]

(b) Any period during which a Participant is on approved leave without pay will not be treated as Actual Service unless the Participant pays into the Trust Fund the contributions that the Participant would have made during such period pursuant to Section 7.1(a). Such payment must be made within one (1) year of the last day on which the Participant was on approved leave without pay and may be made in a lump sum or under an extended payment plan approved by the Retirement Administrator. [Added 5/13/91, effective 7/1/90]

(c) Any period of service in the Armed Forces immediately following service as a Covered Employee will not be treated as Actual Service unless the Participant pays into the Trust Fund the contributions that the Participant would have made during such period pursuant to Section 7.1(a), to the extent such payment does not violate Federal or State law. Such payment must be made within the time period and upon the terms approved by the Retirement Administrator. [Added 2/5/96, effective 7/1/96]

(d) Supplemental Participants electing to become Comprehensive Participants pursuant to Section 2.4(d) must pay into the Trust Fund all costs associated with the transfer, including retroactive employee and employer contributions (from July 1, 1996), plus interest at five percent (5.0%) per annum, all in the amounts and at the times required by the Retirement Administrator. [Added 4/14/00, effective 7/1/99]

7.2 Employer Contributions.

(a) The County must contribute to the Trust Fund from time to time such amounts as are actuarially determined to be required to provide seventy-five percent (75%) of the cost of providing the benefits payable under Sections 3.2 and 3B.2 of the Plan. [Amended 4/10/92, effective 2/1/92; amended 2/5/96, effective 7/1/96]

(b) Notwithstanding the foregoing, the County's contributions to the Trust Fund shall be decreased by the additional employee contributions required by Section 7.1(a). [Added 2/5/96, effective 7/1/96]

7.3 Determining Contribution Amounts.

An actuarial valuation of the Plan must be obtained at intervals of not more than two years in order to determine the required contributions of the County and Participants. [Amended 2/5/96; effective 7/1/96; amended 4/14/00, effective 7/1/96]

7.4 Return of Contributions.

(a) A Participant who separates from service as an employee of the County on or before the Participant's Normal Retirement Date may elect to receive a lump-sum cash refund of his or her contributions to the Trust Fund plus any Transferred Employee Contributions, with interest thereon at the rate of five percent (5%) per annum, compounded annually. [Amended 6/12/98, effective 10/9/97]

(b) An election to receive such a refund must be made at the time and in the manner prescribed by the Retirement Administrator or by the Trustees. Such election is irrevocable. Any such refund is in lieu of any benefits that the Participant or the Participant's Beneficiary could otherwise be entitled to receive under the Plan, including any Transferred Accrued Benefit.

(c) If a Participant elects a refund as provided in this Section and later becomes a Covered Employee and begins to participate in the Plan, the Participant will not be permitted to purchase any prior years of service.

7.5 Transfer of Employee Contributions by Nonvested Supplemental Participant.

(a) A Supplemental Participant who separates from service and is not vested in a benefit pursuant to Section 4.2 and becomes eligible to participate in any supplemental pension plan listed on Schedule A may elect to transfer the employee contributions to the Supplemental Participant's credit in the Trust Fund to the trust fund of such plan upon becoming a participant in such plan.

(b) An election to transfer employee contributions must be made at the time and in the manner prescribed by the Retirement Administrator. Such election is irrevocable. Upon receipt of an election pursuant to paragraph (a), the Retirement Administrator must transfer the employee contributions to the Supplemental Participant's credit in the Trust Fund to the trust fund of the plan to which the Supplemental Participant transfers.

(c) Upon the transfer of employee contributions pursuant to this Section 7.5, the Supplemental Participant's right to any benefit or other payment under the Plan shall cease and the Plan may not thereafter make any payment to the Supplemental Participant.

[Added 5/13/91, effective 7/1/90; amended 2/5/96, effective 7/1/96]

7.6 Credit of Transferred Employee Contributions.

Any Participant who previously participated in any pension plan listed on Schedule A will be credited with the amount of employee contributions transferred from such plan, and such amount shall be treated as Transferred Employee Contributions for all purposes under the Plan, upon (i) becoming a Participant in the Plan and (ii) the deposit in the Trust Fund of the employee contributions transferred. [Added 5/13/91, effective 7/1/90]

7.7 Election of Eligible Rollover Distribution.

(a) Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this section, a distributee may elect, at the time and in the manner prescribed by the Retirement Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

(b) Definitions.

(i) Eligible rollover distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee under the Plan, except that an eligible rollover distribution does not include:

(A) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated Beneficiary, or for a specified period of ten years or more;

(B) any distribution to the extent such distribution is required under Code section 401(a)(9);

(C) any amount that is distributed on account of financial hardship; or

(D) the portion of any distribution that is not includible in the distributee's gross income, other than a portion that consists of after-tax employee contributions, provided such portion is paid only to an individual retirement account or annuity described in Section 408(a) or (b) of the Code, or to a qualified defined contribution or defined benefit plan described in Code section 401(a) or to an annuity contract described in Code section 403(b) that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

(ii) Eligible retirement plan: An eligible retirement plan is an individual retirement account described in Code section 408(a), an individual retirement annuity described in Code section 408(b), an annuity plan described in Code section 403(a), a qualified trust described in Code section 401(a), an annuity contract described in Code section 403(b) or an eligible plan under Code section 457(b) which is maintained by a state, political subdivision of a state, or any

agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan.

(iii) Distributee: A distributee includes (A) the Participant, (B) the Participant's surviving spouse, (C) the Participant's spouse or former spouse who is the alternate payee under a domestic relations order as defined in Section 11.3 of the Plan with respect to the interest of such spouse or former spouse, or (D) any surviving non-spouse Beneficiary of a deceased Participant, provided that, with respect to (D), the direct rollover is made to an individual retirement account described in Code section 408(a) or an individual retirement annuity described in Code section 408(b) established for the purpose of receiving the distribution on behalf of the non-spouse Beneficiary, and provided that distributions from such account or annuity will comply with Code section 401(a)(9)(B) (without regard to clause (iv) thereof).

(iv) Direct rollover: A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

[Amended 4/18/07, effective 1/1/07]

7.8 Pickup Plan

(a) The County shall pick up, within the meaning of Section 414(h)(2) of the Code, the employee contributions required by Section 7.1 hereof.

(b) Such amounts:

(1) are designated as employee contributions to be picked up by the County within the meaning of Section 414(h)(2) of the Code and shall be treated as employer contributions in determining the tax treatment of such amounts under that section;

(2) shall reduce the compensation of the employee in an amount that equals the employee contributions picked up by the County;

(3) shall be paid by the County from the same source of funds that is used to pay compensation to the employee;

(4) shall, for all other purposes, be treated in the same manner and to the same extent as employee contributions made before establishment of the pickup plan.

(c) Participants shall not be entitled to receive such amounts directly in lieu of having such amounts picked up by the County.

(d) This pickup plan becomes effective for pay periods beginning on or after October 12, 1997. The County shall apply to the Internal Revenue Service for a private letter ruling with respect to the pickup plan, but neither the application nor the receipt of such a ruling are prerequisites to the implementation of the pickup plan.

[Added 6/12/98, effective 10/9/97]

Section 8 - Administration of the Plan

8.1 Trustees.

The Trustees shall have the administrative powers and duties with respect to the Plan provided in the Trust Agreement and all other powers and duties with respect to the Plan described herein.

8.2 Retirement Administrator.

The Plan shall be administered by a Retirement Administrator, who shall be appointed by the Trustees. Unless otherwise directed by the Trustees, no bond or other security shall be required of the Retirement Administrator.

8.3 Powers of Retirement Administrator.

The Retirement Administrator shall have those powers and duties that are delegated to the Retirement Administrator by the Trustees pursuant to the Trust Agreement; provided, however, that such powers and duties shall be subject to final approval and action by the Trustees. The Retirement Administrator shall report quarterly to the Board of Trustees all significant actions and decisions made by the Retirement Administrator pursuant to the such powers and duties.

8.4 Employment of Experts.

With prior approval by the Trustees, the Retirement Administrator may employ or engage an actuary to make an actuarial valuation of the liabilities under the Plan, to recommend the mortality and other tables and the interest rates to be used from time to time in actuarial and other computations for any purpose of the Plan, to recommend the amounts of contributions to be made by the County and to perform such other services as the Retirement Administrator shall deem necessary or desirable in connection with the administration of the Plan. With prior approval by the Trustees, the Retirement Administrator may also employ or engage such accountants, counsel, other experts and other persons deemed necessary or desirable in connection with the administration of the Plan.

8.5 Limitation of Liability.

In administering the Plan, neither the Retirement Administrator, the Trustees, nor any person to whom may be properly delegated any power or duty in connection with administering the Plan, shall be liable for any action or failure to act, except for his or her own willful and intentional malfeasance or misfeasance. The Retirement Administrator and each person to whom may be properly delegated any duty or power in connection with administering the Plan shall be entitled to rely conclusively upon, and shall be fully protected in any action taken by them or any of them in good faith in reliance upon, any table, valuation, certificate, opinion or report which shall be furnished to them or any of them by the Trustees or by an

actuary, accountant, counsel, or other expert who shall be employed or engaged by the County or the Retirement Administrator.

8.6 Expenses.

All expenses that arise in connection with the investment of the Trust Fund (including brokerage costs, Federal and State transfer taxes, shipping expenses and charges of correspondent banks) and any income or other taxes of any kind whatsoever which may be levied or assessed upon or in respect of the Trust Fund shall be paid by the Trustees out of the Trust Fund. Except as otherwise expressly provided in the Trust Agreement, all other expenses relative to the Trust Fund, including, but not limited to, the compensation of any actuary, accountant, counsel, or other expert or other person who shall be employed by the Retirement Administrator in connection with the administration thereof, shall be paid by the Trust Fund.

8.7 Information from Participants.

In order to receive any benefits under the Plan, a Participant must furnish to the Retirement Administrator such information as may be requested for the purpose of the proper administration of the Plan. A Participant's failure to provide such information upon request may, in the discretion of the Trustees, furnish grounds for suspension or withholding of any benefits otherwise due to the Participant under the Plan.

8.8 Incapacity of Recipient.

If for any reason the Retirement Administrator shall determine that it is not desirable, because of the incapacity of any person who is entitled to receive any payment under the Plan, to make such payment directly to such person, the Retirement Administrator may apply such payment for the benefit of such person in any way that the Retirement Administrator shall deem advisable, or the Retirement Administrator may make such payment to any third person, who, in the judgment of the Retirement Administrator, will apply such payment for the benefit of the person entitled thereto. Having made payment as provided in this Section, the Retirement Administrator shall be discharged from any further liability for such payment. Alternatively, the Retirement Administrator may withhold the payment of any amount that is payable under the Plan to a person under legal disability until a representative of such person competent to receive such payment on his behalf shall have been appointed pursuant to law.

8.9 Settlement of Small Pensions.

Anything in the Plan to the contrary notwithstanding, if monthly payments that are payable to any Participant or any Eligible Spouse under the Plan shall be less than \$25.00, then, if the Retirement Administrator shall so direct, the aggregate of the amounts which are payable to him in any year shall be paid in quarterly, semi-annual or annual payments, or, with the payee's approval, the actuarial value of the amounts that are payable to him shall be paid in one sum or in payments over a specified period of time.

8.10 Interpretations and Regulations are Binding on Participants and Beneficiaries.

The Trustees, and the Retirement Administrator subject to their approval, have the final authority to interpret this Plan Document and to adopt such rules and regulations as in their opinion are necessary or advisable to implement and administer the Plan. Such interpretations and rules or regulations, once adopted, are binding upon all Participants and Beneficiaries and upon any other persons claiming an interest under the Plan.

8.11 Court Action at Discretion of Trustees.

The Trustees, if they desire, may require any fact or other question to be adjudicated in court before taking action.

Section 9 - The Trust Fund

9.1 Trust Fund Assets.

The Trust Fund shall be held and disbursed by the Trustees in trust in accordance with the provisions of the Trust Agreement for use in accordance with the provisions of this Plan and of the Trust Agreement. No person shall have an interest in or rights to the Trust Fund or any part thereof, except as expressly provided under the Plan, and then only to the extent of the amounts payable to such person under the Plan.

9.2 Reversion to County.

No part of the assets of the Trust Fund shall, by reason of any modification, amendment, termination, or otherwise, revert to or inure to the benefit of the County prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries, nor shall any part of the Trust Fund assets otherwise be used for or diverted to purposes other than for the exclusive benefit of Participants, or their designated Beneficiaries. After the satisfaction of all such liabilities, any excess remaining as the result of actuarial errors in the funding required shall revert to the County.

9.3 Removal of Trustees.

Removal or replacement of the Trustees shall be accomplished in the manner provided for in the Trust Agreement.

9.4 Authority of Trustees.

The Trustees shall at any time have such powers to hold, invest, reinvest, control and disburse the Trust Fund as shall at that time be set forth in the Trust Agreement.

9.5 Trustee's Participation.

A Trustee may be a Participant in the Plan, and such participation will not result in any limitation of powers or other disqualification to act in the capacity of Trustee.

Section 10 - Reservations and Limitations of Rights

10.1 No Contractual Obligation.

Neither the County, the Retirement Administrator, nor the Trustees assume as a contractual obligation the continuation of this Plan or the payment of contributions thereunder. Each Participant, Beneficiary or other person who shall claim the right to any payment or benefit under the Plan, shall be entitled to look only to the Trust Fund for any such payment or benefit and shall not have any right, claim or demand therefor against the County, the Retirement Administrator, or the Trustees.

10.2 No Contract for Employment.

The Plan shall not be deemed to constitute a contract between the County and any Participant or to be a consideration for or an inducement for the employment of any Participant by the County. Nothing contained in the Plan shall be deemed to give any Participant the right to be retained in the service of the County or to interfere with the right of the County to discharge any Participant at any time without regard to the effect which such discharge shall have upon his rights, if any, under the Plan.

10.3 Exceptions.

All of the provisions of Section 10 limiting the obligations of the County under the Plan or the rights of Participants in the Plan shall not be effective to the extent otherwise provided by the terms of any contract to which the County is a party, including any agreement between the County and any collective bargaining unit representing any of the Employees of the County, as such agreement shall be in effect from time to time.

Section 11 - Non-Alienation of Benefits

11.1 No Alienation or Anticipation of Benefits.

Benefits which are payable under the Plan shall not be subject in any manner to anticipation or alienation. Any attempt to anticipate or alienate any benefit payable under the Plan shall be void. Except for the withholding of Federal income tax to the extent required by law, benefits shall not in any manner be subject to the debts, contracts, liabilities or torts of the person who shall be entitled to such benefit, nor shall they be subject to attachment or legal process for or against such person.

11.2 Consequences of Attempted Alienation.

If any person entitled to any benefit under this Plan becomes bankrupt or attempts to anticipate or alienate such benefit, or if any person attempts to attach, garnish, execute or otherwise encumber a benefit payable under this Plan to any Participant or any other person entitled thereto, the Retirement Administrator, in his sole discretion, may terminate the interest in such benefit of any Participant or any other person. In that event, the Retirement Administrator shall cause such benefit, or any part thereof, to be held or applied for the benefit of a Participant

or other person or his spouse, children or other relatives or dependents, or all or any of them, in such manner as the Retirement Administrator shall determine, and any such application shall be a complete discharge of all liability with respect to such benefit.

11.3 Treatment of Domestic Relations Orders.

(a) The prohibitions contained in the preceding paragraphs of this Section 11 shall not apply to payments or transfers made pursuant to a Domestic Relations Order which complies with the provisions of this Section.

(b) The Plan will comply with a Domestic Relations Order, provided it meets the following conditions:

(i) The Domestic Relations Order must be a judgment, decree, or order made pursuant to a state domestic relations law;

(ii) The Domestic Relations Order must relate to the payment of a marital property award to a spouse or former spouse of a Participant (an "Alternate Payee");

(iii) The Domestic Relations Order, as described in paragraphs (1) and (2) above, must create or recognize an Alternate Payee as an owner or a co-owner of an interest of a Participant under the Plan, must specifically identify each interest that is subject to such order and must specifically order the direct transfer of each such interest to such Alternate Payee.

(iv) No Domestic Relations Order shall require the Plan (A) to provide any type or form of benefit not otherwise provided by the Plan; nor (B) to provide any increased benefits; nor (C) to pay benefits to an Alternate Payee which are required to be paid to another Alternate Payee under another previously applicable Domestic Relations Order.

(v) The Plan shall establish procedures to determine whether a Domestic Relations Order is qualified and to administer distributions under such Domestic Relations Order.

(vi) Any benefits payable or interest transferred under this Section 11.3 pursuant to a Domestic Relations Order shall be computed before determining the benefit payable under any other Section of the Plan, and shall reduce the amount payable under the Plan.

[Added 2/5/96, effective 7/1/96]

Section 12 - Amendment and Termination

12.1 Amendment.

(a) General Rule

Either the County or the Trustees may at any time modify or amend the Plan in whole or in part, except to the extent otherwise provided by any contract to which the County is

a party, including any agreement between the County and any collective bargaining unit representing any of the Employees of the County, as such agreement shall be in effect from time to time; provided however, that any modification or amendment of the Plan shall not affect, unless expressly set forth in the amendment or modification, or adversely affect in any case, any rights or benefits under the Plan existing at the date of such modification or amendment in respect of any Participant who shall have retired, been retired or otherwise ceased to be in the employ of the County prior to said date, or adversely affect any accrued benefits under the Plan existing at said date in respect of any Participant who at said date shall be in the employ of the County.

(b) Exception

Anything in subsection (a) to the contrary notwithstanding, either the County or the Trustees may make, on a retroactive basis if necessary, any and all modifications and amendments of the Plan which shall be necessary and appropriate in order to qualify this Plan and the Trust Agreement, or to keep the Plan and the Trust Agreement qualified, under the Code or any amendment of the Code.

12.2 Termination.

(a) Priorities

Upon termination of the Plan, or upon complete discontinuance of County contributions, the rights of all Participants to benefits accrued to the date of said termination or discontinuance (the "Termination Date"), to the extent funded, shall be nonforfeitable, and the assets of the Trust Fund shall be allocated as follows, after payment of all proper expenses:

(i) First, to provide the benefits called for by the Plan for each Participant or Beneficiary, to whom payments are being made at the Termination Date.

(ii) Second, if any assets remain after completion of the allocation provided for in subsection (a)(i), to provide the retirement benefits called for by the Plan for (A) each Participant who has reached his Normal Retirement Date on the Termination Date, but who has not begun to receive benefits as of such date and (B) each Participant who has a vested right to receive benefits pursuant to Section 4.2 as of Termination Date.

(iii) Third, if any assets remain after completion of the allocation provided for in subsection (a)(ii), to provide retirement benefits for each of the remaining Participants.

(b) Method of Allocation of Assets

Assets shall be allocated on the basis of the actuarial reserve required at the Termination Date to provide the particular benefit in question. If the assets are insufficient to provide the actuarial reserves required to provide the benefits for all persons in any of the foregoing classes, the assets shall be allocated among the persons in the class in proportion to the

ratio which the actuarial reserve for each person in that class at the Termination Date bears to the total of the actuarial reserves for all persons in that class at the Termination Date.

(c) Subject to approval by the Trustees, the respective amounts to be allocated in accordance with the provisions of this Section 12.1 shall be determined by the Retirement Administrator as of the Termination Date, and the allocation shall be accomplished through (i) the distribution of cash in a lump sum or in payments over such period as may be determined by the Retirement Administrator, (ii) the purchase of annuity contracts, or (iii) the continuance of the Trust Fund or the establishment of one or more new trust funds, or a combination thereof, as shall be determined by the Retirement Administrator.

Section 13 - Miscellaneous Provisions

13.1 Maximum Benefits.

(a) Notwithstanding anything in the Plan to the contrary, the annual retirement benefit provided to a Participant under this Plan and under all other defined benefit plans maintained by the County, the Employees' Retirement System of the State of Maryland, and the Pension System for Employees of the State of Maryland, and any successor plans (collectively, the "Aggregated Plans"), shall not exceed the actuarial equivalent of an annual benefit equal to \$160,000, payable in the form of a straight life annuity (with no ancillary benefits) under a plan to which no employee contributions or rollover contributions are made. The \$160,000 amount referred to in the first sentence of this subsection shall be adjusted, effective January 1 of each year, under Code section 415(d) in such manner as the Secretary shall prescribe, such adjusted amount to be referred to for purposes of this section as the "Adjusted Limitation Amount." If the annual retirement benefit under the Plan and the Aggregated Plans is payable in any form other than the straight life annuity described in the first sentence of this subsection, or if employee or rollover contributions are made to the Plan or the Aggregated Plans, then the benefit shall be adjusted so that it is the actuarial equivalent of the straight life annuity described in the first sentence of this subsection, calculated using the Applicable Interest Rate and the Applicable Mortality Table. For purposes of this section, the Applicable Mortality Table is the table prescribed by the Commissioner of the Internal Revenue Service under Code section 415(b)(2)(E)(v) from time to time. For purposes of this section, the Applicable Interest Rate shall not be less than the greater of 5 percent or the rate specified Section 13.5 of the Plan.

(b) The Adjusted Limitation Amount shall not apply where the total projected benefits payable to a Participant under this Plan and the Aggregated Plans do not exceed \$10,000 and the Participant has not at any time participated in a defined contribution plan maintained by the County or the State of Maryland.

(c) Other than with respect to any survivor or disability benefits payable under the Plan, if the Participant has fewer than 10 years of participation in the Plan, the Adjusted Limitation Amount shall be multiplied by a fraction, the numerator of which is the number of years of participation (or part thereof) in the Plan and the denominator of which is 10. This subsection (c) shall also apply with respect to the \$10,000 limitation described in subsection (b), except that "10 years of service with the County or the State of Maryland or any other

political subdivision thereof” shall be substituted in place of “10 years of participation in the Plan” for this purpose. However, in no event will this subsection (c) serve to reduce the limitations referred to in subsections (a) or (b) to an amount less than 1/10 of such limitation (determined without regard to this subsection (c)). To the extent required by applicable Treasury regulations, the limitation imposed by this subsection (c) shall be applied separately with respect to each change in the Plan’s benefit structure.

(d) Other than with respect to (i) any survivor or disability benefits payable under the Plan or (ii) any benefits under the Plan payable to a “qualified participant” (defined below), if the benefit of a Participant begins prior to age 62, the Adjusted Limitation Amount applicable to the Participant at such earlier age is an annual benefit payable in the form of a straight life annuity beginning at the earlier age that is the actuarial equivalent of the Adjusted Limitation Amount to the Participant at age 62. The Adjusted Limitation Amount applicable at an age prior to age 62 is determined as the actuarial equivalent (at such age) of the Adjusted Limitation Amount computed using the Applicable Interest Rate and the Applicable Mortality Table. For purposes of this subsection, a “qualified participant” is a Participant with at least 15 years of service taken into account under the Plan as either a full-time police or fire department employee or as a member of the Armed Forces of the United States, as defined in accordance with Section 415(b)(2)(H) of the Code.

(e) If the benefit of a Participant begins after the Participant attains age 65, the Adjusted Limitation Amount applicable to the Participant at the later age is the annual benefit payable in the form of a straight life annuity beginning at the later age that is the actuarial equivalent of the Adjusted Limitation Amount applicable to the Participant at age 65. The Actuarial Equivalent of the defined benefit dollar limitation applicable at an age after age 65 is determined as the actuarial equivalent (at such age) of the Adjusted Limitation Amount computed using the Applicable Mortality Table and an interest rate not greater than the lesser of 5 percent or the rate specified Section 13.5 of the Plan.

(f) If the County elected on or before the first Plan Year beginning after December 31, 1989 to have the special rule in Code section 415(b)(10) apply and did not revoke such election, then, with respect to each Participant who first became a Participant in the Plan before January 1, 1990, the Adjusted Limitation Amount shall not be less than the accrued benefit of the Participant under the Plan (determined without regard to any amendment of the Plan made after October 14, 1987).

(g) Any contributions by a Participant to purchase “permissive service credit” within the meaning of Code section 415(n)(3) shall be deemed to comply with the requirements of Code section 415(n) only if the requirements of this Section 13.1 of the Plan are met, determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of this section.

(h) This Section 13.1 of the Plan is intended to be applied and interpreted in accordance with the requirements of Section 415(b) of the Code and all Treasury regulations and other generally applicable guidance issued thereunder. The provisions of Code section 415(b) and the regulations thereunder, as they in each case may be amended or superseded from time to

time, are hereby incorporated by reference and shall control to the extent necessary over any inconsistent provision of this Section 13.1.

[Amended 12/16/08, effective 1/1/08]

13.2 Forfeitures.

Forfeitures, if any, under this Plan must not be applied to increase the benefits any Employee would otherwise receive under the Plan. A Participant's right to a normal retirement benefit is nonforfeitable on attainment of his Normal Retirement Date.

13.3 Restriction on Distributions.

No benefits shall be distributed under this Plan before a Participant's Normal Retirement Date, termination of service, death or disability.

13.4 Required Distributions.

(a) General Rules. All required distributions under the Plan will be determined and made in accordance with a reasonable, good faith interpretation of Code section 401(a)(9), as provided in regulations issued from time to time by the Secretary of Treasury pursuant to Section 823 of the Pension Protection Act of 2006. Unless otherwise provided in such regulations, distributions under the Plan made in accordance with subsections (b) through (f) below will be deemed to be made in accordance with a reasonable, good faith interpretation of Code section 401(a)(9).

(b) Time and Manner of Distribution.

(i) The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's Required Beginning Date.

(ii) If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(A) If the Participant's surviving spouse is the Participant's sole Beneficiary, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.

(B) If the Participant's surviving spouse is not the Participant's sole Beneficiary, distributions to the Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(C) If there is no Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(D) If the Participant's surviving spouse is the Participant's sole Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this subsection (b)(ii), other than subsection (b)(ii)(A), will apply as if the surviving spouse were the Participant.

For purposes of this subsection (b)(ii) and subsection (e) below, unless subsection (b)(ii)(D) applies, distributions are considered to begin on the Participant's Required Beginning Date. If subsection (b)(ii)(D) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under subsection (b)(ii)(A). If annuity payments irrevocably commence to the Participant before the Participant's Required Beginning Date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under subsection (b)(ii)(A)), the date distributions are considered to begin is the date distributions actually commence.

(iii) Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the Required Beginning Date, as of the first Distribution Calendar Year distributions will be made in accordance with subsections (c), (d), and (e) below. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code section 401(a)(9) and the Treasury regulations issued thereunder.

(c) Determination of Amount to be Distributed Each Year.

(i) If the Participant's interest is paid in the form of annuity distributions under the Plan, payments under the annuity will satisfy the following requirements:

(A) the annuity distributions will be paid in periodic payments made at intervals not longer than one year;

(B) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in subsections (d) or (e) below;

(C) once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;

(D) payments will either be non-increasing or increase only as follows:

(1) by an annual percentage increase that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;

(2) to the extent of the reduction in the amount of the Participant's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in subsection (d) below dies or is no longer the Participant's Beneficiary pursuant to a domestic relations order within the meaning of Section 11.3 of the Plan;

(3) to provide cash refunds of employee contributions upon the Participant's death; or

(4) to pay increased benefits that result from a Plan amendment.

(ii) The amount that must be distributed on or before the Participant's Required Beginning Date (or, if the Participant dies before distributions begin, the date distributions are required to begin under subsections (b)(ii)(A) or (B) above) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Participant's benefit accruals as of the last day of the first Distribution Calendar Year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Participant's Required Beginning Date.

(iii) Any additional benefits accruing to the Participant in a calendar year after the first Distribution Calendar Year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

(d) Requirements for Annuity Distributions that Commence During Participant's Lifetime.

(i) If the Participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Participant and a nonspouse Beneficiary, annuity payments to be made on or after the Participant's Required Beginning Date to the Beneficiary after the Participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Participant using the table set forth in Q&A-2 of Section 1.401(a)(9)-6T of the Treasury regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the Participant and a nonspouse Beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the Designated Beneficiary after the expiration of the period certain.

(ii) Unless the Participant's spouse is the sole Beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Participant's lifetime may not exceed the applicable distribution period for the Participant under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations for the calendar year that contains the annuity starting date. If the annuity starting date precedes the year in which the Participant reaches age 70, the applicable distribution period for the Participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations plus the excess of 70 over the age of the Participant as of the Participant's birthday in the year that contains the annuity starting date. If the Participant's spouse is the Participant's sole Beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Participant's applicable distribution period, as determined under this subsection (d)(ii), or the joint life and last survivor expectancy of the Participant and the Participant's spouse as determined under the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the calendar year that contains the annuity starting date.

(e) Requirements for Minimum Distributions Where Participant Dies Before Date Distributions Begin.

(i) If the Participant dies before the date distribution of his or her interest begins and there is a Beneficiary, the Participant's entire interest will be distributed, beginning no later than the time described in subsections (b)(ii)(A) or (B) above, over the life of the Beneficiary or over a period certain not exceeding:

(A) unless the annuity starting date is before the first Distribution Calendar Year, the Life Expectancy of the Beneficiary determined using the Beneficiary's age as of the Beneficiary's

birthday in the calendar year immediately following the calendar year of the Participant's death; or

(B) if the annuity starting date is before the first Distribution Calendar Year, the Life Expectancy of the Beneficiary determined using the Beneficiary's age as of the Beneficiary's birthday in the calendar year that contains the annuity starting date.

(ii) If the Participant dies before the date distributions begin and there is no Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(iii) If the Participant dies before the date distribution of his or her interest begins, the Participant's surviving spouse is the Participant's sole Beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, this subsection (e) will apply as if the surviving spouse were the Participant, except that the time by which distributions must begin will be determined without regard to subsection (b)(ii)(A) above.

(f) Definitions. In this Section, the following terms have the meanings set forth below.

(i) Beneficiary means the individual who is designated as the beneficiary under Section 1.3 of the Plan and is the designated beneficiary under Code section 401(a)(9) and Section 1.401(a)(9)-4, of the Treasury regulations.

(ii) Distribution Calendar Year means a calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first Distribution Calendar Year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first Distribution Calendar Year is the calendar year in which distributions are required to begin pursuant to subsection (b)(ii) above.

(iii) Life Expectancy means life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.

(iv) Required Beginning Date means the April 1 of the calendar year following the later of (i) the calendar year in which the Participant attains age 70½; or (ii) the calendar year in which the Participant retires.

[Amended 4/178/07, effective 1/1/07]

13.5 Actuarial Equivalent.

Actuarial Equivalent means a benefit provided in the Plan that is determined by the actuary for the Plan to be the equivalent of some other benefit provided in the Plan, based on the interest rate and the mortality and other tables and assumptions adopted for such purposes by the Retirement Administrator and described below. No amendment to the factors described below shall cause a Participant's accrued benefit to be decreased below the value of his accrued benefit as calculated on the date immediately preceding such amendment.

The interest rate is 8%. The mortality table is the 1983 Group Annuity Mortality table, sex distinct, three year set-forward for females. [Amended 12/17/90, effective 7/1/90; amended 4/18/07, effective 7/1/04]

13.6 Restrictions on Benefits Payable to Highly Compensated Participants.

This Section sets forth limitations required by the Code on the pension benefits payable to certain Participants. It shall apply to a Participant only if his or her anticipated annual pension exceeds \$1,500 and the Participant was among the twenty-five highest-paid employees of the County, as hereafter defined, on July 1, 1990, or in the case of an amendment of the Plan, on the effective date of the amendment. For purposes of this Section "twenty-five highest-paid employees" shall mean the persons who were employed by the County in any capacity on July 1, 1990, or in the case of an amendment to the Plan, on the effective date of the amendment, and who were the twenty-five highest-paid employees of the County as of that date, including any employees who are not Participants at that time but who may later become Participants. The limitations set forth in this Section shall become applicable if:

- (a) the Plan is terminated before July 1, 2000,
- (b) the pension of one of the twenty-five highest-paid employees becomes payable within such 10-year period, or
- (c) the benefits of one of the twenty-five highest-paid employees becomes payable after the Plan has been in effect for 10 years, and the full current costs of the Plan for the first 10 years have not been funded.

If subsection (b) above is applicable, the restrictions shall remain in effect until the expiration of the 10-year period.

If a Participant is subject to the provisions of this Section, the annual pension payable to such Participant shall not exceed the pension which can be provided from the greatest of the following:

- (i) \$20,000, or
- (ii) an amount computed by multiplying the greater of the number of years (A) for which the current costs of the Plan have been met after July 1, 1990, (B) in the case of a termination, between July 1, 1990, and the date the Plan is terminated,

and (C) between July 1, 1990, and the date benefits become payable, by 20% of the first \$50,000 of the Participant's Average Annual Compensation during the Participant's last 5 years of employment.

The limitations described above may be exceeded for the purpose of making current benefit payments to retired Participants who would otherwise be subject to such restrictions, provided that (1.) the contributions which may be used for any such retired Participant in accordance with the restrictions heretofore indicated are applied to provide either a level amount of pension in the basic form of benefit provided for under the Plan for such Participant, or a level amount of pension in an optional form of benefit not greater in amount than the level amount of pension under the basic form of benefit, and (2.) the pension thus provided is supplemented by monthly payments to the extent necessary to provide the full pension in the basic form called for by the Plan, and (3.) such supplemental payments are made if the full current costs of the Plan have been met or if the aggregate of such supplemental payments for all such retired Participants does not exceed the aggregate County contributions already made under the Plan in the year then current.

If the Plan is amended to increase the benefit payable in the event of the termination of the Plan, or the discontinuance of contributions thereunder, the provisions of the above paragraphs shall be applied to the Plan as so changed as if it were a new plan established on the date of the amendment. The original group of twenty-five employees (as described in the first paragraph of this subsection) will continue to have the limitations described above apply as if the Plan had not been amended. The restrictions relating to the amendment of the Plan should apply to benefits or funds for each of the twenty-five highest-paid employees on the effective date of the amendment except that such restrictions need not apply with respect to any Participant in this group for whom the normal annual pension or annuity provided by County contributions prior to that date and during the ensuing ten years, based on the Participant's rate of compensation on that date, could not exceed \$1,500.

The County contributions which may be used for the benefit of the new group of twenty-five employees will be limited to the greater of:

(a) The County contributions (or funds attributable thereto) which would have been applied to provide the benefits for the Participant if the Plan had been continued without change,

(b) \$20,000, or

(c) The sum of (i) the County contributions (or funds attributable thereto) which would have been applied to provide benefits for the Participant under the Plan if it had been terminated the day before the effective date of the amendment, and (ii) an amount computed by multiplying the number of years for which the current costs of the Plan after that date are met by (A) 20% of the Participant's Average Annual Compensation during the Participant's last 5 years of employment, or (B) \$10,000, whichever is smaller.

The limitations in this Section shall automatically become inoperative and of no effect upon a ruling by the Internal Revenue Service that they are not required.

13.7 Gender and Number.

Except when otherwise clearly indicated by the context, words in the masculine form shall be deemed to refer to females as well as males, and words in the singular form shall also be deemed to refer to the plural.

13.8 Separability.

Each provision hereof shall be independent of each other provision hereof and if any provision of this Plan proves to be, or is held by any court, or tribunal, board or authority of competent jurisdiction to be, void or invalid as to any Participant or group of Participants, such provision shall be disregarded and shall be deemed to be null and void and no part of this Plan; but such invalidation of any such provision shall not otherwise impair or affect this Plan or any of the other provisions or terms hereof.

13.9 Heirs, Assigns and Personal Representatives.

This Plan shall be binding upon the executors, administrators, personal representatives, heirs, successors and assigns of the parties, including each Participant and Beneficiary, present and future.

13.10 Headings and Captions.

The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan, and shall not be employed in the construction of the Plan.

13.11 Controlling Law.

This Plan shall be construed and enforced according to the laws of the State of Maryland to the extent not preempted by federal law, which shall otherwise control.

13.12 Title to Assets.

No Participant or Beneficiary shall have any right to, or interest in, any assets of the Trust Fund upon termination of his employment or otherwise, except as provided from time to time under this Plan, and then only to the extent of the benefits payable under the Plan to such Participant or out of the assets of the Trust Fund. All payments of benefits as provided for in this Plan shall be made from the assets of the Trust Fund, and neither the County nor any other person shall be liable therefor in any manner.

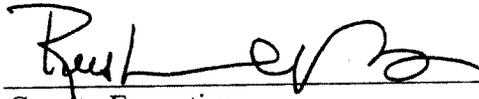
13.13 Counterparts.

This instrument may be executed in counterparts, each of which shall constitute an original.

IN WITNESS WHEREOF, as evidence of the adoption of this Amended and Restated Plan, the County has caused the same to be executed by its duly authorized officers and its seal to be affixed hereto as of this 31st day of December, 2010.

ATTEST:

PRINCE GEORGE'S COUNTY,
MARYLAND

By: 
County Executive

[SEAL]

SCHEDULE A

Prince George's County Plans

A. Pension Plans

1. Prince George's County Police Pension Plan.
2. Prince George's County Fire Service Pension Plan.
3. Prince George's County Deputy Sheriff's Pension Plan.

B. Supplemental Pension Plans

1. Prince George's County Supplemental Pension Plan for Employees Represented by The American Federation of State, County and Municipal Employees, Locals 2462, 2735 and 3279.
2. Prince George's County Supplemental Pension Plan for Employees Represented by The American Federation of State, County and Municipal Employees, Local 241.
3. Prince George's County Supplemental Pension Plan for General Schedule Employees. [Added 12/17/90, effective 12/30/90]
4. Prince George's County Supplemental Pension Plan for Employees Represented by The International Association of Fire Fighters, Local 1619. [Added 5/13/91, effective 7/1/91]
5. Prince George's County Supplemental Pension Plan for Employees Represented by the Police Civilian Employees Association. [Added 6/3/92, effective 7/1/92]

[Amended 2/5/96, effective 7/1/96; amended 6/12/98, effective 10/9/97]

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