

# ATTACHMENT 2

## NONSTANDARDIZED GOVERNMENTAL MONEY PURCHASE PLAN ADOPTION AGREEMENT #002

By executing this Nonstandardized Governmental Money Purchase Plan Adoption Agreement (the "Adoption Agreement" or "AA"), the undersigned Employer agrees to establish or continue a Governmental Money Purchase Plan for its Employees. The Governmental Money Purchase Plan adopted by the Employer consists of the Governmental Defined Contribution Pre-Approved Plan Basic Plan Document #03 (the "BPD") and the elections made under this Adoption Agreement (collectively referred to as the "Plan"). An Employer may jointly co-sponsor the Plan by signing a Participating Employer Adoption Page, which is attached to this Adoption Agreement. **This Plan is effective as of the Effective Date identified on the Signature Page of this Adoption Agreement.**

### SECTION 1 EMPLOYER INFORMATION

1-1 **EMPLOYER INFORMATION.**

Name: City of Napa

Address: 955 School Street

Napa, CA 94559-0660

Telephone: (707) 257-9428

1-2 **EMPLOYER IDENTIFICATION NUMBER (EIN).** 94-6000380

1-3 **FORM OF BUSINESS.**

State or political subdivision of a State

State agency or instrumentality

Indian Tribal Government

Describe other Employer qualified to adopt a Governmental Plan: \_\_\_\_\_

1-4 **EMPLOYER'S TAX YEAR END.** The Employer's tax year ends June 30

1-5 **RELATED EMPLOYERS.** Is the Employer part of a group of Related Employers (as defined in Section 1.83 of the Plan)?

Yes

No

If yes, Related Employers may be listed below. A Related Employer must execute a Participating Employer Adoption Page for Employees of that Related Employer to participate in this Plan.

*[Note: This AA §1-5 is for informational purposes and Employers need not list Related Employers. The failure to identify all Related Employers will not jeopardize the qualified status of the Plan.]*

### SECTION 2 PLAN INFORMATION

2-1 **PLAN NAME.** City of Napa Money Purchase Plan

Original Effective Date: December 4, 2024

Restatement Effective Date: \_\_\_\_\_

2-2 **PLAN NUMBER.** 002

2-3 **TYPE OF PLAN.** This Plan is a Money Purchase Defined Contribution Plan.

The Plan is intended to be a FICA Replacement Plan (as defined under Section 4.03 of the Plan).

*[Note: Elections under this AA must be consistent with the requirements of a FICA Replacement Plan as described under Section 4.03 of the Plan.]*

**2-4 PLAN YEAR.**

- (a) Calendar year.
- (b) The 12-consecutive month period ending on \_\_\_\_\_ each year.
- (c) The Plan has a Short Plan Year running from \_\_\_\_ to \_\_\_\_.

**2-5 FROZEN PLAN.** Check this AA §2-5 if the Plan is a frozen Plan to which no contributions will be made.

- This Plan is a frozen Plan effective \_\_\_\_\_. (See Section 3.02(b)(6) of the Plan.)

*[Note: As a frozen Plan, the Employer will not make any contributions with respect to Plan Compensation earned after such date and no Participant will be permitted to make any contributions to the Plan after such date. In addition, no Employee will become a Participant after the date the Plan is frozen.]*

**2-6 MULTIPLE EMPLOYER PLAN.** Is this Plan a Multiple Employer Plan as defined in Section 16.07 of the Plan? (See Section 16.07 of the Plan for special rules applicable to Multiple Employer Plans.)

- Yes
- No

**2-7 PLAN ADMINISTRATOR.**

- (a) The Employer identified in AA §1-1.

- (b) Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_

**2-8 DEFINITION OF DISABLED.** An individual is considered Disabled for purposes of applying the provisions of this Plan if:

- (a) The individual is covered by the Employer's disability insurance plan and is determined to be disabled under such plan.
- (b) The individual is determined to be disabled by the Social Security Administration under Section 223(d) of the Social Security Act for purposes of determining eligibility for Social Security benefits.
- (c) The Plan Administrator determines an individual is unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment that can be expected to result in death or which has lasted, or can be expected to last, for a continuous period of not less than 12 months. The permanence and degree of such impairment shall be supported by medical evidence. The Plan Administrator may establish reasonable procedures for determining whether a Participant is Disabled.

*[Note: An Employer may elect any or all of (a), (b) and (c) above. If more than one of (a), (b) and (c) is selected, the hierarchy for determining whether an individual is considered Disabled is (a), then (b) and then (c), unless described otherwise under separate administrative procedures or under subsection (d) below.]*

- (d) Alternative definition of Disabled: \_\_\_\_\_

*[Note: Any alternative definition described above will apply uniformly to all Participants under the Plan and will be applied in a nondiscretionary manner. The Employer may describe different definitions of Disabled for different purposes under the plan.]*

**SECTION 3  
ELIGIBLE EMPLOYEES****3-1 ELIGIBLE EMPLOYEES.** In addition to the Employees identified in Section 2.02 of the Plan, the following Employees are excluded from participation under the Plan. See Sections 2.02(d) and (e) of the Plan for rules regarding the effect on Plan participation if an Employee changes between an eligible and ineligible class of employment.

- (a) No exclusions
- (b) Collectively Bargained Employees
- (c) Non-resident aliens who receive no compensation from the Employer which constitutes U.S. source income

- (d) Leased Employees
- (e) Employees paid on an hourly basis
- (f) Employees paid on a salaried basis
- (g) Employees in an elected or appointed position
- (h) Part-Time Employees (as defined in Section 1.71 of the Plan)
- (i) Seasonal Employees (as defined in Section 1.89 of the Plan)
- (j) Temporary Employees (as defined in Section 1.93 of the Plan)
- (k) Employees eligible for another qualified plan sponsored by the Employer or a Related Employer

Specify name of other qualified plan (optional): \_\_\_\_\_

- (l) Other: Any Employee not classified as the City Manager, Management Employees (AMPR) and Exempt Management (AMPX), Executive Staff, Assistant City Manager, City Attorney, City Clerk. In addition, any Employee that is not a member of the Napa City Employees’ Association (NCEA) Service Employees International Union (SEIU) Local 1021 will be excluded

*[Note: The elections under this AA §3-1 apply to any Pick-Up Contributions and any After-Tax Employee Contributions authorized under AA §6-6, unless elected otherwise under subsection (l) above. The exclusions inserted may not result in a specifically named individual or a finite group (such as employees hired before a certain date) being the only employee or employees participating under the plan in violation of the permanency requirements or Treas. Reg. §1.401-1(b)(2). It is permissible to limit participation under the plan to an employee or employees of a specifically named position or positions.]*

**SECTION 4  
MINIMUM AGE AND SERVICE REQUIREMENTS**

4-1 **ELIGIBILITY REQUIREMENTS – MINIMUM AGE AND SERVICE.** An Eligible Employee (as defined in AA §3-1) who satisfies the minimum age and service conditions under this AA §4-1 will be eligible to participate under the Plan as of his/her Entry Date (as defined in AA §4-2 below).

- (a) **Service Requirement.** An Eligible Employee must complete the following minimum service requirements to participate in the Plan.
  - (1) There is no minimum service requirement for participation in the Plan.
  - (2) \_\_\_ Year(s) of Service (as defined in Section 2.03(a)(1) of the Plan and AA §4-3).
  - (3) The completion of at least \_\_\_ Hours of Service during the first \_\_\_ months of employment (or the first \_\_\_ days of employment) or the completion of a Year of Service (as defined in AA §4-3), if earlier.
    - (i) An Employee who completes the required Hours of Service satisfies eligibility at the end of the designated period, regardless if the Employee actually works for the entire period.
    - (ii) An Employee who completes the required Hours of Service must also be employed continuously during the designated period of employment. See Section 2.03(a)(2) of the Plan for rules regarding the application of this subsection (ii).
  - (4) The completion of \_\_\_ Hours of Service during an Eligibility Computation Period. *[Note: An Employee satisfies the service requirement immediately upon completion of the designated Hours of Service rather than at the end of the Eligibility Computation Period.]*
  - (5) Full-time Employees are eligible to participate as set forth in subsection (i) below. Employees who are “part-time” Employees must complete a Year of Service (as defined in AA §4-3). For this purpose, a full-time Employee is any Employee not defined in subsection (ii) below.
    - (i) Full-time Employees must complete the following minimum service requirements to participate in the Plan:
      - (A) There is no minimum service requirement for participation in the Plan.
      - (B) The completion of at least \_\_\_ Hours of Service during the first \_\_\_ months of employment or the completion of a Year of Service (as defined in AA §4-3), if earlier.
      - (C) Under the Elapsed Time method as defined in AA §4-3(c) below.

## ATTACHMENT 2

### Pre-Approved Governmental Money Purchase Plan Section 4 – Minimum Age and Service Requirements

(D) Describe: \_\_\_\_\_

*[Note: Any conditions provided under this subsection (D) must be definitely determinable.]*

(ii) Part-time Employees must complete a Year of Service (as defined in AA §4-3).

(A) For this purpose, a part-time Employee is any Employee (including a temporary or seasonal Employee) whose normal work schedule is less than:

(I) \_\_\_ hours per week.

(II) \_\_\_ hours per month.

(III) \_\_\_ hours per year.

(B) Describe part-time Employees for this purpose: \_\_\_\_\_

*[Note: A part-time employee must be described as an individual who works less than a specified number of hours (no greater than 40) during a standard work week.]*

(6) Under the Elapsed Time method as defined in AA §4-3(c) below.

(7) Describe eligibility conditions: \_\_\_\_\_

(b) **Minimum Age Requirement.** An Eligible Employee (as defined in AA §3-1) must have attained the following age to participate under the Plan.

(1) There is no minimum age for Plan eligibility.

(2) Age 21.

(3) Age 20½.

(4) Age \_\_\_\_.

(c) **Special eligibility rules.** The following special eligibility rules apply with respect to the Plan: \_\_\_\_\_

*[Note: The elections under this AA §4-1 apply to any Pick-Up Contributions and any After-Tax Employee Contributions authorized under AA §6-6, unless elected otherwise under subsection (c) above. Subsection (c) may be used to apply the eligibility conditions selected under this AA §4-1 separately with respect to different Employee groups or different contribution formulas under the Plan. Any special eligibility rules must be definitely determinable.]*

4-2 **ENTRY DATE.** An Eligible Employee (as defined in AA §3-1) who satisfies the minimum age and service requirements in AA §4-1 shall be eligible to participate in the Plan as of his/her Entry Date. For this purpose, the Entry Date is the following date.

(a) **Immediate.** The date the minimum age and service requirements are satisfied (or date of hire, if no minimum age and service requirements apply).

(b) **Semi-annual.** The first day of the 1st and 7th month of the Plan Year.

(c) **Quarterly.** The first day of the 1st, 4th, 7th and 10th month of the Plan Year.

(d) **Monthly.** The first day of each calendar month.

(e) **Payroll period.** The first day of the payroll period.

(f) **The first day of the Plan Year.**

(g) **Describe Entry Date:** \_\_\_\_\_

*[Note: Any Entry Date under this subsection (g) must be within the dates described under (a) – (f).]*

An Eligible Employee's Entry Date (as defined above) is determined based on when the Employee satisfies the minimum age and service requirements in AA §4-1. For this purpose, an Employee's Entry Date is the Entry Date:

(h) **next following** satisfaction of the minimum age and service requirements.

(i) **coinciding with or next following** satisfaction of the minimum age and service requirements.

(j) **nearest** the satisfaction of the minimum age and service requirements.

(k) **preceding** the satisfaction of the minimum age and service requirements.

This section may be used to describe any special rules for determining Entry Dates under the Plan. For example, if different Entry Date provisions apply for different groups of Employees, such different Entry Date provisions may be described below.

(l) **Describe** any special rules that apply with respect to the Entry Dates under this AA §4-2: \_\_\_\_\_

*[Note: The elections under this AA §4-2 apply to any Pick-Up Contributions and any After-Tax Employee Contributions selected under AA §6-6, unless elected otherwise under subsection (l) above. Any special rules under subsection (l) must be definitely determinable.]*

4-3 **DEFAULT ELIGIBILITY RULES.** In applying the minimum age and service requirements under AA §4-1 above, the following default rules apply:

- **Year of Service.** An Employee earns a Year of Service for eligibility purposes upon completing 1,000 Hours of Service during an Eligibility Computation Period. Hours of Service are calculated based on actual hours worked during the Eligibility Computation Period. (See Section 1.57 of the Plan for the definition of Hours of Service.)
- **Eligibility Computation Period.** If one Year of Service is required for eligibility, the Plan will determine subsequent Eligibility Computation Periods on the basis of Plan Years. (See Section 2.03(a)(3)(i) of the Plan.) If more than one Year of Service is required for eligibility, the Plan will determine subsequent Eligibility Computation Periods on the basis of Anniversary Years. (See Section 2.03(a)(3)(ii) of the Plan.)

To override the default eligibility rules, complete the applicable sections of this AA §4-3. **If this AA §4-3 is not completed, the default eligibility rules apply.**

- (a) **Year of Service.** Instead of 1,000 Hours of Service, an Employee earns a Year of Service upon the completion of \_\_\_\_ Hours of Service during an Eligibility Computation Period.
- (b) **Eligibility Computation Period (ECP).** The Plan will use Anniversary Years, unless more than one Year of Service is required under AA §4-1(a), in which case the Plan will shift to Plan Years if the Employee does not earn a Year of Service during the first Eligibility Computation Period. (See Section 2.03(a)(3)(ii) of the Plan.)
- (c) **Elapsed Time method.** Eligibility service will be determined under the Elapsed Time method. An Eligible Employee (as defined in AA §3-1) must complete a \_\_\_\_ period of service to participate in the Plan. (See Section 2.03(a)(6) of the Plan.)

*[Note: Under the Elapsed Time method, service will be measured from the Employee's employment commencement date (or reemployment commencement date, if applicable) without regard to the Eligibility Computation Period designated in Section 2.03(a)(3) of the Plan.]*

(d) **Equivalency Method.** For purposes of determining an Employee's Hours of Service for eligibility, the Plan will use the Equivalency Method (as defined in Section 2.03(a)(5) of the Plan). The Equivalency Method will apply to:

- (1) All Employees.
- (2) Only Employees for whom the Employer does not maintain hourly records. For Employees for whom the Employer maintains hourly records, eligibility will be determined based on actual hours worked.

Hours of Service for eligibility will be determined under the following Equivalency Method.

- (3) **Monthly.** 190 Hours of Service for each month worked.
- (4) **Weekly.** 45 Hours of Service for each week worked.
- (5) **Daily.** 10 Hours of Service for each day worked.
- (6) **Semi-monthly.** 95 Hours of Service for each semi-monthly period worked.
- (7) **Describe Equivalency Method:** \_\_\_\_\_

(e) **Special eligibility provisions:** \_\_\_\_\_

*[Note: The elections under this AA §4-3 apply to any Pick-Up Contributions and any After-Tax Employee Contributions selected under AA §6-6, unless elected otherwise under subsection (e) above. Any special rules under subsection (e) must be definitely determinable.]*

4-4 **EFFECTIVE DATE OF MINIMUM AGE AND SERVICE REQUIREMENTS.** The minimum age and/or service requirements under AA §4-1 apply to all Employees under the Plan. An Employee will participate as of his/her Entry Date, taking into account all service with the Employer, including service earned prior to the Effective Date.

To allow Employees employed on a specified date to enter the Plan without regard to the minimum age and/or service conditions, complete this AA §4-4.

An Eligible Employee who is employed by the Employer on the following designated date will enter the Plan on the designated date without regard to minimum age and/or service requirements (as designated below):

- (a) the Effective Date of this Plan (as designated in subsection (a) or (b) of the Employer Signature Page, as applicable).
- (b) the date the Plan is executed by the Employer (as indicated on the Employer Signature Page).
- (c) \_\_\_\_\_ [insert date no earlier than the Effective Date of this Plan]

An Eligible Employee who is employed on the designated date will enter the Plan on the designated date without regard to the minimum age and service requirements under AA §4-1. If both minimum age and service conditions are not waived, select subsection (d) or (e) below to designate which condition is waived under this AA §4-4.

- (d) This AA §4-4 only applies to the minimum service condition.
- (e) This AA §4-4 only applies to the minimum age condition.

The provisions of this AA §4-4 apply to all Eligible Employees employed on the designated date unless designated otherwise under subsection (f) or (g) below.

- (f) The provisions of this AA §4-4 apply to the following group of Employees employed on the designated date: \_\_\_\_\_
- (g) Describe special rules: \_\_\_\_\_

*[Note: An Employee who is employed as of the designated date described in this AA §4-4 will enter the Plan as of such date unless a different Entry Date is designated under subsection (g) above. Any special rules under subsection (g) above must be definitely determinable.]*

**4-5 SERVICE WITH PREDECESSOR EMPLOYER.** Service with the following Predecessor Employers will be counted for purposes of determining eligibility, vesting and allocation conditions under this Plan, unless designated otherwise under subsection (a) or (b) below. (See Sections 2.06, 3.07(b) and 6.07 of the Plan.)

- (a) The Plan will count service with the following Predecessor Employers:

Name of Predecessor Employer	Eligibility	Vesting	Allocation Conditions
<input type="checkbox"/> (1) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- (b) Describe any special provisions applicable to Predecessor Employer service: \_\_\_\_\_

**4-6 BREAKS IN SERVICE.** Generally, an Employee will be credited with all service earned with the Employer, including service earned prior to a Break in Service. To disregard service earned prior to a Break in Service for eligibility purposes, complete this AA §4-6. (See Section 2.07 of the Plan.)

- (a) If an Employee incurs at least one Break in Service, the Plan will disregard all service earned prior to such Break in Service for purposes of determining eligibility to participate.
- (b) If an Employee incurs at least \_\_\_\_\_ Breaks in Service, the Plan will disregard all service earned prior to such Break in Service for purposes of determining eligibility to participate. [Enter "0" if prior service will be disregarded for all rehired Employees.]
- (c) The Nonvested Participant Break in Service rule applies to all Employees, including Employees who have not terminated employment.
- (d) Describe: \_\_\_\_\_

**SECTION 5  
COMPENSATION DEFINITIONS**

**5-1 TOTAL COMPENSATION.** Total Compensation is based on the definition set forth under this AA §5-1. See Section 1.94 of the Plan for a specific definition of the various types of Total Compensation.

- (a) W-2 Wages
- (b) Code §415 Compensation
- (c) Wages under Code §3401(a)

*[Note: For purposes of determining Total Compensation, each definition includes Elective Deferrals, as defined in Section 1.36 of the Plan, pre-tax contributions to a Code §125 cafeteria plan or a Code §457 plan, and qualified transportation fringes under Code §132(f)(4).]*

5-2 **POST-SEVERANCE COMPENSATION.** Total Compensation includes post-severance compensation, to the extent provided in Section 1.94(b) of the Plan.

- (a) **Exclusion of post-severance compensation from Total Compensation.** The following amounts paid after a Participant's severance of employment are excluded from Total Compensation.
- (1) **Unused leave payments.** Payment for unused accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if employment had continued.
- (2) **Deferred compensation.** Payments received by an Employee pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid to the Employee at the same time if the Employee had continued in employment and only to the extent that the payment is includible in the Employee's gross income.

*[Note: Plan Compensation (as defined in Section 1.75 of the Plan) includes any post-severance compensation amounts that are includible in Total Compensation. The Employer may elect to exclude all compensation paid after severance of employment from the definition of Plan Compensation under AA §5-3(j) below or may elect to exclude specific types of post-severance compensation from Plan Compensation under AA §5-3(l) below.]*

- (b) **Continuation payments for disabled Participants.** If this subsection (b) is not elected, Total Compensation does not include continuation payments for disabled Participants. If this subsection (b) is elected, Total Compensation shall include post-severance compensation paid to a Participant who is permanently and totally disabled, as provided in Section 1.94(c) of the Plan.

5-3 **PLAN COMPENSATION.** Plan Compensation is **Total Compensation** (as defined in AA §5-1 above) with the following exclusions described below.

- (a) No exclusions.
- (b) Elective Deferrals (as defined in Section 1.36 of the Plan), pre-tax contributions to a cafeteria plan or a Code §457 plan, and qualified transportation fringes under Code §132(f)(4) are excluded.
- (c) All fringe benefits (cash and noncash), reimbursements or other expense allowances, moving expenses, deferred compensation, and welfare benefits are excluded.
- (d) Compensation above \$\_\_\_ is excluded.
- (e) Amounts received as a bonus are excluded.
- (f) Amounts received as commissions are excluded.
- (g) Overtime payments are excluded.
- (h) Amounts received for services performed for a non-signatory Related Employer are excluded. (See Section 2.02(c) of the Plan.)

*[Note: If this subsection (h) is not elected, amounts received for services performed for a non-signatory Related Employer are INCLUDED in Plan Compensation.]*

- (i) "Deemed §125 compensation" as defined in Section 1.94(d) of the Plan.
- (j) Amounts received after termination of employment are excluded. (See Section 1.94(b) of the Plan.)
- (k) Differential Pay (as defined in Section 1.94(e) of the Plan).
- (l) Describe adjustments to Plan Compensation: \_\_\_\_\_

*[Note: Any modification under subsection (l) above must be definitely determinable and preclude Employer discretion. The elections under this AA §5-3 apply to any Pick-Up Contributions and any After-Tax Employee Contributions selected under AA §6-6, unless elected otherwise under subsection (l).]*

5-4 **PERIOD FOR DETERMINING COMPENSATION.**

- (a) **Compensation Period.** Plan Compensation will be determined on the basis of the following period(s). *[Note: If a period other than the Plan Year applies, any reference to the Plan Year as it refers to Plan Compensation will be deemed to be a reference to the period designated under this AA §5-4.]*
- (1) The Plan Year.
- (2) The calendar year ending in the Plan Year.
- (3) The Employer's fiscal tax year ending in the Plan Year.
- (4) The 12-month period ending on \_\_\_\_\_ which ends during the Plan Year.

- (b) **Compensation while a Participant.** Unless provided otherwise under this subsection (b), in determining Plan Compensation, only compensation earned while an individual is a Participant under the Plan will be taken into account. To count compensation for the entire Plan Year, including compensation earned while an individual is not a Participant, check below. (See Section 1.75(b) of the Plan.)
  - All compensation earned during the Plan Year will be taken into account, including compensation earned while an individual is not a Participant.
- (c) **Few weeks rule.** The few weeks rule (as described in Section 5.02(c)(7)(i) of the Plan) will not apply unless designated otherwise under this subsection (c).
  - Amounts earned but not paid during a Limitation Year solely because of the timing of pay periods and pay dates shall be included in Total Compensation for the Limitation Year, provided the amounts are paid during the first few weeks of the next Limitation Year, the amounts are included on a uniform and consistent basis with respect to all similarly situated Employees, and no amounts are included in more than one Limitation Year.

**SECTION 6  
EMPLOYER AND EMPLOYEE CONTRIBUTIONS**

- 6-1 **EMPLOYER / EMPLOYEE CONTRIBUTIONS.** The Employer will contribute to the Plan each Plan Year the amount determined under the Employer Contribution formula designated in AA §6-2 below. If so elected under AA §6-6, the Employer also may authorize Employees to make After-Tax Employee Contributions and/or Employer Pick-Up Contributions under the Plan.
- 6-2 **EMPLOYER CONTRIBUTION FORMULA.** For the period designated in AA §6-4 below, the Employer will make the following Employer Contributions on behalf of Participants who satisfy the allocation conditions designated in AA §6-5 below.
  - (a) **Fixed contribution.**
    - (1) **Fixed percentage.** \_\_\_ % of each Participant’s Plan Compensation.
    - (2) **Fixed dollar.** \$ \_\_\_ for each Participant.
  - (b) **Contributions under Collective Bargaining Agreement, employment contract or equivalent arrangement.** The Employer will make an Employer Contribution based on a Collective Bargaining Agreement, employment agreement or equivalent arrangement as follows: \_\_\_\_\_  

*[Note: Insert the appropriate contribution formula (and allocation formula, if applicable) from the Collective Bargaining Agreement, employment agreement or equivalent arrangement. The formula must be definitely determinable as required under Treas. Reg. §1.401-1.]*
  - (c) **Permitted disparity contribution.**
    - (1) **Individual method.** The Employer will contribute:
      - (i) \_\_\_% of each Participant’s Plan Compensation plus
      - (ii) \_\_\_% of each Participant’s Excess Compensation.

*[Note: The percentage of Excess Compensation may not exceed the Maximum Disparity Rate. See Section 3.02(b)(2)(i)(C) of the Plan.]*
    - (2) **Group method.** The Employer will contribute \_\_\_% (not more than 25%) of total Plan Compensation of all Participants who satisfy the allocation conditions under AA §6-5 below. The Employer Contribution will be allocated under the two-step method (as defined in Section 3.02(a)(1)(i)(B)(I) of the Plan).
    - (3) **Modification of permitted disparity rules.**
      - (i) **Integration Level.** For purposes of determining the permitted disparity contribution under subsection (1) or (2) above, instead of the Taxable Wage Base (as defined in Section 1.92 of the Plan), the Integration Level is:
        - (A) \_\_\_% of the Taxable Wage Base, increased (but not above the Taxable Wage Base) to the next higher:
 

<input type="checkbox"/> (I) N/A	<input type="checkbox"/> (II) \$1
<input type="checkbox"/> (III) \$100	<input type="checkbox"/> (IV) \$1,000



# ATTACHMENT 2

## Pre-Approved Governmental Money Purchase Plan Section 6 – Employer and Employee Contributions

(B) \$\_\_\_ (not to exceed the Taxable Wage Base)

(C) 20% of the Taxable Wage Base

[*Note: See Section 3.02(b)(2)(i)(C) of the Plan for rules regarding the Maximum Disparity Rate that may be used where an Integration Level other than the Taxable Wage Base is selected.*]

(d) **Contribution for designated Employee groups.** The Employer will make an Employer Contribution to the Participants in the following designated groups. The amount to be contributed with respect to a designated Employee group will be determined under subsection (2) below.

(1) **Designated Employee groups.** A separate Employer Contribution will be made to the following Employee groups:

**Group 1:** City Manager

**Group 2:** Management Employees (AMPR) and Exempt Management (AMPX)

**Group 3:** Executive Staff

**Group 4:** Assistant City Manager

**Group 5:** City Attorney

**Group 6:** City Clerk

**Group 7:** Members of NCEA-SEIU Local 1021

[*Note: The Employee groups designated above must be clearly defined in a manner that will not violate the definite allocation formula requirement of Treas. Reg. §1.401-1(b)(1)(i).*]

(2) **Employer Contribution percentages.**

The contribution for each Participant in **Group 1** will be:

(A) \_\_\_% of Plan Compensation.

(B) \$19,464.

(C) Maximum amount permitted under Code §415.

The contribution for each Participant in **Group 2** will be:

(A) \_\_\_% of Plan Compensation.

(B) \$1,200.

(C) Maximum amount permitted under Code §415.

The contribution for each Participant in **Group 3** will be:

(A) \_\_\_% of Plan Compensation.

(B) \$3,864.

(C) Maximum amount permitted under Code §415.

The contribution for each Participant in **Group 4** will be:

(A) \_\_\_% of Plan Compensation.

(B) \$15,864.

(C) Maximum amount permitted under Code §415.

The contribution for each Participant in **Group 5** will be:

(A) \_\_\_% of Plan Compensation.

(B) \$15,864.

(C) Maximum amount permitted under Code §415.

The contribution for each Participant in **Group 6** will be:

(A) \_\_\_% of Plan Compensation.

(B) \$15,864.

- (C) Maximum amount permitted under Code §415.
- The contribution for each Participant in **Group 7** will be:
  - (A) \_\_\_% of Plan Compensation.
  - (B) \$88.33 per month.
  - (C) Maximum amount permitted under Code §415.
- (3) **Special rules – More than one Employee group.** Unless designated otherwise under subsection (i), if a Participant is in more than one allocation group described in subsection (1) above during the Plan Year, the Participant will receive an Employer Contribution based on the Participant’s status on the last day of the Plan Year. (See Section 3.02(b)(3) of the Plan.)
  - (i) **Determined separately for each Employee group.** If a Participant is in more than one allocation group during the Plan Year, the Participant’s share of the Employer Contribution will be based on the Participant’s status for the part of the year the Participant is in each allocation group.
  - (ii) **Describe:** \_\_\_\_\_  
*[Note: The language under this subsection (ii) may only describe the amount of the Employer Contribution a Participant will receive when such Participant is in more than one allocation group. Any language under this subsection (ii) must be definitely determinable.]*
- (e) **Age-based contribution.** The Employer will contribute \_\_\_% of each Participant’s adjusted Plan Compensation. For this purpose, a Participant’s adjusted Plan Compensation is determined by multiplying the Participant’s Plan Compensation by an Actuarial Factor (as described in Section 1.03 of the Plan).

A Participant’s Actuarial Factor is determined based on a specified interest rate and mortality table. Unless designated otherwise under subsection (1) or (2) below, the Plan will use an applicable interest rate of 8.5% and a UP-1984 mortality table.

  - (1) **Applicable interest rate.** Instead of 8.5%, the Plan will use an interest rate of \_\_\_% (must be between 7.5% and 8.5%) in determining a Participant’s Actuarial Factor.
  - (2) **Applicable mortality table.** Instead of the UP-1984 mortality table, the Plan will use the following mortality table in determining a Participant’s Actuarial Factor: \_\_\_\_\_
  - (3) **Describe special rules applicable to age-based allocation:** \_\_\_\_\_  
*[Note: See Appendix A of the Plan for sample Actuarial Factors based on an 8.5% applicable interest rate and the UP-1984 mortality table. If an interest rate or mortality table other than 8.5% or UP-1984 is selected, appropriate Actuarial Factors must be calculated. Subsection (3) must provide for a definitely determinable allocation method.]*
- (f) **Service-based contribution.** The Employer will make the following contribution based on units of service designated under subsections (3) – (5) below.
  - (1) **Fixed percentage.** \_\_\_% of Plan Compensation paid for each period of service designated below.
  - (2) **Fixed dollar.** \$\_\_\_ for each period of service designated below.The service-based contribution will be based on the following periods of service:
  - (3) Each Hour of Service
  - (4) Each week of employment
  - (5) Describe period: \_\_\_\_\_The service-based contribution is subject to the following rules.
  - (6) Describe any special provisions that apply to service-based contribution: \_\_\_\_\_  
*[Note: Subsection (6) may only be used to describe a definite allocation formula. Any period described in subsection (5) must apply uniformly to all Participants.]*

6-3 **SPECIAL RULES.** No special rules apply with respect to Employer Contributions under the Plan, except to the extent designated under this AA §6-3.

- (a) **Limit on Employer Contributions.** The Employer Contribution elected in AA §6-2 may not exceed:
  - (1) \_\_\_% of Plan Compensation

- (2) \$ \_\_\_\_\_
- (b) **Offset of Employer Contribution.**
  - (1) A Participant’s contribution of Employer Contributions under AA §6-2 above is reduced by contributions under \_\_\_\_\_ [insert name of plan(s)]. (See Section 3.02(b) of the Plan.)
  - (2) In applying the offset under this subsection (b), the following rules apply: \_\_\_\_\_
- (c) **Special rules:** \_\_\_\_\_  
[Note: Any special rules under this subsection (c) must be definitely determinable.]

6-4 **PERIOD FOR DETERMINING EMPLOYER/EMPLOYEE CONTRIBUTION.** Unless designated otherwise in this AA §6-4, in determining the amount of the Employer/Employee Contributions to be allocated under this AA §6, the contribution will be based on Plan Compensation earned during the Plan Year.

Alternatively, instead of the Plan Year, the Employer/Employee Contributions will be determined based on Plan Compensation earned during the following period: [Note: The Plan Year must be used if the permitted disparity contribution formula is selected under AA §6-2(c) above.]

- (a) Plan Year quarter
- (b) calendar month
- (c) payroll period
- (d) Other: \_\_\_\_\_

[Note: Although Employer Contributions are determined on the basis of Plan Compensation earned during the period designated under this AA §6-4, this does not require the Employer to actually make contributions on the basis of such period. Employer Contributions may be contributed to Participants at any time within the contribution period permitted under Treas. Reg. §1.415-6, regardless of the period selected under this AA §6-4.]

6-5 **ALLOCATION CONDITIONS.** A Participant must satisfy any allocation conditions designated under this AA §6-5 to receive an allocation of Employer Contributions under the Plan. [Note: No allocation conditions apply to After-Tax Employee Contributions or Employer Pick-Up Contributions under AA §6-6.]

- (a) **No allocation conditions** apply with respect to Employer Contributions under the Plan.
- (b) **Employment condition.** An Employee must be employed with the Employer on the last day of the Plan Year.
- (c) **Minimum service condition.** An Employee must be credited with at least:
  - (1) \_\_\_\_\_ Hours of Service during the Plan Year.
    - (i) Hours of Service are determined using actual Hours of Service.
    - (ii) Hours of Service are determined using the following Equivalency Method (as defined under Section 2.03(a)(5) of the Plan):
      - (A) Monthly  (B) Weekly
      - (C) Daily  (D) Semi-monthly
      - (E) Describe: \_\_\_\_\_

[*Note: Any description under this subsection (E) must be definitely determinable.*]

- (2) \_\_\_ consecutive days of employment with the Employer during the Plan Year.
- (d) **Exceptions.**
  - (1) The above allocation condition(s) will **not** apply if the Employee, during the Plan Year:
    - (i) dies.
    - (ii) terminates employment due to becoming Disabled.
    - (iii) becomes Disabled.
    - (iv) terminates employment after attaining Normal Retirement Age.  
 [*Note: This waiver of allocation conditions applies only once during the Participant’s employment with the Employer. The Employer may modify this rule in subsection (e) below.*]
    - (v) terminates employment after attaining Early Retirement Age.  
 [*Note: This waiver of allocation conditions applies only once during the Participant’s employment with the Employer. The Employer may modify this rule in subsection (e) below.*]
    - (vi) is on an authorized leave of absence from the Employer.
  - (2) The exceptions selected under subsection (1) above will apply even if an Employee has not terminated employment at the time of the selected event(s).
  - (3) The exceptions selected under subsection (1) above do not apply to:
    - (i) an employment condition under subsection (b) above.
    - (ii) a minimum service condition under subsection (c) above.
- (e) **Describe** any special rules governing the allocation conditions under the Plan: \_\_\_\_\_  
 [*Note: Any special rules under this subsection (e) must be definitely determinable.*]

**6-6 AFTER-TAX EMPLOYEE CONTRIBUTIONS AND EMPLOYER PICK-UP CONTRIBUTIONS.**

- (a) **Voluntary After-Tax Employee Contributions.** If permitted under this subsection (a), a Participant may contribute any amount as Voluntary After-Tax Employee Contributions up to the Code §415 Limitation (as defined in Section 5.02 of the Plan), except as limited under this subsection (a).
- (1) **Limits on Voluntary After-Tax Employee Contributions.** If this subsection (1) is checked, the following limits apply to Voluntary After-Tax Employee Contributions:
  - (i) **Maximum limit.** A Participant may make Voluntary After-Tax Employee Contributions up to
    - (A) \_\_\_\_\_% of Plan Compensation
    - (B) \$\_\_\_\_\_
 for the following period:
    - (C) the entire Plan Year.
    - (D) the portion of the Plan Year during which the Employee is eligible to participate.
    - (E) each separate payroll period during which the Employee is eligible to participate.
  - (ii) **Minimum limit.** The amount of Voluntary After-Tax Employee Contributions a Participant may make for any payroll period may not be less than:
    - (A) \_\_\_\_\_% of Plan Compensation.
    - (B) \$\_\_\_\_\_.
- (2) **Change or revocation of Voluntary After-Tax Employee Contributions.** In addition to the Participant’s Entry Date under the Plan, a Participant’s election to change or resume an after-tax election will be effective as set forth under the After-Tax Employee Contributions election form or other written procedures adopted by the Plan Administrator. A Participant must be permitted to change or revoke an after-tax election at least once per year. Unless the After-Tax Contributions election form or other written procedures adopted by the Plan Administrator provide otherwise, a Participant may revoke an after-tax election (on a prospective basis) at any

## ATTACHMENT 2

### Pre-Approved Governmental Money Purchase Plan Section 6 – Employer and Employee Contributions

time. Unless designated otherwise in a Participants after-tax election form, a Participant's affirmative election to make an After-Tax Employee Contribution will cease upon termination of employment and the Participant will need to make a new election upon rehire.

- (3) **Other limits or special rules relating to Voluntary After-Tax Employee Contributions:** Only Employees classified as City Manager, Management Employees (AMPR) and Exempt Management (AMPX) may elect to make Voluntary After-Tax contributions

[*Note: Any limits described under this subsection (3) must be consistent with the provisions of Section 3.04 of the Plan.*]

- (b) **Mandatory After-Tax Employee Contributions.** If this subsection (b) is checked, Employees are required to make Mandatory After-Tax Employee Contributions in order to participate under the Plan.

- (1) **Amount of Mandatory After-Tax Employee Contributions.** Employees are required to contribute the following amount in order to participate in the Plan:

(i) \_\_\_\_\_% of each Employee's Total Compensation.

(ii) \$\_\_\_\_\_ for each Participant.

(iii) Describe rate or amount: \_\_\_\_\_

- (2) **Special rules** applicable to Mandatory After-Tax Employee Contributions: \_\_\_\_\_

- (c) **Employer Pick-Up Contributions.** Each Participant will be required to make a Pick-up Contribution to the Plan equal to the amount specified under this subsection (c). Any amounts contributed pursuant to this subsection (c) will be picked up by the Employer pursuant to Code §414(h) and will be treated as Employer Contributions under the Plan. Such contributions and earnings thereon will be 100% vested at all times. (See Section 3.03 of the Plan.)

- (1) The following amounts will be contributed to the Plan as an Employer Pick-Up Contribution:

(i) \_\_\_\_\_% of Plan Compensation.

(ii) \$3,600\_\_\_\_\_ per pay period.

(iii) Any amount from \_\_\_\_\_% to \_\_\_\_\_% of Plan Compensation, as designated by the Employee.

[*Note: This subsection (iii) may only be selected if the Employee designates the amount as a one-time irrevocable election.*]

- (2) Elect this subsection (2) if an Employee may make a one-time irrevocable election not to make Employer Pick-Up Contributions under the Plan.

- (3) Special rules applicable to Employer Pick-Up Contributions: Employees classified as Executive Staff including those appointed by City Council: City Attorney, City Clerk; Department Heads that are hired by the City Manager: Assistant City Manager, Police Chief, Finance Director, Human Resources Director, Public Works Director, Park and Recreation Director, Community Development Director will have 60 days from hire date to opt in or opt out of the annual \$3,600 Employer Pick-Up contributions

[*Note: Any Employer Pick-Up Contributions made under this subsection (c) must satisfy the requirements of Section 3.03 of the Plan. See AA §11-4 for an Employee's ability to elect out of making Employer Pick-Up Contributions.*]

**SECTION 7  
RETIREMENT AGES**

7-1 **NORMAL RETIREMENT AGE.** Normal Retirement Age under the Plan is:

- (a) Age \_\_\_\_ (not to exceed 65).
- (b) The later of age \_\_\_\_ (not to exceed 65) or the \_\_\_\_ (not to exceed 5<sup>th</sup>) anniversary of:
  - (1) the Employee’s participation commencement date (as defined in Section 1.68 of the Plan).
  - (2) the Employee’s employment commencement date.
- (c) Describe Normal Retirement Age: Age 50 for the City Manager and age 55 for Management Employees (AMPR) and Exempt Management (AMPX), Executive Staff including those appointed by City Council: City Attorney, City Clerk; Department Heads that are hired by the City Manager: Assistant City Manager, Police Chief, Finance Director, Human Resources Director, Public Works Director, Park and Recreation Director, Community Development Director and members of NCEA-SEIU Local 1021.

*[Note: The Normal Retirement Age must be reasonably representative of the typical retirement age for the industry in which the Plan Participants work. A Normal Retirement Age of at least age 62 is deemed to be reasonable while a Normal Retirement Age under age 55 is presumed not to satisfy this requirement unless facts and circumstances show otherwise. Whether a Normal Retirement Age between 55 and 62 satisfies this requirement depends on the facts and circumstances. A Governmental Plan must comply with the final Normal Retirement Age regulations under Treas. Reg. §1.401(a)-1, as amended, effective for Annuity Starting Dates occurring in Plan Years beginning on or after the later of the two dates described in IRS Notice 2012-29. The Employer may use AA §7-1(c), for example, to describe a reasonable Normal Retirement Age that is between age 55 and 62 that takes into account service as well as age.]*

7-2 **EARLY RETIREMENT AGE.** Unless designated otherwise under this AA §7-2, there is no Early Retirement Age under the Plan.

- (a) A Participant reaches Early Retirement Age if he/she is still employed after attainment of each of the following:
  - (1) Attainment of age \_\_\_\_
  - (2) The \_\_\_\_ anniversary of the date the Employee commenced participation in the Plan, and/or
  - (3) The completion of \_\_\_\_ Years of Service, determined as follows:
    - (i) Same as for eligibility.
    - (ii) Same as for vesting.
- (b) Describe. \_\_\_\_\_

**SECTION 8  
VESTING AND FORFEITURES**

8-1 **VESTING OF EMPLOYER CONTRIBUTIONS.** The Employer Contributions authorized under AA §6-2 will vest in accordance with the vesting schedule designated under AA §8-2.

8-2 **VESTING SCHEDULE.** The vesting schedule under the Plan is as follows. See Section 6.02 of the Plan for a description of the various vesting schedules under this AA §8-2.

- (a) **Vesting schedule:**
  - (1) Full and immediate vesting
  - (2) Three-year cliff vesting schedule
  - (3) Six-year graded vesting schedule
  - (4) Modified vesting schedule

- \_\_\_ % immediately on Plan participation
- \_\_\_ % after 1 Year of Service
- \_\_\_ % after 2 Years of Service
- \_\_\_ % after 3 Years of Service
- \_\_\_ % after 4 Years of Service
- \_\_\_ % after 5 Years of Service
- \_\_\_ % after 6 Years of Service
- \_\_\_ % after 7 Years of Service
- \_\_\_ % after 8 Years of Service
- \_\_\_ % after 9 Years of Service
- 100% after 10 Years of Service

(5) Other vesting schedule: \_\_\_\_\_

*[Note: If a modified vesting schedule is selected under this subsection (a), the vested schedule must satisfy the pre-ERISA Code vesting requirements.]*

(b) **Special provisions applicable to vesting schedule:** \_\_\_\_\_

*[Note: This subsection (b) may be used to apply a different vesting schedule for different contribution formulas or different Employee groups under the Plan. Any special provision must satisfy the pre-ERISA Code vesting requirements.]*

8-3 **VESTING SERVICE.** In applying the vesting schedules under this AA §8, all service with the Employer counts for vesting purposes, unless designated otherwise under this AA §8-3.

- (a) Service before the original Effective Date of this Plan (or a Predecessor Plan) is excluded.
- (b) Service completed before the Employee's \_\_\_ birthday is excluded.
- (c) Describe vesting service exclusions: \_\_\_\_\_

*[Note: See Section 6.07 of the Plan and AA §4-5 for rules regarding the crediting of service with Predecessor Employers for purposes of vesting under the Plan.]*

8-4 **VESTING UPON DEATH, DISABILITY OR EARLY RETIREMENT AGE.** An Employee's vesting percentage increases to 100% if, while employed with the Employer, the Employee

- (a) dies
- (b) terminates employment due to becoming Disabled
- (c) becomes Disabled
- (d) reaches Early Retirement Age
- (e) Not applicable. No increase in vesting applies.

8-5 **DEFAULT VESTING RULES.** In applying the vesting requirements under this AA §8, the following default rules apply. *[Note: No election should be made under this AA §8-5 if full and immediate vesting is selected under AA §8-2.]*

- **Year of Service.** An Employee earns a Year of Service for vesting purposes upon completing 1,000 Hours of Service during a Vesting Computation Period. Hours of Service are calculated based on actual hours worked during the Vesting Computation Period. (See Section 1.57 of the Plan for the definition of Hours of Service.)
- **Vesting Computation Period.** The Vesting Computation Period is the Plan Year.

To override the default vesting rules, complete the applicable sections of this AA §8-5. If this AA §8-5 is not completed, the default vesting rules apply.

- (a) **Year of Service.** Instead of 1,000 Hours of Service, an Employee earns a Year of Service upon the completion of \_\_\_ Hours of Service during a Vesting Computation Period.

- (b) **Vesting Computation Period.** Instead of the Plan Year, the Vesting Computation Period is:
- (1) The 12-month period beginning with the Employee’s Employment Commencement Date and, for subsequent Vesting Computation Periods, the 12-month period beginning with the anniversary of the Employee’s Employment Commencement Date.
- (2) Describe: \_\_\_\_\_
- [Note: Any Vesting Computation Period described in this subsection (2) must be a 12-consecutive month period and must apply uniformly to all Participants.]*
- (c) **Elapsed Time Method.** Instead of determining vesting service based on actual Hours of Service, vesting service will be determined under the Elapsed Time Method. If this subsection (c) is checked, service will be measured from the Employee’s Employment Commencement Date (or Reemployment Commencement Date, if applicable) without regard to the Vesting Computation Period designated in Section 6.05 of the Plan. (See Section 6.04(b) of the Plan.)
- (d) **Equivalency Method.** For purposes of determining an Employee’s Hours of Service for vesting, the Plan will use the Equivalency Method (as defined in Section 6.04(a)(2) of the Plan). The Equivalency Method will apply to:
- (1) All Employees.
- (2) Only to Employees for whom the Employer does not maintain hourly records. For Employees for whom the Employer maintains hourly records, vesting will be determined based on actual hours worked.
- Hours of Service for vesting will be determined under the following Equivalency Method.
- (3) **Monthly.** 190 Hours of Service for each month worked.
- (4) **Weekly.** 45 Hours of Service for each week worked.
- (5) **Daily.** 10 Hours of Service for each day worked.
- (6) **Semi-monthly.** 95 Hours of Service for each semi-monthly period.
- (7) **Describe Equivalency Method:** \_\_\_\_\_
- [Note: Any description of an Equivalency Method under this subsection (7) must be definitely determinable.]*
- (e) **Special rules:** \_\_\_\_\_
- [Note: Any special rules under this subsection (e) must be definitely determinable.]*

8-6 **BREAKS IN SERVICE.** Generally, an Employee will be credited with all service earned with the Employer, including service earned prior to a Break in Service. To disregard service earned prior to a Break in Service for vesting purposes, complete this AA §8-6. (See Section 6.08 of the Plan.)

- (a) If an Employee incurs at least one Break in Service, the Plan will disregard all service earned prior to such Break in Service for purposes of determining vesting under the Plan.
- (b) If an Employee incurs at least \_\_\_\_\_ consecutive Breaks in Service, the Plan will disregard all service earned prior to such consecutive Breaks in Service for purposes of determining vesting under the Plan. *[Enter “0” if prior service will be disregarded for all rehired Employees.]*
- (c) The Nonvested Participant Break in Service rule applies to all Employees, including Employees who have not terminated employment.
- (d) Describe any special rules for applying the vesting Break in Service rules: \_\_\_\_\_
- [Note: Any special rules under this subsection (d) must be definitely determinable.]*

8-7 **ALLOCATION OF FORFEITURES.**

The Employer may decide in its discretion how to treat forfeitures under the Plan. Alternatively, the Employer may designate under this AA §8-7 how forfeitures occurring during a Plan Year will be treated. (See Section 6.11 of the Plan.)



- (a) N/A. All contributions are 100% vested. [Do not complete the rest of this AA §8-7.]
- (b) Reallocated as additional Employer Contributions.
- (c) Used to reduce Employer Contributions.

For purposes of subsection (b) or (c) above, forfeitures will be applied:

- (d) for the Plan Year in which the forfeiture occurs.
- (e) for the Plan Year following the Plan Year in which the forfeitures occur.

Prior to applying forfeitures under subsection (b) or (c) above.

- (f) Forfeitures will be used to pay Plan expenses. (See Section 6.11(d) of the Plan.)
- (g) Forfeitures will not be used to pay Plan expenses.

In determining the amount of forfeitures to be allocated under subsection (b) above, the same allocation conditions apply as under AA §6-5, unless designated otherwise below.

- (h) Forfeitures are not subject any allocation conditions.
- (i) Forfeitures are subject to a last day of employment allocation condition.
- (j) Forfeitures are subject to a \_\_\_\_ Hours of Service minimum service requirement.

In determining the treatment of forfeitures under this AA §8-7, the following special rules apply:

- (k) Describe: \_\_\_\_\_

#### 8-8 SPECIAL RULES REGARDING CASH-OUT DISTRIBUTIONS.

- (a) **Additional allocations.** If a terminated Participant receives a complete distribution of his/her vested Account Balance while still entitled to an additional allocation, the Cash-Out Distribution forfeiture provisions do not apply until the Participant receives a distribution of the additional amounts to be allocated. (See Section 6.10(a)(1) of the Plan.)

To modify the default Cash-Out Distribution forfeiture rules, complete this AA §8-8(a).

- The Cash-Out Distribution forfeiture provisions will apply if a terminated Participant takes a complete distribution, regardless of any additional allocations during the Plan Year.

- (b) **Timing of forfeitures.** A Participant who receives a Cash-Out Distribution (as defined in Section 6.10(a) of the Plan) is treated as having an immediate forfeiture of his/her nonvested Account Balance.

To modify the forfeiture timing rules to delay the occurrence of a forfeiture upon a Cash-Out Distribution, complete this AA §8-8(b).

- A forfeiture will occur upon the completion of \_\_\_\_ consecutive Breaks in Service (as defined in Section 6.08 of the Plan).

- (c) **Repayment of Cash-Out Distribution.** Unless elected otherwise under this AA §8-8(c), if a Participant receives a Cash-Out Distribution that results in a forfeiture, and the Participant resumes employment covered under the Plan, such Participant may repay to the Plan the amount received as a Cash-Out Distribution.

- If a Participant receives a Cash-Out Distribution that results in a forfeiture, and the Participant resumes employment covered under the Plan, such Participant may NOT repay to the Plan the amount received as a Cash-Out Distribution and the provisions of Section 6.10(a)(2) do not apply.

#### 8-9 SPECIAL RULE FOR FORFEITURE UPON DEATH OF A PARTICIPANT. Unless elected below, no vested benefits are forfeited upon the death of a Participant.

To modify this default forfeiture rule, check to box below.

- The Plan will forfeit benefits (including vested benefits) upon the death of a Participant, if not precluded by law. In no event may the Plan forfeit any amounts attributable to After-Tax Employee Contributions under the Plan or if the Plan has commenced distributions prior to the Participant's death.

## SECTION 9

## DISTRIBUTION PROVISIONS – TERMINATION OF EMPLOYMENT

## 9-1 AVAILABLE FORMS OF DISTRIBUTION.

**Lump sum distribution.** A Participant may take a distribution of his/her entire vested Account Balance in a single lump sum upon termination of employment. In addition, the Plan Administrator may permit a Participant to take partial distributions or installment distributions solely to the extent necessary to satisfy the required minimum distribution rules under Section 8 of the Plan.

**Additional distribution options.** To provide for additional distribution options, check the applicable distribution forms under this AA §9-1.

- (a) **Installment distributions.** A Participant may take a distribution over a specified period not to exceed the life or life expectancy of the Participant (and a designated beneficiary).
- (b) **Partial lump sum.** A Participant may take a distribution of less than the entire vested Account Balance upon termination of employment.
- Minimum distribution amount. A Participant may not take a partial lump sum distribution of less than \$\_\_\_\_\_.
- (c) **Annuity distributions.** A Participant may elect to have the Plan Administrator use the Participant's vested Account Balance to purchase an annuity as described in Section 7.01 of the Plan.
- (d) **Describe distribution options:** Repetitive payments

*[Note: Any distribution option described in this subsection (d) may not be subject to the discretion of the Employer or Plan Administrator.]*

## 9-2 PARTICIPANT AND SPOUSAL CONSENT.

- (a) **Involuntary Cash-Out Distribution.** A Participant who terminates employment with a vested Account Balance of \$5,000 or less will receive an Involuntary Cash-Out Distribution, unless elected otherwise under this AA §9-2. If a Participant's vested Account Balance exceeds \$5,000, the Participant generally must consent to a distribution from the Plan, except to the extent provided otherwise under this AA §9-2. See Section 7.03 of the Plan for additional rules regarding the Participant consent requirements under the Plan.
- (1) **No Involuntary Cash-Out Distributions.** The Plan does not provide for Involuntary Cash-Out Distributions. A terminated Participant must consent to any distribution from the Plan. (See Section 14.02(b) of the Plan for special rules upon Plan termination.)
- (2) **Involuntary Cash-Out Distribution threshold.** A terminated Participant will receive an Involuntary Cash-Out Distribution only if the Participant's vested Account Balance is less than or equal to \$\_\_\_\_\_.
- (3) **Application of Automatic Rollover rules.** The Automatic Rollover rules described in Section 7.05 of the Plan do not apply to any Involuntary Cash-Out Distribution below \$1,000, unless elected otherwise under this subsection (3). If this subsection (3) is checked, the Automatic Rollover provisions apply to all Involuntary Cash-Out Distributions (including those below \$1,000).
- (4) **Distribution upon attainment of stated age.** Participant consent will not be required with respect to distributions made upon attainment of Normal Retirement Age (or age 62, if later), regardless of the value of the Participant's vested Account Balance.
- (5) **Treatment of Rollover Contributions.** Unless elected otherwise under this subsection (5), Rollover Contributions will be excluded in determining whether a Participant's vested Account Balance exceeds the Involuntary Cash-Out threshold for purposes of applying the distribution rules under this AA §9 and the Automatic Rollover provisions under Section 7.05 of the Plan. To include Rollover Contributions in determining whether a Participant's vested Account Balance exceeds the Involuntary Cash-Out threshold, check this subsection (5).
- (b) **Spousal consent.** Spousal consent is not required for a Participant to receive a distribution or name an alternate beneficiary, unless designated otherwise under this subsection (b). See Section 9.02 of the Plan for rules regarding Spousal consent under the Plan.
- (1) **Distribution consent.** A Participant's Spouse must consent to any distribution or loan, provided the Participant's vested Account Balance exceeds \$\_\_\_\_\_.

(2) **Beneficiary consent.** A Participant's Spouse must consent to naming someone other than the Spouse as beneficiary under the Plan.

(c) **Describe** any special rules affecting Participant or Spousal consent: \_\_\_\_\_

[*Note: Any special rules under this subsection (c) must be definitely determinable.*]

### 9-3 TIMING OF DISTRIBUTIONS UPON TERMINATION OF EMPLOYMENT.

(a) **Distribution of vested Account Balances exceeding \$5,000.** A Participant who terminates employment with a vested Account Balance exceeding \$5,000 may receive a distribution of his/her vested Account Balance in any form permitted under AA §9-1 within a reasonable period following:

(1) the date the Participant terminates employment.

(2) the last day of the Plan Year during which the Participant terminates employment.

(3) the first Valuation Date following the Participant's termination of employment.

(4) the end of the calendar quarter following the date the Participant terminates employment.

(5) attainment of Normal Retirement Age, death or becoming Disabled.

(6) Describe: \_\_\_\_\_

[*Note: Any special rules under this subsection (6) must be definitely determinable.*]

(b) **Distribution of vested Account Balances not exceeding \$5,000.** A Participant who terminates employment with a vested Account Balance that does not exceed \$5,000 will receive a **lump sum** distribution of his/her vested Account Balance within a reasonable period following:

(1) the date the Participant terminates employment.

(2) the last day of the Plan Year during which the Participant terminates employment.

(3) the first Valuation Date following the Participant's termination of employment.

(4) the end of the calendar quarter following the date the Participant terminates employment.

(5) Describe: \_\_\_\_\_

[*Note: Any special rules under this subsection (5) must be definitely determinable.*]

(c) **Alternate Cash-Out distribution threshold.** Instead of a vested Account Balance Cash-Out threshold of \$5,000, for purposes of applying the Cash-Out distribution provisions under this AA §9-3, the threshold for distributions upon termination of employment will be based on a vested Account Balance of \$\_\_\_\_\_.

(d) **Describe additional distribution options:** \_\_\_\_\_

[*Note: Any additional distribution option described in this subsection (d) may not be subject to the discretion of the Employer or Plan Administrator.*]

9-4 **DISTRIBUTION UPON DISABILITY.** Unless designated otherwise under this AA §9-4, a Participant who terminates employment on account of becoming Disabled may receive a distribution of his/her vested Account Balance in the same manner as a regular distribution upon termination.

(a) **Immediate distribution upon termination of employment.** Distribution will be made as soon as reasonable following the date the Participant terminates employment on account of becoming Disabled.

(b) **Following year distribution upon termination of employment.** Distribution will be made as soon as reasonable following the last day of the Plan Year during which the Participant terminates on account of becoming Disabled.

(c) **Describe:** \_\_\_\_\_

[*Note: Any distribution event described in this subsection (c) will apply uniformly to all Participants under the Plan and may not be subject to the discretion of the Employer or Plan Administrator.*]

### 9-5 DETERMINATION OF BENEFICIARY.

(a) **Default beneficiaries.** Under Section 7.07(c) of the Plan, to the extent a Beneficiary has not been named by the Participant (subject to the spousal consent rules) and is not designated under the terms of the Investment Arrangement(s) to receive all or any portion of the deceased Participant's death benefit, such amount shall be distributed to the Participant's surviving Spouse (if the Participant was married at the time of death) who shall be

considered the designated Beneficiary. If the Participant does not have a surviving Spouse at the time of death, distribution will be made to the Participant's surviving children (including legally adopted children, but not including step-children), as designated Beneficiaries, in equal shares. If the Participant has no surviving children, distribution will be made to the Participant's estate.

- If this subsection (a) is checked, the default beneficiaries under Section 7.07(c) of the Plan are modified as follows:
- (1) The Plan adopts the default beneficiary rules under Section 7.07(c) of the Plan, except, if the Participant does not have a surviving Spouse at the time of death, distribution will be made to the Participant's children (including legally adopted children, but not including step-children), as designated Beneficiaries, **per stirpes**.
- (2) Describe other modifications to the default beneficiaries under Section 7.07(c) of the Plan: In the event no valid designation of Beneficiary exists, or if the Beneficiary with respect to a portion of a Participant's death benefit is not alive at the time of the Participant's death and no contingent Beneficiary has been designated, then such portion of the death benefit will be paid in the following order of priority: 1. The Participant's surviving Spouse; 2. The Participant's issue, in equal shares; 3. The Participant's surviving parents, in equal shares; or 4. The Participant's estate.

*[Note: The description of the modifications to the default beneficiaries must be sufficiently clear for the Plan Administrator to determine the beneficiaries and the method of distribution of the Participant's death benefit.]*

- (b) **One-year marriage rule.** For purposes of determining whether an individual is considered the surviving Spouse of the Participant, the determination is based on the marital status as of the date of the Participant's death, unless designated otherwise under this subsection (b).

- If this subsection (b) is checked, in order to be considered the surviving Spouse, the Participant and surviving Spouse must have been married for the entire one-year period ending on the date of the Participant's death. If the Participant and surviving Spouse are not married for at least one year as of the date of the Participant's death, the Spouse will not be treated as the surviving Spouse for purposes of applying the distribution provisions of the Plan. (See Section 9.03 of the Plan.)

- (c) **Divorce of Spouse.** Unless elected otherwise under this subsection (c), if a Participant designates his/her Spouse as Beneficiary and subsequent to such Beneficiary designation, the Participant and Spouse are divorced, the designation of the Spouse as Beneficiary under the Plan is automatically rescinded as set forth under Section 7.07(c)(6) of the Plan.

- If this subsection (c) is checked, a Beneficiary designation will not be rescinded upon divorce of the Participant and Spouse.

*[Note: Section 7.07(c)(6) of the Plan and this subsection (c) will be subject to the provisions of a Beneficiary designation entered into by the Participant. Thus, if a Beneficiary designation specifically overrides the election under this subsection (c), the provisions of the Beneficiary designation will control. See Section 7.07(c)(6) of the Plan.]*

## SECTION 10

### IN-SERVICE DISTRIBUTIONS AND REQUIRED MINIMUM DISTRIBUTIONS

- 10-1 **AVAILABILITY OF IN-SERVICE DISTRIBUTIONS.** A Participant may withdraw all or any portion of his/her vested Account Balance, to the extent designated, upon the occurrence of the event(s) selected under this AA §10-1.

- (a) No in-service distributions are permitted.
- (b) Attainment of age 62 [*may not be earlier than age 62*].
- (c) Attainment of Normal Retirement Age.

- 10-2 **APPLICATION TO OTHER CONTRIBUTION SOURCES.** If the Plan allows for Rollover Contributions under AA §C-2 or After-Tax Employee Contributions under AA §6-6, unless elected otherwise under this AA §10-2, a Participant may take an in-service distribution from his/her Rollover Account and After-Tax Employee Contribution Account at any time. Employer Pick-Up Contributions will not be eligible for in-service distribution.

Alternatively, if this AA §10-2 is completed, the following in-service distribution provisions apply for Rollover Contributions, After-Tax Employee Contributions and/or Employer Pick-Up Contributions:

Rollover	After-Tax	Pick-Up	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(a) No in-service distributions are permitted.
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	(b) Attainment of age <u>59 1/2</u> (Not greater than age 70½).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(c) Attainment of Normal Retirement Age.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(d) Attainment of Early Retirement Age.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(e) Describe: _____

**10-3 SPECIAL DISTRIBUTION RULES.** No special distribution rules apply, unless specifically provided under this AA §10-3.

- (a) In-service distributions will only be permitted if the Participant is 100% vested in the amounts being withdrawn.
- (b) A Participant may take no more than \_\_\_\_ in-service distribution(s) in a Plan Year.
- (c) A Participant may not take an in-service distribution of less than \$\_\_\_\_.
- (d) A Participant may not take an in-service distribution of more than \$\_\_\_\_.
- (e) Other distribution rules: \_\_\_\_\_

**10-4 REQUIRED MINIMUM DISTRIBUTIONS.**

- (a) **Required distributions after death.** If a Participant dies before distributions begin and there is a Designated Beneficiary, the Participant or Beneficiary may elect on an individual basis whether the 5-year rule (as described in Section 8.06(a) of the Plan) or the life expectancy method described under Sections 8.02 of the Plan apply. See Section 8.06(b) of the Plan for rules regarding the timing of an election authorized under this AA §10-4.

Alternatively, if selected under this subsection (a), any death distributions to a Designated Beneficiary will be made only under either the 5-year rule or the life expectancy method, as elected below:

- (1) The five-year rule under Section 8.06(a) of the Plan applies (instead of the life expectancy method). Thus, the entire death benefit must be distributed by the end of the fifth year following the year of the Participant's death. Death distributions to a Designated Beneficiary may not be made under the life expectancy method.
- (2) The life expectancy method under Sections 8.02 and 8.04 of the Plan (and not the 5-year rule).
- (b) **Describe any special rules applicable to required minimum distributions:** \_\_\_\_\_

*[Note: Any special rule under this subsection (b) must satisfy the requirements of Code §401(a)(9). This subsection (b) may be used to override the default provision under Section 8.06(b) of the Plan. For example, the Employer may designate the life expectancy rules as the default rather than the five-year rule when a Participant or Beneficiary fails to make an election.]*

**SECTION 11  
MISCELLANEOUS PROVISIONS**

11-1 **PLAN VALUATION.** The Plan is valued **annually**, as of the last day of the Plan Year.

(a) **Additional valuation dates.** In addition, the Plan will be valued on the following dates:

- (1) **Daily.** The Plan is valued at the end of each business day during which the New York Stock Exchange is open.
- (2) **Monthly.** The Plan is valued at the end of each month of the Plan Year.
- (3) **Quarterly.** The Plan is valued at the end of each Plan Year quarter.
- (4) **Describe:** \_\_\_\_\_

*[Note: The Employer may elect operationally to perform interim valuations, regardless of any selection in this subsection (a).]*

(b) **Special rules.** The following special rules apply in determining the amount of income or loss allocated to Participants' Accounts: \_\_\_\_\_

11-2 **SPECIAL RULES FOR APPLYING THE CODE §415 LIMITATION.** The provisions under Section 5.02 of the Plan apply for purposes of determining the Code §415 Limitation.

Complete this AA §11-2 to override the default provisions that apply in determining the Code §415 Limitation under Section 5.02 of the Plan.

(a) **Limitation Year.** Instead of the Plan Year, the Limitation Year is the 12-month period ending \_\_\_\_\_.

*[Note: If the Plan has a short Plan Year for the first year of establishment, the Limitation Year is deemed to be the 12-month period ending on the last day of the short Plan Year.]*

(b) **Imputed compensation.** For purposes of applying the Code §415 Limitation, Total Compensation includes imputed compensation for a Participant who terminates employment on account of becoming disabled as described under Section 5.02(c)(7)(ii) of the Plan.

(c) **Special rules:** \_\_\_\_\_

*[Note: Any special rules under this subsection (c) must be consistent with the requirements of Code §415.]*

11-3 **MILITARY SERVICE PROVISIONS -- BENEFIT ACCRUALS.** The benefit accrual provisions under Section 15.04 of the Plan do not apply. To apply the benefit accrual provisions under Section 15.04 of the Plan, check the box below.

**Eligibility for Plan benefits.** Check this box if the Plan will provide the benefits described in Section 15.04 of the Plan. If this box is checked, an individual who dies or becomes disabled in qualified military service will be treated as reemployed for purposes of determining entitlement to benefits under the Plan.

11-4 **ELECTION NOT TO PARTICIPATE. (See Section 2.08 of the Plan.)** All Participants share in any allocation under this Plan and no Employee may waive out of Plan participation.

To allow Employees to make a one-time irrevocable waiver, check below.

An Employee may make a one-time irrevocable election not to participate under the Plan.

11-5 **TREATMENT OF CERTAIN BENEFITS.** The protected benefits rules under Code §411(d)(6) do not apply to the Plan. However, the Employer may describe below (or in a separate addendum attached to this Adoption Agreement) the treatment of certain benefits following events such as plan merger or consolidation, transfer of assets or similar events.

Describe treatment of benefits: \_\_\_\_\_

*[Note: If the benefit described here in the Plan or a plan being merged into the Plan is not either (i) available as a provision through the Pre-Approved Plan or (ii) the subject of a prior determination, advisory, or opinion letter, the Employer cannot rely on the Pre-Approved Plan Provider's opinion letter for qualification with respect to such benefit. If the benefit described here in the Plan or a plan being merged into the Plan is not permitted in a pre-approved plan, as described in Section 6.03 of Revenue Procedure 2017-41, such provision must be discontinued no later than the date the Employer adopts this Pre-Approved Plan or, in the case of a merger, the merger date.]*

11-6 **SPECIAL RULES FOR MULTIPLE EMPLOYER PLANS.** If the Plan is a Multiple Employer Plan (as designated under AA §2-6), the rules applicable to Multiple Employer Plans under Section 16.07 of the Plan apply.

The following special rules apply with respect to Multiple Employer Plans: \_\_\_\_\_

*[Note: Any special rules under this AA §11-6 must satisfy the nondiscrimination requirements under Code §401(a)(4) and must satisfy the rules applicable to Multiple Employer Plans under Code §413(c).]*

**APPENDIX A  
SPECIAL EFFECTIVE DATES**

[*Note: This Appendix A may be used to memorialize prior Plan provisions that pertain to sources that no longer accept new contributions under the Plan.*]

- A-1 **Eligible Employees.** The definition of Eligible Employee under AA §3 is effective as follows:  
\_\_\_\_\_
  
- A-2 **Minimum age and service conditions.** The minimum age and service conditions and Entry Date provisions specified in AA §4 are effective as follows:  
\_\_\_\_\_
  
- A-3 **Compensation definitions.** The compensation definitions under AA §5 are effective as follows:  
\_\_\_\_\_
  
- A-4 **Employer Contributions.** The Employer Contribution provisions under AA §6 are effective as follows:  
\_\_\_\_\_
  
- A-5 **After-Tax Employee and Pick-Up Contributions.** The provisions of the Plan addressing Employee After-Tax Contributions and Pick-Up Contribution provisions under AA §6-6 of the Plan are effective as follows:  
\_\_\_\_\_
  
- A-6 **Retirement ages.** The retirement age provisions under AA §7 are effective as follows:  
\_\_\_\_\_
  
- A-7 **Vesting and forfeiture rules.** The rules regarding vesting and forfeitures under AA §8 are effective as follows:  
\_\_\_\_\_
  
- A-8 **Distribution provisions.** The distribution provisions under AA §9 are effective as follows:  
\_\_\_\_\_
  
- A-9 **In-service distributions and Required Minimum Distributions.** The provisions regarding in-service distribution and Required Minimum Distributions under AA §10 are effective as follows:  
\_\_\_\_\_
  
- A-10 **Miscellaneous provisions.** The provisions under AA §11 are effective as follows:  
\_\_\_\_\_
  
- A-11 **Special effective date provisions for merged plans.** If any qualified retirement plans have been merged into this Plan, the provisions of Section 14.03 of the Plan apply as follows:  
\_\_\_\_\_
  
- A-12 **Other special effective dates:**  
\_\_\_\_\_
  
- A-13 **Special effective dates for restated pre-approved plans:** Use this A-13 to memorialize plan operational changes that have occurred after the general effective date of the plan and the actual plan restatement adoption date. Adopting employers may use the above Special Effective Date options (A-1 through A-12) to memorialize these changes or they may use this A-13. If the adopting employer uses this A-13, the changes will be part of the Plan, but will not be reflected in the SPD or plan summary:  
\_\_\_\_\_



**APPENDIX B  
LOAN POLICY**

*Use this Appendix B to identify elections dealing with the administration of Participant loans. These elections may be changed without amending this Adoption Agreement by substituting an updated Appendix B with new elections. Any modifications to this Appendix B, or any modifications to a separate loan policy describing the loan provisions selected under the Plan, will not affect an Employer's reliance on the IRS Favorable Letter. All loans are subject to any internal limitations imposed by the Investment Arrangement or the service provider or platform.*

B-1 Are **PARTICIPANT LOANS** permitted? (See Section 13 of the Plan.)

- (a) Yes
- (b) No

B-2 **LOAN PROCEDURES.**

- (a) Loans will be provided under the default loan procedures set forth in Section 13 of the Plan, unless modified under this Appendix B.
- (b) Loans will be provided under a separate written loan policy.

*[Note: If this subsection (b) is checked, do not complete the rest of this Appendix B.]*

B-3 **AVAILABILITY OF LOANS.** Participant loans are available to all active Participants and Beneficiaries. Participant loans are not available to a former Employee or Beneficiary (including an Alternate Payee under a QDRO). To override this default provision, check subsections (a), (b) and/or (c) below:

- (a) A former Employee or Beneficiary (including an Alternate Payee) who has a vested Account Balance may request a loan from the Plan.
- (b) A “limited participant” as defined in Section 3.05 of the Plan may not request a loan from the Plan.
- (c) An officer or director of the Employer, as defined for purposes of the Sarbanes-Oxley Act, may **not** request a loan from the Plan.
- (d) Describe limitations on receiving loans under the Plan: \_\_\_\_\_

*[Note: Any limitation under subsection (d) must be definitely determinable and not provide any Employer discretion.]*

B-4 **LOAN LIMITS.** The default loan policy under Section 13.03 of the Plan allows Participants to take a loan provided all outstanding loans do not exceed 50% of the Participant’s vested Account Balance. To override the default loan policy to allow loans up to \$10,000, even if greater than 50% of the Participant’s vested Account Balance, check this AA §B-4.

- A Participant may take a loan equal to the greater of \$10,000 or 50% of the Participant's vested Account Balance.

*[Note: If this AA §B-4 is checked, the Participant may be required to provide adequate security as required under Section 13.06 of the Plan.]*

B-5 **NUMBER OF LOANS.** The default loan policy under Section 13.04 of the Plan restricts Participants to one loan outstanding at any time. To override the default loan policy and permit Participants to have more than one loan outstanding at any time, complete subsection (a) or (b) below.

- (a) A Participant may have \_\_\_ loans outstanding at any time.
- (b) There are no restrictions on the number of loans a Participant may have outstanding at any time.

B-6 **LOAN AMOUNT.** The default loan policy under Section 13.04 of the Plan provides that a Participant may not receive a loan of less than \$1,000. To modify the minimum loan amount or to add a maximum loan amount, complete this AA §B-6.

- (a) There is no minimum loan amount.
- (b) The minimum loan amount is \$\_\_\_\_\_.
- (c) The maximum loan amount is \$\_\_\_\_\_.

- B-7 **INTEREST RATE.** The default loan policy under Section 13.05 of the Plan provides for an interest rate commensurate with the interest rates charged by local commercial banks for similar loans. To override the default loan policy and provide a specific interest rate to be charged on Participant loans, complete this AA §B-7.
- (a) The prime interest rate plus \_\_\_\_ percentage point(s).
- (b) The interest rate is determined in accordance with the terms of the Investment Arrangement, service provider procedures, or other loan policy document adopted by the Plan Administrator.
- (b) Describe: \_\_\_\_\_
- [*Note: Any interest rate described in this AA §B-7 must be reasonable and must apply uniformly to all Participants.*]
- B-8 **PURPOSE OF LOAN.** The default loan policy under Section 13.02 of the Plan provides that a Participant may receive a Participant loan for any purpose. To modify the default loan policy to restrict the availability of Participant loans to hardship events, check this AA §B-8.
- (a) A Participant may only receive a Participant loan upon the demonstration of a hardship event, as described in Section 7.10(e)(1)(i) of the Plan.
- (b) A Participant may only receive a Participant loan under the following circumstances: \_\_\_\_\_
- B-9 **APPLICATION OF LOAN LIMITS.** If Participant loans are not available from all contribution sources, the limitations under Code §72(p) and the adequate security requirements of the Department of Labor regulations will be applied by taking into account the Participant's entire Account Balance. To override this provision, complete this AA §B-9.
- The loan limits and adequate security requirements will be applied by taking into account only those contribution Accounts which are available for Participant loans.
- B-10 **CURE PERIOD.** The Plan provides that a Participant incurs a loan default if a Participant does not repay a missed payment by the end of the calendar quarter following the calendar quarter in which the missed payment was due. To override this default provision to apply a shorter cure period, complete this AA §B-10.
- (a) The cure period for determining when a Participant loan is treated as in default will be \_\_\_\_ days (cannot exceed 90) following the end of the month in which the loan payment is missed.
- (b) The cure period for determining when a Participant loan is treated as in default will be the greater of \_\_\_\_ days (cannot exceed 90) following the end of the month in which the loan payment is missed or the last day of the second calendar quarter following the calendar quarter in which the missed payment was due.
- (c) The cure period for determining when a loan is treated as in default will be \_\_\_\_ days (cannot exceed 90) following the first missed loan payment.
- B-11 **PERIODIC REPAYMENT – PRINCIPAL RESIDENCE.** If a Participant loan is for the purchase of a Participant's primary residence, the loan repayment period for the purchase of a principal residence may not exceed ten (10) years. To override this default provision, complete this AA §B-11.
- (a) The Plan does not permit loan payments to exceed five (5) years, even for the purchase of a principal residence.
- (b) The loan repayment period for the purchase of a principal residence may not exceed \_\_\_\_ years (may not exceed 30).
- (c) Loans for the purchase of a Participant's primary residence may be payable over any reasonable period commensurate with the period permitted by commercial lenders for similar loans.
- B-12 **TERMINATION OF EMPLOYMENT.** Section 13.10(a) of the Plan provides that a Participant loan becomes due and payable in full upon the Participant's termination of employment. To override this default provision, complete this AA §B-12.
- A Participant loan will not become due and payable in full upon the Participant's termination of employment.
- B-13 **DIRECT ROLLOVER OF A LOAN NOTE.** Section 13.10(b) of the Plan provides that upon termination of employment a Participant may request the Direct Rollover of a loan note. To override this default provision, complete this AA §B-13.
- A Participant may **not** request the Direct Rollover of the loan note upon termination of employment.
- B-14 **LOAN RENEGOTIATION.** The default loan policy provides that a Participant may renegotiate a loan, provided the renegotiated loan separately satisfies the reasonable interest rate requirement, the adequate security requirement, the periodic repayment requirement and the loan limitations under the Plan. The Employer may restrict the availability of renegotiations to prescribed purposes provided the ability to renegotiate a Participant loan is available on a non-discriminatory basis. To override the default loan policy and restrict the ability of a Participant to renegotiate a loan, complete this AA §B-14.

- (a) A Participant may **not** renegotiate the terms of a loan.
- (b) The following special provisions apply with respect to renegotiated loans: \_\_\_\_\_

**B-15 MODIFICATIONS TO DEFAULT LOAN PROVISIONS.**

- The following special rules will apply with respect to Participant loans under the Plan: \_\_\_\_\_

*[Note: Any provision under this AA §B-15 must satisfy the requirements under Code §72(p) and the regulations thereunder and will control over any inconsistent provisions of the Plan dealing with the administration of Participant loans.]*

**APPENDIX C  
ADMINISTRATIVE ELECTIONS**

Use this Appendix C to identify certain elections dealing with the administration of the Plan. These elections may be changed without amending this Adoption Agreement by substituting an updated Appendix C with new elections. The provisions selected under this Appendix C do not create qualification issues and any changes to the provisions under this Appendix C will not affect the Employer's reliance on the IRS Favorable Letter.

**C-1 DIRECTION OF INVESTMENTS.** Are Participants permitted to **direct investments**? (See Section 10.07 of the Plan.)

- (a) No
- (b) Yes, but subject to the following restrictions:
- (1) No restrictions apply
- (2) Only for Accounts that are 100% vested
- (3) Specify Accounts: \_\_\_\_\_
- (4) Describe any special rules that apply for purposes of direction of investments: \_\_\_\_\_

*[Note: This subsection (4) may be used to describe special investment provisions for specific types of investments or for specific Accounts, such as the Rollover Contribution Account.]*

**C-2 ROLLOVER CONTRIBUTIONS.** Does the Plan accept **Rollover Contributions**? (See Section 3.05 of the Plan.)

- (a) No
- (b) Yes
- (1) If this subsection (1) is checked, an Employee may make a Rollover Contribution to the Plan prior to becoming a Participant in the Plan.
- (2) Check this subsection (2) if the Plan will accept Rollover Contributions from former Employees with an Account Balance under the Plan.
- (3) Describe any special rules for accepting Rollover Contributions: \_\_\_\_\_

*[Note: The Employer may designate in this subsection (3), or in separate written procedures, the extent to which it will accept rollovers from designated plan types. For example, the Employer may decide not to accept rollovers from certain designated plans (e.g., 403(b) plans, §457 plans or IRAs). Any special rollover procedures will apply uniformly to all Participants under the Plan.]*

**C-3 LIFE INSURANCE.** Are **life insurance** investments permitted? (See Section 10.08 of the Plan.)

- (a) No
- (b) Yes

**C-4 QDRO PROCEDURES.** Although the requirements of Code §414(p) do not apply to the Plan, the Employer may elect to apply the procedures set forth under Section 11.05 of the Plan (which are patterned after the rules under Code §414(p)) by electing subsection (a) below or may elect not to apply the procedures set forth under Section 11.05 of the Plan and instead, describe the Plan's procedures for addressing domestic relations orders below or in separate administrative procedures.

- (a) The Employer elects to have the requirements of Section 11.05 of the Plan apply to its Plan.
- (b) The requirements of Section 11.05 of the Plan do not apply to the Plan. The procedures for addressing the receipt of domestic relations orders are either set forth below or in separate administrative procedures.

Describe domestic relations procedures: \_\_\_\_\_

**EMPLOYER SIGNATURE PAGE**

**PURPOSE OF EXECUTION.** This Signature Page is being executed to effect:

- (a) The adoption of a **new plan**, effective 12-4-2024 [insert Effective Date of Plan]. [Note: Date can be no earlier than the first day of the Plan Year in which the Plan is adopted.]
- (b) The **restatement** of an existing plan in order to comply with the requirements for Cycle 3 Pre-Approved Plans, pursuant to Rev. Proc. 2017-41.
  - (1) Effective date of restatement: \_\_\_\_\_ [Note: Date can be no earlier than the first day of the Plan Year in which the restatement is adopted.]
  - (2) Name of plan(s) being restated: \_\_\_\_\_
  - (3) The original effective date of the plan(s) being restated: \_\_\_\_\_
- (c) An **amendment or restatement** of the Plan (other than to comply with the requirements for Cycle 3 Pre-Approved Plans under Rev. Proc. 2017-41). If this Plan is being amended, a snap-on amendment may be used to designate the modifications to the Plan or the updated pages of the Adoption Agreement may be substituted for the original pages in the Adoption Agreement. All prior Employer Signature Pages should be retained as part of this Adoption Agreement.
  - (1) Effective Date(s) of amendment/restatement: \_\_\_\_\_
  - (2) Name of plan being amended/restated: \_\_\_\_\_
  - (3) The original effective date of the plan being amended/restated: \_\_\_\_\_
  - (4) If Plan is being amended, identify the Adoption Agreement section(s) being amended: \_\_\_\_\_

**PRE-APPROVED PLAN PROVIDER INFORMATION.** The Pre-Approved Plan Provider (or authorized representative) will inform the Employer of any amendments made to the Plan and will notify the Employer if it discontinues or abandons the Plan. To be eligible to receive such notification, the Employer agrees to notify the Pre-Approved Plan Provider (or authorized representative) of any change in address. The Employer may direct inquiries regarding the Plan or the effect of the IRS Opinion Letter to the Pre-Approved Plan Provider (or authorized representative) at the following location:

**Name of Pre-Approved Plan Provider (or authorized representative):** Nationwide Financial Services, Inc.

**Address:** 3 Nationwide Plaza, Columbus, OH 43215

**Telephone number:** 877-677-3678

**IMPORTANT INFORMATION ABOUT THIS PRE-APPROVED PLAN.** A failure to properly complete the elections in this Adoption Agreement or to operate the Plan in accordance with applicable law may result in disqualification of the Plan. The Employer may rely on the Favorable IRS Letter issued by the Internal Revenue Service to the Pre-Approved Plan Provider as evidence that the Plan is qualified under Code §401(a), to the extent provided in Rev. Proc. 2017-41. The Employer may not rely on the Favorable IRS Letter in certain circumstances or with respect to certain qualification requirements, which are specified in the Favorable IRS Letter issued with respect to the Plan and in Rev. Proc. 2017-41. In order to obtain reliance in such circumstances or with respect to such qualification requirements, the Employer may need to apply to the Internal Revenue Service for a determination letter.

By executing this Adoption Agreement, the Employer intends to adopt the provisions as set forth in this Adoption Agreement and the related Plan document. By signing this Adoption Agreement, the individual below represents that he/she has the authority to execute this Plan document on behalf of the Employer. This Adoption Agreement may only be used in conjunction with Basic Plan Document #03. The Employer understands that the Pre-Approved Plan Provider has no responsibility or liability regarding the suitability of the Plan for the Employer's needs or the options elected under this Adoption Agreement. It is recommended that the Employer consult with legal counsel before executing this Adoption Agreement.

City of Napa  
(Name of Employer)

Rajneil Prasad Finance Director  
(Name of authorized representative) (Title)

\_\_\_\_\_  
(Signature) \_\_\_\_\_  
(Date)

**TRUST DECLARATION**

**This Trust Declaration may be used to identify and adopt the Trust associated with the Plan.**

*[Note: The Internal Revenue Service does not review the Trust Declaration, or the trust provisions associated with Pre-Approved Plans. Therefore, the provisions of the Trust Declaration, ASC Trust Agreement or any separate Trust agreement have not been approved by the IRS and the IRS opinion letter does not cover such Trust Agreement. The Provider, the Trustee and the adopting Employer should review the applicable Trust provisions, and any modifications thereto, with legal counsel to ensure the provisions are appropriate for the Plan and consistent with Employer elections.]*

**Name of Plan.** City of Napa Money Purchase Plan

**Name of Employer.** City of Napa

**Effective date of Trust Agreement:** 12-4-2024

(a) **The Trust terms are:**

(1) **Determined under the Trust provisions contained in the ASC Trust Agreement - Standard.**

*[Note: Trustee must complete the Trustee Signature section under Section (b) below.]*

(i) **Directed Trustee.** The Trustee may only invest Plan assets as directed by the Plan Administrator, the Employer, an Investment Manager or other Named Fiduciary or, to the extent authorized under the Plan, a Plan Participant.

(ii) **Discretionary Trustee.** The Trustee has discretion to invest Plan assets, unless specifically directed otherwise by the Plan Administrator, the Employer, an Investment Manager or other Named Fiduciary or, to the extent authorized under the Plan, a Plan Participant.

**[Modification of ASC Trust Agreement Provisions.** The Employer may amend the Trust provisions as provided under Section 1.18 of the ASC Trust Agreement. Plan provisions will override any conflicting provisions in the Trust Agreement, including any modification thereto. The Provider and the adopting Employer should review any modifications of the ASC Trust Agreement with legal counsel to ensure the provisions are appropriate for the Plan and consistent with Employer elections.]

(2) **Determined under a separate Trust agreement(s).** The Trust provisions are contained in a separate Trust Agreement that has been furnished to the Employer. Notwithstanding the terms of the Plan, the terms of the Trust Agreement shall control the rights and responsibilities of the Trustee with respect to the Trust and the assets held in such Trust.

**Name of Trustee.** Nationwide Trust Company, FSB

**Title of Trust Agreement.** Nationwide Trust Agreement

**Address of Trustee.** 3 Nationwide Plaza  
Columbus, OH 43215

*[Note: In using a separate Trust Agreement, the Trustee may adopt such Trust Agreement by either completing the Trustee Signature section under Section (b) below or may execute the separate Trust Agreement. In either case, the information above – Name of Trustee, Title of Trust Agreement and Address of Trustee – must be completed.]*

(3) **Plan is funded with custodial accounts, annuity contracts and/or insurance contracts.** There is no Trust associated with the Plan because the Plan is funded exclusively with custodial accounts, annuity contracts and/or insurance contracts.

*[Note: No signature is required under this Trust Declaration if the Plan is funded exclusively with custodial accounts, annuity contracts and/or insurance contracts. The Employer or Plan Administrator may enter into a separate agreement with the custodian or insurance company. Such separate agreement must be consistent with the terms of the Plan.]*

**CARES/SECURE ACTS INTERIM AMENDMENT  
ELECTIVE PROVISIONS**

These Elective Provisions provide for elections related to the Interim Amendment. If the adopting Employer agrees to the default for a particular provision or the provision does not apply to the Employer’s Plan, the adopting Employer does not need to make an election for that provision. If the adopting Employer wishes to override any of the defaults, the adopting Employer should make the appropriate

election(s) in the Elective Provisions below. If the defaults are not used, the adopting Employer will need to execute these Elective Provisions.

**CS-1. TEMPORARY WAIVER OF REQUIRED MINIMUM DISTRIBUTIONS FOR 2020 (See IA §3.03)**

*[Note: Do not complete these Elective Provisions if the Plan was not in existence during 2020 or if the temporary waiver otherwise did not apply to the Plan.]*

(a) **Default if Participant fails to elect.** For purposes of applying the required minimum distribution rules for the 2020 calendar year, effective January 1, 2020 (or such later date as designated below), a Participant (including an Alternate Payee or beneficiary of a deceased Participant) who was eligible to receive a required minimum distribution for the 2020 calendar year could elect whether to receive the 2020 RMD or 2020 Extended RMD (as defined in IA §3.03). If a Participant did not specifically elect to take the 2020 RMD or 2020 Extended RMD from the Plan, such distribution was not made for the 2020 calendar year. The Employer may modify this default rule below, provided such modification satisfies the requirements under Code §401(a)(9)(I) and any applicable IRS guidance.

- (1) **2020 RMDs and 2020 Extended RMDs were made.** 2020 RMDs and 2020 Extended RMDs were made to Participants who were otherwise required to receive a required minimum distribution for the 2020 calendar year, unless the Participant elected to not receive such distribution.
- (2) **2020 RMDs were not made, but 2020 Extended RMDs were made.** 2020 RMDs were not made for the 2020 calendar year, but 2020 Extended RMDs were made for the 2020 calendar year, unless the Participant elected otherwise.
- (3) **2020 RMDs were made, but 2020 Extended RMDs were not made.** 2020 RMDs were made for the 2020 calendar year, but 2020 Extended RMDs were not made for the 2020 calendar year, unless the Participant elected otherwise.
- (4) **Direct Rollovers.** Unless elected otherwise below, the Plan offered a Direct Rollover only for distributions that were Eligible Rollover Distributions in the absence of Code §401(a)(9)(I).

Instead of the default above, the following were treated as Eligible Rollover Distributions in 2020:

- (i) 2020 RMDs
- (ii) 2020 RMDs and 2020 Extended RMDs
- (iii) 2020 RMDs, but only if paid with an additional amount that is an Eligible Rollover Distribution without regard to Code §401(a)(9)(I)
- (iv) Describe: \_\_\_\_\_
- (5) **Describe other modifications of the default participant election rules:** \_\_\_\_\_
- (6) **Effective date.** Instead of January 1, 2020, the effective date of the amendment providing for a choice of whether a Participant or beneficiary could receive 2020 RMDs was effective: \_\_\_\_\_

- (b) **Describe any special rules, including any special effective dates, the Plan applied to required minimum distributions for 2020:** \_\_\_\_\_

**CS-2. REQUIRED MINIMUM DISTRIBUTION ELECTIONS (IA §5.02(b)(1)(ii)).** Effective for distributions with respect to Participants who die after December 31, 2019 (or such later effective date applicable to the Plan. See IA §5.02(b)(1)(v)) and before the applicable Required Beginning Date, the Plan's Cycle 3 elections with regard to required minimum distributions continue to apply to **Eligible Designated Beneficiaries**, except that the 10-year rule will be substituted for the 5-year rule, as appropriate. In addition, the Cycle 3 default applicable to a Participant or Designated Beneficiary who fails to make an election continues to apply. **To override this default provision, complete (a) and/or (b) below.**

- (a) **Application of life expectancy and 10-year rules to Eligible Designated Beneficiaries.** Instead of the default, the Plan will apply the following rule:
- (1) Effective \_\_\_\_\_, the life expectancy rule applies to all Eligible Designated Beneficiaries.
- (2) Effective \_\_\_\_\_, the 10-year rule applies to all Eligible Designated Beneficiaries.
- (3) Effective \_\_\_\_\_, the entire interest of an Eligible Designated Beneficiary will be distributed by the end of the \_\_\_\_\_ calendar year [may not be greater than 9<sup>th</sup>] following the year the Participant dies.

- (4) Effective December 4, 2024, the Participant or Eligible Designated Beneficiary may elect to apply either the 10-year rule or the life expectancy rule to determine the required minimum distributions when the Participant dies before his/her Required Beginning Date. If no election is timely made:
  - (i) the life expectancy rule applies
  - (ii) the 10-year rule applies
  - (iii) the 10-year rule, reduced to \_\_\_\_\_ years applies
- (5) Describe the manner (including effective date) in which the 10-year rule and life expectancy rule apply to Eligible Designated Beneficiaries: \_\_\_\_\_
- (b) **Special rules.** Describe any special rules that apply for purposes of the required minimum distribution rules under Code §401(a)(9): \_\_\_\_\_  
*[Note: Any special rules for determining required minimum distributions for calendar years beginning on or after January 1, 2022 (or such later date as specified in applicable regulations or guidance) must comply with proposed Treas. Reg §§1.401(a)(9)-1 through 1.401(a)(9)-9 issued on February 24, 2022 (or subsequent applicable final regulations).]*

**CS-3. DELAYED ADOPTION OF SAFE HARBOR 401(k) PLAN (IA §5.06)**

- (a) **Amendment into a 3% nonelective Safe Harbor 401(k) Plan accounts (See IA §5.06(a)).** Unless an election is made below, the Plan is not amended and the current Plan provisions will continue to apply. [Do not complete if Plan will not provide for a Safe Harbor contribution.]
  - (1) The Plan is amended to add a \_\_\_\_\_% [insert amount of at least 3%] Traditional Safe Harbor 401(k) Plan Employer Contribution, effective for the \_\_\_\_\_ [insert applicable Plan Year] Plan Year. The elected percentage will continue to apply for future Plan Years, unless otherwise provided in CS-3(a)(3) or by a subsequent Plan amendment.
  - (2) The Plan is amended to add a \_\_\_\_\_% [insert amount of at least 3%] QACA Safe Harbor 401(k) Plan Employer Contribution, effective for the \_\_\_\_\_ [insert applicable Plan Year] Plan Year. The elected percentage will continue to apply for future Plan Years, unless otherwise provided in CS-3(a)(3) or by a subsequent Plan amendment.
  - (3) Describe any special provisions applicable to the adoption of a 3% nonelective Safe Harbor 401(k) Plan: \_\_\_\_\_
- (b) **Amendment into a 4% nonelective Safe Harbor 401(k) Plan accounts See IA §5.06(b).** Unless an election is made below, the Plan is not amended and the current Plan provisions will continue to apply.
  - (1) The Plan is amended to add a \_\_\_\_\_% [insert amount of at least 4%] Traditional Safe Harbor 401(k) Plan Employer Contribution, effective for the \_\_\_\_\_ [insert applicable Plan Year] Plan Year. The elected percentage will continue to apply for future Plan Years, unless otherwise provided in CS-3(b)(3) or by a subsequent Plan amendment.
  - (2) The Plan is amended to add a \_\_\_\_\_% [insert amount of at least 4%] QACA Safe Harbor 401(k) Plan Employer Contribution, effective for the \_\_\_\_\_ [insert applicable Plan Year] Plan Year. The elected percentage will continue to apply for future Plan Years, unless otherwise provided in CS-3(b)(3) or by a subsequent Plan amendment.
  - (3) For Plan Years following the effective date stated under CS-3(b)(1) or CS-3(b)(2), the Safe Harbor Employer Contribution will be \_\_\_\_\_ [insert amount of at least 3%].
  - (4) Describe any special provisions applicable to the adoption of a 4% nonelective Safe Harbor 401(k) Plan: \_\_\_\_\_

**CS-4. QUALIFIED BIRTH OR ADOPTION DISTRIBUTIONS (“QBADs”). (See IA §5.08)**

Unless an election is made below, the Plan does not allow for QBADs.

- (a) Qualified Birth or Adoption Distributions are available from the following sources to Plan Participants as of \_\_\_\_\_ [insert date no earlier than the first day of the Plan Year beginning after December 31, 2019]: *[Note: May be checked even if no in-service distributions are otherwise permitted under the Plan.]*
  - (1) All available sources



- (2) Pre-Tax Deferral Account
- (3) Roth Deferral Account (including In-Plan Roth Conversion Account)
- (4) Matching Contribution Account
- (5) Qualified Matching Contribution (QMAC) Account
- (6) Employer Contribution Account
- (7) Qualified Nonelective Contribution (QNEC) Account
- (8) Safe Harbor Contribution Account(s)
- (9) Rollover Contribution Account
- (10) After-Tax Employee Contribution Account
- (11) Transfer Account
- (12) Describe available sources: \_\_\_\_\_

(b) If CS-4(a) is elected, QBADs are available to all Participants who have the applicable Account(s), unless otherwise indicated below.

- (1) QBADs are not available to terminated Participants.
- (2) QBADs will only be permitted if the Participant is 100% vested in the source from which the withdrawal is taken.
- (3) Describe the Participants who may receive QBADs: \_\_\_\_\_

(c) Describe any special rules related to QBADs: \_\_\_\_\_

**CS-5. INCREASE OF CAP FOR QACA SAFE HARBOR 401(k) PLAN. (See IA §5.09)**

Unless an election is made below, the Employer does not elect to increase the cap for its QACA Safe Harbor 401(k) Plan. [Do not complete if plan does not provide for a QACA Safe Harbor contribution.]

- (a) The cap on the automatic increase of the automatic deferral amount as specified under AA §6C-3(c)(2)(ii) is increased to \_\_\_\_\_% [insert number greater than 10, not more than 15], effective as of \_\_\_\_\_ [insert date no earlier than the first day of the Plan Year beginning after December 31, 2019].
- (b) Describe any special rules related to the increase of cap for QACA Safe Harbor 401(k) Plan: \_\_\_\_\_

**CS-6. IN-SERVICE DISTRIBUTIONS FOR MONEY PURCHASE PENSION PLAN OR TRANSFERRED ASSETS. (See IA §5.11)**

**Age 59 ½ in-service distributions.** Unless an election is made below, the Employer does not elect to change the Plan's in-service distribution options under AA §10-1 of its money purchase pension plan (or with respect to assets transferred from a money purchase plan).

- (a) Effective December 4, 2024 [insert date no earlier than the first day of the Plan Year beginning after December 31, 2019], a Participant may withdraw all or any portion of his/her vested Account Balance, upon the attainment of age 59.5 [may not be earlier than age 59 ½].
- (b) Describe any special rules related to the in-service distributions: \_\_\_\_\_

**CS-7. LONG-TERM PART-TIME EMPLOYEES (“LTPT Employees”). (See IA §5.12)**

LTPT Employees will participate under the Plan, as of the appropriate effective date, as required under IA §5.12. The Employer may make elections in the Adoption Agreement consistent with the requirements of IA §5.12. In addition, the Employer may describe any provisions relating to the participation of LTPT Employees below.

- (a) **Other contributions.** In addition to the ability to make Salary Deferrals, LTPT Employee may receive or make the following in the same manner and under the same conditions as other Eligible Employees under the Plan:
  - (1) All available Employer and Employee Contribution sources
  - (2) Employer Contributions (including Qualified Nonelective Employer Contributions)
  - (3) Matching Contributions (including Qualified Matching Contributions)
  - (4) Safe Harbor Contributions
  - (5) Rollover Contributions

## ATTACHMENT 2

- (6) After-Tax Employee Contributions
- (7) Describe: \_\_\_\_\_

(b) **Eligibility, Entry Date and minimum age rules.** Instead of the Plan rules for Eligibility Computation Period, Entry Date and minimum age rules applicable to Eligible Employees who are not LTPT Employees, the following rules apply to LTPT Employees:

- (1) The Eligibility Computation Period for LTPT Employees is based on Anniversary Years and will not switch to the Plan Year.
- (2) Describe Eligibility Computation Period for LTPT Employees: \_\_\_\_\_
- (3) The Entry Dates for LTPT Employees will be the first day of the 1<sup>st</sup> and 7<sup>th</sup> month of the Plan Year.
- (4) The Entry Dates for LTPT Employees will be \_\_\_\_\_. (Must satisfy Entry Date requirements under BPD §2.03(b).)
- (5) The minimum age requirement for LTPT Employees is:
  - (i) Age 21
  - (ii) No minimum age for eligibility
  - (iii) Age \_\_\_\_\_ [not later than age 21]

(c) **Collectively Bargained Employees and non-resident aliens.** If Collectively Bargained Employees and/or non-resident aliens who receive no compensation from the Employer that constitutes U.S. source income are otherwise eligible for the Plan, the Employer may elect to exclude such Employees from the LTPT Employee rules of IA §5.12 below:

- (1) Collectively Bargained Employees are excluded from eligibility as LTPT Employees.
- (2) Non-resident aliens who receive no compensation from the Employer that constitutes U.S. source income are excluded from eligibility as LTPT Employees.
- (3) In addition to any election made in CS-7(c)(1) or (2) above, Employees who are otherwise considered Excluded Employees under the Plan will also be excluded from eligibility as LTPT Employees.

(d) **Other provisions.** To the extent the following provisions or options apply to Eligible Employees who are not LTPT Employees, such provisions do not apply to LTPT Employees:

- (1) The opportunity to make Roth Deferrals
- (2) The automatic contribution arrangement provisions under AA §6A-8
- (3) Describe Plan provisions that do not apply to LTPT Employees: \_\_\_\_\_

(e) Describe any special rules related to the participation of LTPT Employees under the Plan: \_\_\_\_\_

### CS-8. PLAN ADOPTED BY FILING DUE DATE. (See IA §5.13)

- The Employer elects to treat the Plan as having been adopted as of the last day of its taxable year ending \_\_\_\_\_. (See IA §5.13 for rules relating to the timing of this election.)

### CS-9. SPECIAL PROVISIONS.

If the Employer wishes to provide additional or clarifying provisions to this Interim Amendment, the Employer may include such provisions below.

- Describe any special rules related to this Interim Amendment: \_\_\_\_\_

### APPLICATION OF INTERIM AMENDMENT

Pursuant to Revenue Procedure 2017-41 and Section 14.01(a) of the Plan (Section 11.01(a) in the Owners-Only Plan), to the extent this Interim Amendment has been adopted by the Pre-Approved Plan Provider on behalf of its adopting Employers, the Employer does not need to sign these Elective Provisions. If the Employer wishes to override the Provider's (default) elections, or adopt as an Employer-level amendment, the Employer (or the authorized representative of the Employer) must execute this Interim Amendment by signing below. This amendment applies to the Employer and all Participating Employers under the Plan.

# ATTACHMENT 2

Pre-Approved Governmental Money Purchase Plan  
Interim Amendment – CARES/SECURE Acts Elective Provisions

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City of Napa Money Purchase Plan  
*Name of Plan*

City of Napa  
*(Name of Employer)*

Rajneil Prasad  
*(Name of Authorized Representative, if applicable)*

Finance Director  
*(Title)*

\_\_\_\_\_  
*(Signature)*

\_\_\_\_\_  
*(Date)*