

OAKLAND COUNTY
457(b) DEFERRED COMPENSATION PLAN

Restated Resolution
January 1, 2020

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457(b) DEFERRED COMPENSATION PLAN

Oakland County (the "Employer") hereby amends and restates the Oakland County 457(b) Deferred Compensation Plan (the "Plan") effective as of the 1st day of January, 2020, unless an earlier date is provided herein.

ARTICLE I - INTRODUCTION

It is intended that this Plan and any related Trust Agreement be interpreted and construed as a plan designed to constitute a governmental unit eligible deferred compensation plan within the meaning of section 457(b) of the Internal Revenue Code of 1986, as amended, the regulations issued thereunder and other applicable law.

The purpose of the Plan is to attract and hold certain Employees and other parties related to the Employer and permit eligible Employees to enter into agreements with the Employer which will provide for payments upon retirement, termination or death.

ARTICLE II – DEFINITIONS

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

- 2.1 Account shall mean the bookkeeping account maintained with respect to each Participant which reflects the value of the Deferred Compensation credited to the Participant, the earnings or loss of the Trust (net of Trust expenses) allocable to the Participant, any transfers for the Participant's benefit, and any distributions made to the Participant, Participant's Beneficiary, or Alternate Payee. If a Participant has more than one (1) Beneficiary at the time of the Participant's death, then a separate Account shall be maintained for each Beneficiary. A Participant's Account shall include any accounts established under Article X.
- 2.2 Alternate Payee means a person who is or was the spouse of the Participant or is the child of the Participant to the extent that such person has rights under a court order that the Plan Administrator has determined to be a Qualified Domestic Relations Order as described in Treas. Reg. Section 1.457-10(c), or any successor regulation or guidance.
- 2.3 Beneficiary shall mean the person or persons designated by the Participant in accordance with Section 6.2 to receive distributions from the Participant's Account after the Participant's death.

Code means the Internal Revenue Code of 1986, as amended. Reference to a specific Code section shall include such section, any valid Treasury Regulation promulgated thereunder, and any comparable provision of any future legislation amending supplementing or superseding such section.

- 2.5 Compensation means all compensation for services to the Employer, including salary, wages, fees, commissions, bonuses, and overtime pay, that is includible in the Employee's gross income for the calendar year.
- 2.6 Contributions mean Employee Contributions and (if any) Employer contributions deferred under the Plan according to the provisions of the Plan. Contributions shall not be reduced because of the Participant's attainment of any age. Contributions shall be made according to the payroll methods of, and at such times as may be determined by, the Employer.
- 2.7 County shall mean Oakland County, Michigan.
- 2.8 Deferral Agreement means an agreement entered into between an Employee and the County, as may be amended or modified from time to time, that specifies the amount of Deferred Compensation, specifies a preference among the investment options provided under the Plan, names the Employee's Beneficiary or Beneficiaries, and incorporates the terms, conditions, and provisions of the Plan by reference.
- 2.9 Deferred Compensation means the amount of Compensation otherwise payable to the Participant that the Participant and the Employer agree to defer according to the provisions of the Plan and any other amount which the Employer agrees to credit to a Participant's Account. The amount or value of the Participant's Deferred Compensation is the amount or value of the Participant's Account (including any rights purchased under the Account). Deferred Compensation may also refer to the right under this Plan of the Participant or Beneficiary to receive a Distribution of all or any portion of the Account.
- 2.10 Designated Roth Account shall mean the bookkeeping account established and maintained to record the Participant's Roth Elected Deferrals, rollovers from designated Roth account(s) under other eligible retirement plans, and the income gains and losses thereon. Unless specifically stated otherwise, all references in the Plan to a Participant's Account shall include a Participant's Designated Roth Account.
- 2.11 Effective Date for this restatement means the date that the County Board of Commissioners adopted this restatement unless otherwise indicated herein. The original effective date of the Plan was April 5, 1979.
- 2.12 Employee shall mean a natural person characterized by the Plan Administrator, in its sole and absolute discretion, as a "full-time eligible Employee" or "part-time eligible Employee" as such is defined in the County's Merit System Rules. Employee shall include natural persons who are covered by a collective bargaining agreement. Employee shall not include part-time non-eligible or leased employees (as defined by Code Section 414(n)), or individuals determined by the

County considering Internal Revenue Service and Department of Labor guidelines for defining independent contractors, and as may be amended and/or modified from time to time) even if such individuals are subsequently deemed to be the County's common law employees. Also, Employee shall not include Circuit Court, District Court, and Probate Court Judges first elected or appointed on or after April 1, 1997.

- 2.13 Entry Date shall mean for each individual the date that such individual is characterized by the Plan Administrator as an Employee.
- 2.14 Includible Compensation means an Employee's actual wages that are reported in box 1 of Form W-2 for a year for services to the Employer, but subject to a maximum of \$200,000 (or such higher maximum as may apply under section 401(a)(17) of the Code), as adjusted thereunder from time to time, and increased (up to the dollar maximum) by any compensation reduction election under Section 125, 132(f), 401(k), 403(b), or 457(b) of the Code.
- 2.15 Matching Contribution shall mean a voluntary contribution made by the County on behalf of a Participant; as a result of the Participant's contribution into his or her account maintained under this Plan.
- 2.16 Normal Retirement Age shall mean any age the Participant declares his/her Normal Retirement Age in writing with the Plan Administrator prior to his/her Severance from Employment; however, the Participant must at least reach age 55 with 25 years of service or age 60 with 8 years of service. Some represented Employees' bargaining agreements may include a different definition of Normal Retirement Age. Under no circumstances shall a Participant's Normal Retirement Age under this 457(b) Plan be later than the age of 72 , and/or as modified by IRS regulations. Participants may only make one election to declare their Normal Retirement Age with the Plan Administrator, and any election made by a Participant applies with respect to all 457(b) plans sponsored by the County.
- 2.17 Participant shall mean an Employee who is currently deferring Compensation, or who has previously deferred Compensation to the Plan by salary reduction and who has not received a distribution of his or her entire benefit under the Plan.
- 2.18 Plan shall mean this 457(b) Deferred Compensation Plan for Oakland County, as such may be amended from time to time.
- 2.19 Plan Administrator shall be the individual holding the position of Retirement Administrator, or in his or her absence, the Manager of Human Resources, or as appropriately appointed by the County in accordance with the County's policies and protocols.

- 2.20 Plan Year means the 12-month period commencing January 1 and ending December 31.
- 2.21 Pre-Tax Account shall mean the bookkeeping account established and maintained to record the portion of the Participant's Account attributable to amounts other than Roth Elective Deferrals, rollovers from designated Roth account(s) under other eligible retirement plans, and the income gains and losses thereon. Unless specifically stated otherwise, all references in the Plan to a Participant's Account shall include a Participant's Pre-Tax Account.
- 2.22 Qualified Domestic Relations Order or "QDRO" means any judgment, decree or order as defined in Code Section 414(p).
- 2.23 Qualified Roth Contribution Program means a program described in paragraph (1) of Code Section 402A(b), under which a Participant may make Roth Elective Deferrals in lieu of all or a portion of the elective deferrals the Participant is otherwise eligible to make under the Plan.
- 2.24 Retirement Board shall mean the Oakland County Retirement and Deferred Compensation Board.
- 2.25 Severance from Employment means a voluntary or involuntary termination of employment or expiration of all contractual relationships with the County for any reason including death or disability, or for no reason. For purposes of the foregoing sentence, an approved leave of absence by an Employee shall not constitute a Severance from Employment.
- 2.26 Roth Elective Deferral means deferred Includible Compensation contributed by a Participant pursuant to Section 6.1, which amounts are:
- (1) irrevocably designated by the Participant as a Roth Elective Deferral that is being made in lieu of all or a portion of the pre-tax deferrals the Participant is otherwise eligible to make under the Plan; and
 - (2) treated by the County as includible in the Participant's income at the time the Participant otherwise would have received that amount as Includible Compensation.
- 2.27 Trust shall mean all of the assets of the Plan held in trust pursuant to the terms of this Plan or any separate written agreement made by and between the County and the Trustee under which the Trust is maintained.
- 2.28 Trustee shall mean effective March 23, 2018, the Oakland County Retirement and Deferred Compensation Board.

- 2.29 USERRA means the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended (Public Law No. 103-353).
- 2.30 Valuation Date shall mean the date provided for valuing Plan Accounts as specified by the Trustee.

ARTICLE III – ELIGIBILITY AND PARTICIPATION

- 3.1 Eligibility. All Eligible Employees can participate in the Plan by completing, executing, and delivering a Deferral Agreement and all other instruments and forms required by the Plan Administrator. Each present Participant shall continue to be a Participant in the Plan. Any other Employee who is classified as an eligible Employee as of the Effective Date shall be eligible to participate in the Plan on the Effective Date. Any Employee who is not eligible to participate in the Plan as of the Effective Date shall be eligible to participate in the Plan upon classification as an eligible Employee.
- 3.2 Procedure for and Effect of Admission. Any eligible Employee who elects to become a Participant shall complete a Deferral Agreement by written or other means as prescribed by the Plan Administrator. The Plan Administrator reserves the right to reject any Deferral Agreement which does not conform with uniform, non-discriminatory procedures it shall prescribe and advise the Eligible Employee of the appropriate method of correction. By becoming a Participant, such eligible Employee shall for all purposes be deemed to have assented to the terms and provisions of this Plan and to all amendments thereto.

The Plan Administrator may establish a minimum deferral amount, and may change such minimums from time to time. The participation election shall also include designation of investment funds and a designation of Beneficiary. Any such election shall remain in effect until a new election is filed. When entering into or amending his or her Deferral Agreement, the Participant must agree to defer not more than the maximum amount provided by Article IV.

- 3.3 Time for Contributions to Begin. Contributions will be deferred for any calendar month only if a Deferral Agreement providing for the deferral has been entered into before the beginning of the month, with the first of such contributions being made as soon as administratively feasible thereafter. However, for a new employee, Compensation may be deferred for the calendar month during which the Participant first becomes an Employee if a Deferral Agreement providing for the deferral is entered into on or before the first day on which he or she performs services for the Employer, and the first of such contributions will be made as soon as administratively feasible after the Employee receives his or her first paycheck.

- 3.4 Contributions Made Promptly. Deferred Compensation by a Participant under the Plan shall be transferred to the Trust within a period that is not longer than is reasonable for the proper administration of the Participant's Account.
- 3.5 Modification of Deferral Agreement. Subject to the other provisions of the Plan and the Plan Administrator's discretion, a Participant may increase his or her Deferred Compensation at any time in the month prior to the effective date of the revised Deferral Agreement. A Participant may elect to decrease his or her Deferred Compensation effective immediately following execution of a revised Deferral Agreement indicating the corresponding decrease in Deferred Compensation.
- 3.6 Cancellation of Deferral Agreement. In accordance with procedures established by the Plan Administrator, a Participant may cancel his or her Deferral Agreement at any time. The cancellation shall be effective as soon as administratively feasible after the Employee notifies the Plan Administrator of his or her election to cancel the Deferral Agreement.
- 3.7 Leave of Absence. Unless a Deferral Agreement is otherwise revised, if a Participant is absent from work by leave of absence, his or her Contributions shall continue to the extent that he or she continues to receive Compensation from the County.
- 3.8 Disability. A disabled Participant may make Contributions during any portion of the period of his or her disability to the extent that he or she has actual Compensation (not imputed compensation and not disability benefits) from which to make Contributions and has not had a Severance from Employment.
- 3.9 Deferral of Sick, Vacation, and Back Pay Under Plan. A Participant may elect to defer accumulated sick pay, accumulated vacation pay, and back pay under the Plan, provided that these amounts may be deferred for any calendar month only if an agreement providing for the deferral is entered into before the beginning of the month in which the amounts would otherwise be paid or made available and the Participant is an eligible Employee in that month.

ARTICLE IV – CONTRIBUTIONS AND LIMITATIONS

- 4.1 Employee Deferral General Limitations. Except as provided in section 4.2, the maximum Deferred Compensation amount under the Plan for any Participant for the taxable year shall not exceed the lesser of (i) the applicable dollar amount within the meaning of Code Sections 457(b)(2)(A) and 457(e)(15)(A) as adjusted for the cost-of-living in accordance with Code Section 457(e)(15)(B) for such taxable year; or (ii) 100% of the Participant's Includible Compensation for such taxable year.
- 4.2 Special Section 457 Catch-up. Notwithstanding any provision in Section 4.1 to the contrary, with respect to any one or more of the three (3) taxable years ending before the date of the Participant's Normal Retirement Age, a Participant may elect to have Deferred Compensation contributed to the Plan in an amount not to exceed the lesser of:
- (a) Twice the dollar amount in effect for such taxable year under Code Section 457(e)(15), or
 - (b) The amount of the Participant's "Underutilized Limitation" for the Participant's taxable year, as determined pursuant to Treas. Reg. Section 1.457-4(c)(3)(ii) and any successor regulations or guidance of similar import.
- A Participant may elect to apply the 457(b) catch-up limitation under the Plan only once, regardless of whether the full amount of the limitation is utilized or whether the limitation is utilized for all three years.
- 4.3 Catch-Up Contributions for Individuals Age 50 and Older. Any Participant who is projected to attain age 50 before the end of a calendar year (or such other date as the Treasury Department may require by regulations) may elect to have additional Deferred Compensation contributed to the Plan in an amount not to exceed the catch-up limit under Code Section 414(v) for the taxable year. Notwithstanding the foregoing, this paragraph shall not apply for any taxable year for which a higher limitation under the special Section 457 catch-up described in Section 4.2 applies to such Participant, to the extent required by applicable statute or regulations.
- 4.4 401(a) Matching Contributions. Annually, the County shall decide, in its sole discretion, whether sufficient funds exist to make Matching Contributions into a separate 401(a) match account of each eligible Employee, with such Matching Contribution not to exceed the general limitation described in Section 4.1 and the 457(b) catch-up limitations described in Section 4.2. The County shall have exclusive discretion to decide whether sufficient funds exist to make a Matching

Contribution in any given year. If the County determines that sufficient funds do exist, the Matching Contribution shall be at the rate established by the County for non-represented employees, and for represented employees at a rate established in the bargaining agreement between the County and the Union representing the respective employees. Any such Matching Contributions shall be credited to the appropriate Participants' 401(a) match source maintained under the County's 401(a) Plan. The County may make Matching Contributions at any time permitted by law and regulation. In addition, the County shall also have the ability, subject to the general limitation described in Section 4.1 and the 457(b) catch-up limitations described in Section 4.2, to make voluntary discretionary contributions, in any amount it determines, into Participants' Accounts maintained under this Plan.

4.5 Special Rules. For purpose of this Article 4, the following rules shall apply:

- (a) *Participants covered by more than one (1) eligible 457(b) plan.* If a Participant is or has been a participant in one (1) or more other eligible 457(b) plans (as defined by Code Section 457(b)), then this Plan and all such other 457(b) plans shall be considered as one (1) plan for purposes of applying the foregoing limitations of this Article 4. For this purpose, the Plan Administrator shall take into account any other such eligible plans maintained by the County and shall also take into account any other such eligible plans for which the Plan Administrator receives from the Participant sufficient information concerning his or her participation in such other plan.
- (b) *Pre-Participation Years.* In applying Section 4.2, a year shall be taken into account only if (i) the Participant was eligible to participate in the Plan during all or a portion of the year; and (ii) Compensation deferred, if any, under the Plan during the year was subject to the limitations described in Section 4.1 or any other Plan limit required by Code section 457(b).
- (c) *Pre-2002 Coordination Years.* For purposes of Section 4.2(b), "contributions to Pre-2002 Coordination Plans" shall mean any employer contribution, salary reduction or elective contribution under any Code section 401(k) qualified cash or deferred arrangement, Code section 402(h)(1)(B) simplified employee pension (SARSEP), Code section 403(b) annuity contract, and Code section 408(p) simple retirement account, or under any plan for which a deduction is allowed because of a contribution to an organization described in Code section 501(c)(18), including plans, arrangements or accounts maintained by the County or any employer for whom the Participant performed services. However, the contributions for any calendar year are only taken into account for

purposes of Section 4.2(b) to the extent that the total of such contributions does not exceed the aggregate limit referred to in Code section 457(b)(2) for that year. In applying the section 457(b)(2)(B) limitation for includible compensation for years prior to 2002, the limitation is 33% of the Participant's compensation includible in gross income.

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

4.6 Correction of Excess Deferrals. If the Deferred Compensation on behalf of a Participant for any calendar year exceeds the limitations described in Sections 4.1, 4.2 and 4.3, or the Deferred Compensation on behalf of a Participant for any calendar year exceeds the limitations described above when combined with other amounts deferred by the Participant under another eligible deferred compensation plan under Code Section 457(b) for which the Participant provides information that is accepted by the Plan Administrator, then the Deferred Compensation, to the extent in excess of the applicable limitation adjusted for any income or loss in value, if any, allocable thereto, shall be distributed to the Participant.

4.7 Protection of Persons Who Serve In Uniformed Service. A Participant whose employment with the County is interrupted by qualified military service under Code Section 414(u) or who is on a leave of absence for qualified military service under Code Section 414(u) may elect to have additional Deferred Compensation made upon the resumption of employment with the County equal to the maximum Deferred Compensation that the Participant could have elected during that period if the Participant's employment with the County had continued (at the same level of Compensation) without interruption or leave, reduced by Deferred Compensation, if any, actually made for the Participant during the period of qualified military service. This right applies for five (5) years following the resumption of employment (or, if sooner, for a period equal to three (3) times the period of the interruption or leave).

ARTICLE V – DISTRIBUTIONS

5.1 Benefit Distributions. Upon a bona fide Severance from Employment with the County, a Participant shall be entitled to receive a distribution of his or her Account balance under a form of distribution permitted under Section 5.3, and such distribution shall commence at the date provided in Section 5.2. A Participant on a leave of absence shall not be deemed to have had a Severance from Employment until the leave of absence expires and the Participant separates from employment with the County.

5.2 Benefit Commencement Date. In accordance with and subject to Code Section 401(a) (9) and Section 5.4, a Participant (or his or her Beneficiary) after a bona fide Severance from Employment with the County shall be permitted to elect to receive a distribution from his or her Account. The election shall be made in accordance with procedures established by the Plan Administrator. Actual distributions shall be made as soon as administratively practicable after a Participant's proper election.

5.3 Forms of Distribution. In coordination with an election to commence benefits under Section 5.2, a Participant (or Beneficiary) shall elect to receive payment in one of the following distribution forms:

- (a) lump sum payment;
- (b) installment payments; or
- (c) any other option permitted by the Plan Administrator, in its sole and absolute discretion.

5.4 Minimum Distribution Rules.

(a) General Rules.

(1) The entire interest of the Participant will be distributed, or commence to be distributed, not later than April 1 following the later of the calendar year in which the Participant attains age 72 years or the calendar year in which the Participant retires; (referred to herein as the "Required Beginning Date)."

(b) Limitation of Distribution.

(1) Notwithstanding any other provision of the Plan, distributions shall be made in a form under which:

(i) The amount distributed each year, commencing with the Required Beginning Date, must be at least the level amount determined by applying the Participant's entire interest to the purchase of an annuity contract commencing payments at least annually on or before the Required Beginning Date;

(ii) if provision is made for the payment of a portion of the benefits to a Beneficiary, the amount payable to the Participant will be paid at times specified by the Secretary of the Treasury, which are not later than the times determine under regulations issued pursuant to section 401(a)(9)(G)

of the Code pertaining to the minimum distribution incidental benefit requirements; and

(iii) any amount not distributed to the Participant during his or her life will be distributed after the death of the Participant, at least as rapidly as the method being used as of the date of death.

(2) If distribution first commences after the Participant's death, the Participant's entire interest must be distributed over a period not to exceed (i) the Beneficiary's life or life expectancy, if the Beneficiary is the Participant's surviving spouse and if distributions commence on or before the date the deceased Participant would have attained age 70 ½ years, (ii) the life expectancy of the Beneficiary, if the Beneficiary is not the Participant's surviving spouse and if distributions commence within one (1) year of the date of the Participant's death in equal or substantially equal payments, or (iii) the lesser of five (5) years from the date of the Participant's death or the Beneficiary's life expectancy, if subsection (b)(i) and (ii) of this paragraph are inapplicable. For purposes of this subsection, any amount paid to a child of the Participant will be treated as if it had been paid to the surviving spouse if the remainder of the interest becomes payable to the surviving spouse when the child reaches the age of majority.

(3) The Plan will apply the minimum distribution requirements of Code Section 401(a)(9) pursuant to Treasury Regulations section 1.401(a)(9)-1 through 1.401(a)(9)-6,. Thereafter, distributions under the Plan shall be made in accordance with the requirements of section 401(a) (9) of the Code, including the incidental death benefits requirement of section 401(a) (9), and Treasury Regulations Sections 1.401(a) (9)-1 through 1.401(a) (9)-9, and such Code and Treasury Regulation provisions shall override any distribution options under the Plan that are inconsistent with such provisions. For purposes of this section, life expectancies will be computed by use of the expected return multiples as published in the applicable Treasury Regulations, using the calculation methods required therein, and as described in the applicable regulations under section 401(a)(9) of the Code.

5.5 In-service Withdrawals. A Participant who (1) has attained age 59½ and (2) ceases to be an eligible Employee as defined at Section 2.12 herein, may elect to take an in-service withdrawal of all or a portion of his or her Account balance. Any such withdrawal shall be made in accordance with the Plan's established procedures.

5.6 Hardship Distributions. If, before his or her Severance from Employment, the Participant has an unforeseeable emergency that is approved by the Plan Administrator as satisfying Section 5.7, the Participant (but not a Beneficiary or Alternate Payee) is entitled to receive a hardship Distribution (as a cash lump

sum) of the amount determined by the Plan Administrator to be the amount that is reasonably needed to satisfy the emergency need.

5.7 Definition of Unforeseeable Emergency. An unforeseeable emergency means a severe financial hardship of the Participant resulting from:

- (a) An illness or accident of the Participant or his Spouse or dependent (as defined in section 152(a) of the Code);
- (b) Loss of the Participant's or Beneficiary's property due to casualty; or
- (c) Other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant or Beneficiary. The imminent foreclosure of or eviction from the Participant's primary residence, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication or the need to pay for the funeral expenses of a spouse or dependent may constitute an unforeseeable emergency. Except in extraordinary circumstances, the purchase of a home and the payment of college tuition are not unforeseeable emergencies under this section.

5.8 Unforeseeable Emergency Distribution Standard. Whether a Participant or Beneficiary is faced with an unforeseeable emergency, as defined in Section 5.7, permitting a Distribution under this Article V is to be determined based on the relevant facts and circumstances of each case, but, in any case, a Distribution on account of unforeseeable emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise; by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship; or by cessation of deferrals under the Plan.

5.9 Distribution Necessary to Satisfy Emergency Need. Distributions because of an unforeseeable emergency must be limited to the amount reasonably necessary to satisfy the emergency need (which may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the Distribution).

5.10 Plan Administrator Must Determine Hardship. The Plan Administrator must determine whether the circumstances of the Participant constitute an unforeseeable emergency within the meaning of Section 5.7. Following a uniform procedure, the Plan Administrator's determination shall consider any facts or conditions deemed necessary or advisable by the Plan Administrator, and the Participant shall be required to submit any evidence of his circumstances that the Plan Administrator requires. The determination as to whether the Participant's circumstances are a case of hardship shall be based on the facts of each case;

provided, however, that all determinations as to hardship shall be uniformly and consistently made according to the provisions of the Plan for all Participants in similar circumstances. The Plan Administrator may require that any statement made as part of a claim for a hardship Distribution be made under penalties of perjury. The Plan Administrator may (but need not) require that any statement made as part of a claim for a hardship Distribution be signed in the presence of a notary public.

5.11 Rollover Distributions.

- (a) A Participant or the surviving spouse of a Participant (or a Participant's former spouse who is an Alternate Payee under a Qualified Domestic Relations Order) who is entitled to an eligible rollover distribution may elect, at the time and in the manner prescribed in the sole and absolute discretion of the Plan Administrator, to have all or any portion of the distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover. The Plan Administrator may require any documentation that it deems necessary to effectuate the rollover.
- (b) *Distributions to Inherited Individual Retirement Plan of Nonspouse Beneficiary.* With respect to any portion of a distribution made after December 31, 2009 to an individual who is the designated beneficiary (as defined by Code Section 401(a)(9)(E)) of a deceased Participant and who is not the surviving spouse of the deceased Participant, if a direct rollover is made to an individual retirement plan (as defined in Code Section 402(c)(8)(B)(i) and (ii)) of the non-spouse designated beneficiary, such individual retirement plan shall be treated as an inherited individual retirement account or inherited individual retirement annuity, pursuant to Code Section 401(c)(11).
- (c) For purposes of this Section 5.11, an eligible rollover distribution means any distribution of all or any portion of a Participant's Account, except that an eligible rollover distribution does not include (i) any installment payment under Section 5.3 for a period of over ten (10) years or more; (ii) any distribution made under Section 5.6 as a result of an unforeseeable emergency; or (iii) for any other distribution, if any of the distribution is a required minimum distribution under Code section 401(a)(9). An eligible retirement plan means an individual retirement account described in Code section 408(a), an individual retirement annuity described in Code section 408(b), a qualified trust described in Code section 401(a), an annuity plan described in Code sections 403(a) or 403(b), or an eligible governmental plan described in Code section 457(b), that accepts eligible rollover distributions.

- (d) Upon the transfer of assets pursuant to this Section 5.11, the Plan's liability to pay benefits to the Participant or Beneficiary under the Plan shall be discharged to the extent of the amount transferred on behalf of the Participant or Beneficiary. The Plan Administrator may require such documentation from the receiving plan as it deems appropriate or necessary to effectuate the transfer.

ARTICLE VI – ROTH PROVISIONS

6.1 Roth Elective Deferrals.

- (a) As of the effective date of the County's election to offer Designated Roth Accounts under the Plan, a Participant shall be permitted to make Roth Elective Deferrals of Includible Compensation in such amount or percentage as may be specified by the Participant in his or her Deferral Agreement.
- (b) Unless specifically stated otherwise, a Participant's Roth Elective Deferrals will be treated as Deferred Compensation for all purposes under this Plan and will be allocated to a separate Designated Roth Account maintained for such deferrals as defined herein.

6.2 Separate Accounting.

- (a) Contributions and withdrawals of Roth Elective Deferrals and rollovers from a designated Roth account under another eligible retirement plan will be credited and debited to a Participant's Designated Roth Account.
- (b) The Plan will maintain a record of the amount of Roth Elective Deferrals and rollovers from a designated Roth account under another eligible retirement plan in each Participant's Designated Roth Account.
- (c) Gains, losses, and other credits or charges must be separately allocated on a consistent basis to each Participant's Designated Roth Account and Pre-Tax Account under the Plan.
- (d) No Contributions other than Roth Elective Deferrals and rollovers from a designated Roth account under another eligible retirement plan and properly attributable earnings thereon will be credited to each Participant's Designated Roth Account.

6.3 Direct Rollovers.

- (a) Notwithstanding anything to the contrary in the Plan, a direct rollover of a distribution from a Designated Roth Account under the Plan shall be made

only to another designated Roth account under an eligible retirement plan described in Code Section 402A(e)(1) or to a Roth IRA described in Code Section 408A, and only to the extent that the rollover is permitted under the rules of Section 402(c) of the Code.

- (b) Unless otherwise specified herein, the Plan will accept a rollover contribution to a Designated Roth Account only if it is a direct rollover from another designated Roth account under an eligible retirement plan described in Section 402A(e)(1) of the Code.
- (c) Eligible rollover distributions from a Participant's Designated Roth Account are taken into account in determining whether the total amount of the Participant's Account balance under the Plan exceeds \$1,000 for purposes of mandatory distributions from the Plan.

6.4 Loans from Designated Roth Accounts. A Participant's Designated Roth Account balance can be included to determine a Participant loan amount under Article IX. However, unless otherwise specified, Designated Roth Account funds will not be available as a source for loans under the Plan.

ARTICLE VII DEATH BENEFITS

7.1 Form and Amount of Death Benefits. Upon the death of a Participant, death benefits shall be payable as follows:

- (a) *Death Prior to Benefit Commencement Date.* If a Participant's death occurs before his or her benefit commencement date, his or her Beneficiary shall elect a benefit commencement date that is no later than the later of (i) December 31 of the year following the year of the Participant's death if distributions are to be made in installments, (ii) for non-installment distributions, the December 31 of the fifth year following the year of the Participant's death or (iii) if the Beneficiary is the Participant's spouse, December 31 of the year in which the Participant would have attained age 70½. A Beneficiary may elect to receive distribution in a single lump sum, in installments based on life expectancy, or as a rollover distribution in accordance with Section 5.11, provided, however, that a method of distribution must satisfy the requirements of Code Sections 401(a)(9) and 457(d)(2) and applicable Treasury Regulations thereunder. In the event that the Participant's estate is the Beneficiary, payment shall be made to the estate in a lump sum. If the Beneficiary survives the Participant but dies before the payment of death benefits has commenced or been completed, the remaining balance of the Account shall be paid to the beneficiary designated by the Beneficiary, and if no such beneficiary was designated, then to the Beneficiary's estate.

Any payment under this paragraph shall be made in a manner consistent with such procedures adopted by the Plan Administrator.

- (b) *Death After Benefit Commencement Date.* If a Participant's death occurs after he/she has begun to receive benefits under a benefit payment option, the remaining payments, if any, shall be payable to the Participant's Beneficiary in a single lump sum or as a rollover distribution in accordance with Section 5.11, with such payment being made as soon as administratively practicable following the Participant's death. In no event shall the County or Plan Administrator be liable to the Beneficiary for the amount of any payment made in the name of the Participant before the Plan Administrator receives proof of death of the Participant. If the Beneficiary dies before completion of such payments, the remaining balance of the Account shall be paid to the beneficiary designated by the Beneficiary, and if no such beneficiary was designated, then to the Beneficiary's estate. Any payment under this paragraph shall be made in a manner consistent with such procedures adopted by the Plan Administrator.

7.2 Beneficiary Designation.

- (a) *In General.* The Participant shall file with the Plan Administrator a designation of primary and contingent Beneficiary which shall indicate the person or persons who shall receive benefits payable under this Plan upon the Participant's death. In the case of multiple Beneficiaries, unless otherwise provided in the Beneficiary designation form, each designated Beneficiary who survives the Participant shall be entitled to an equal share of the benefit payable after the Participant's death. The Participant accepts and acknowledges the burden for executing and filing a proper Beneficiary designation with the Plan Administrator.
- (b) *Change in Beneficiary Designation.* Any change in Beneficiary designation shall become effective only upon receipt of the form by the Plan Administrator whether or not the Participant is living at the time of such receipt. Any change of Beneficiary designation filed in proper form with the Plan Administrator shall revoke all prior Beneficiary designations.
- (c) *Adequacy of Beneficiary Designation.* The Plan Administrator shall determine the acceptability of a Beneficiary designation or change of Beneficiary designation. The Plan Administrator shall notify the Participant if the Beneficiary designation is not acceptable and inform the Participant of the method of correction. A corrected Beneficiary designation shall be effective as of the date on which the Participant first attempts to designate such individual.

- (d) *Death Without Beneficiary Designation.* If the Participant fails to designate a Beneficiary or if every Beneficiary designated by the Participant has predeceased the Participant, the Participant's default beneficiary will be (a) the Participant's surviving spouse, if any, or (b) if there is no surviving spouse, the Participant's estate.
- (e) *Presumption that a Designation is Revoked by Divorce.* In the event of a divorce, it is presumed that the Participant intended to revoke any designation of his divorced spouse as the Participant's designated Beneficiary, unless
 - (i) The Judgment of Divorce affirmatively states that the divorced spouse will remain the designated Beneficiary, or
 - (ii) A Qualified Domestic Relations Order affirmatively states that the divorced spouse will remain the designated Beneficiary, or
 - (iii) The Participant completes a new designation of Beneficiary after entry of the Judgment of Divorce, which names the divorced spouse as the Participant's designated Beneficiary.

ARTICLE VIII – QUALIFIED DOMESTIC RELATIONS ORDERS

8.1 Qualified Domestic Relations Orders. The County and the Plan Administrator shall comply with any "Qualified Domestic Relations Order" as defined in Code Section 414(p) (a "QDRO"), including an order requiring the distribution of a Participant's benefits to an Alternate Payee in advance of the general rules for distributions set forth herein. To the extent required in a QDRO, any portion of a Participant's benefits may be paid to (or a portion of a Participant's Account may be set aside for the benefit of) the Participant's spouse, former spouse or other Alternate Payee. Upon receipt of notification of any judgment, decree or order which relates to the provision of child support, alimony payments, or marital property rights of a spouse, former spouse, child, or other dependent of a Participant and which is made pursuant to a state domestic relations and/or community property law ("Court Order"), the Plan Administrator shall, within a reasonable period after receipt of such Court Order, determine whether it satisfies the requirements of a QDRO.

- (a) *Segregation of Account, Payment.* The Plan Administrator may segregate in a separate account in the Plan, the amounts which would be payable to the Alternate Payee pursuant to a QDRO. Such amounts may be paid to the Alternate Payee in advance of the general distribution rules under this Plan.

- (b) *Status, Rights and Privileges of Alternate Payees.* Except as otherwise provided herein, an Alternate Payee shall have the status and rights of a Beneficiary under this Plan to the exclusion of all other rights associated with Participants under this Plan, including the right to receive payment under the terms of the QDRO at the time and manner specified in such QDRO (provided, however, that such payment may not be made in a form which is not available to Participants under the Plan), and the right to direct the manner in which Plan amounts allocated to such Alternate Payee are invested.
- (c) *QDRO Expenses.* Any expense related to the administration of a QDRO shall be assessed against the Participant's Account, unless otherwise specified pursuant to the terms of a QDRO.

ARTICLE IX – PLAN LOANS

- 9.1 Loans. A Participant who is an active Employee of the County may apply for and receive a loan from his or her Account as provided in this Article IX. As determined in the sole and absolute discretion of the Plan Administrator, loans shall not be made in an amount less than two thousand dollars (\$2,000.00). A Participant shall not be permitted to have more than two (2) loans outstanding at any time. Loans shall be made in accordance with procedures established in the sole and absolute discretion of the Plan Administrator.
- 9.2 Maximum Amount of Loan. No loan to a Participant may exceed the lesser of: (a) \$50,000, reduced by the excess in any of the outstanding balance on any loan from the Plan to the Participant during the one-year period ending on the day before the date the loan is made over the outstanding balance of loans from the Plan on the date such loan was made (not taking into account any payments made during such one-year period), or (b) the greater of (i) one half of the present value of the Participant's Account balance (as of the Valuation Date immediately preceding the date on which the loan is approved by the Plan Administrator), or (ii) \$10,000.00.

For purposes of this Section 9.2, any loan from any other plan maintained by the County shall be treated as if it were a loan made from the Plan, and the Participant's interest under any such other plan shall be considered an interest under this Plan; provided however, that the provisions of this paragraph shall not be applied so as to allow the amount of a loan under this Section 9.2 to exceed the amount that would otherwise be permitted in the absence of this paragraph.

- 9.3 Terms of the Loan. The terms of the loan shall:
- (a) require level amortization with payments not less frequently than quarterly throughout the repayment period, except that alternative arrangements for

repayment may apply in the event that the borrower is on a bona fide unpaid leave of absence for a period not to exceed one (1) year for leaves other than a qualified military leave within the meaning of Code section 414(u) or for the duration of a leave which is due to qualified military service;

- (b) require that the loan be repaid within five (5) years unless the Participant certifies in writing to the Plan Administrator that the loan is to be used to acquire any dwelling unit which within a reasonable period of time (as determined in the sole and absolute discretion of the Plan Administrator) is to be used (determined at the time the loan is made) as the principal residence of the Participant; and
- (c) provide for a reasonable rate of interest to be determined in the sole and absolute discretion of the Plan Administrator.

9.4 Security for Loan; Default.

- (a) *Security.* Any loan to a Participant under the Plan shall be secured by the pledge of the portion of the Participant's interest in the Plan invested in such loan.
- (b) *Default.* Effective as of March 23, 2018, in the event that a Participant fails to make a loan payment under this Article 8 by the end of the quarter following the quarter in which such payment is due, a default on the loan shall occur. In the event of such a default: (i) all remaining payments on the loan shall be immediately due and payable; and (ii) the Participant shall be permanently ineligible for any future loans from the Plan until such time as the Participant repays the full amount of the defaulted loan plus all accrued interest. In case of any default on a loan to a Participant, the Plan Administrator shall apply the portion of the Participant's interest in the Plan held as security for the loan in satisfaction of the loan on the date of Severance from Employment with the County. In addition, the Plan Administrator shall take any legal action it shall consider necessary or appropriate to enforce collection of the unpaid loan, with the costs of any legal proceeding or collection to be charged to the Account of the Participant.
- (c) *Death.* Notwithstanding any other provision of the Plan to the contrary, in the event a loan is outstanding hereunder on the date of a Participant's death, his or her estate shall be his or her Beneficiary as to the portion of his or her interest in the Plan invested in such loan (with the Beneficiary or Beneficiaries as to the remainder of his or her interest in the Plan to be determined in accordance with the otherwise applicable provisions of the Plan).

- 9.5 Repayment. In the sole and absolute discretion of the Plan Administrator, a Participant may be required, as a condition to receiving a loan, to comply with certain arrangements prescribed by the Plan Administrator. Repayments of a loan shall be made in equal amounts (comprised of both principal and interest) with the first payment to be made as soon as practicable after the loan funds are disbursed; provided however, in the sole and absolute discretion of the Plan Administrator, a Participant may prepay the entire outstanding balance of his or her loan at any time. Loan repayments shall be characterized as self-directed investments in accordance with Section 12.2.

**ARTICLE X – TRANSFERS AMONG PLANS OF THE COUNTY;
ROLLOVERS INTO THE PLAN**

- 10.1 Incoming Transfers. Subject to the requirements of Code Section 457(e)(10), any Treasury Regulations issued thereunder, and the procedures established by the Plan Administrator, effective as of April 1, 2008 the Trust may accept a transfer from another eligible deferred compensation plan maintained by the County and credit such transfer to a Participant's Account under the Plan if such transfer complies with the following rules:
- (a) The County's other plan provides that such transfer will be made;
 - (b) The Participant whose deferred amounts are being transferred will have an amount immediately after the transfer at least equal to the deferred amount immediately before the transfer; and
 - (c) The Participant whose deferred amounts are being transferred is not eligible for additional annual deferrals in the Plan unless the Participant is an eligible Employee.
- 10.2 Rollovers. An eligible rollover distribution, excluding any portion that consists of after-tax contributions or Roth deferrals, may be accepted from an eligible retirement plan and credited to a Participant's Account under the Plan. The Plan Administrator may require such documentation from the distributing plan as it deems necessary to effectuate the rollover in accordance with Section 402 of the Code and to confirm that such plan is an eligible retirement plan within the meaning of Section 402(c)(8)(B) of the Code. The Plan shall separately account (in one or more separate accounts) for eligible rollover distributions from any eligible retirement plan.
- (a) Definitions:
 - (i) An eligible rollover distribution means any distribution of all or any portion of a Participant's benefit under another eligible retirement plan, except that an eligible rollover distribution does

not include (1) any installment payment for a period of ten (10) years or more, (2) any distribution made as a result of an unforeseeable emergency or other distribution which is made upon a hardship, or (3) for any other distribution, the portion, if any, of the distribution that is a required minimum distribution under Code Section 401(a)(9).

- (ii) An eligible retirement plan means an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), a qualified trust described in Code Section 401(a), an annuity plan described in Code Sections 403(a) or 403(b), or an eligible governmental plan described in Code Section 457(b).

ARTICLE XI - TRUST

- 11.1 General. All contributions and transfers to the Plan, all property and rights purchased with such amounts, and all income attributable to such amounts, shall be held and invested in the Trust in accordance with the terms of this Article and Article 11, unless a separate written Trust Agreement that constitutes a valid trust under the laws of the State of Michigan is adopted. As of March 26, 2018, the Oakland County Retirement and Deferred Compensation Board is the Trustee of the Trust. The Trustee shall ensure that all investments, amounts, property, and other rights held under the Trust are held for the exclusive benefit of the Participants and their Beneficiaries and to defray any reasonable expenses of the Plan and/or the Trust. It shall be impossible, prior to the satisfaction of all liabilities with respect to the Participants and their Beneficiaries, for any part of the assets and income of the Trust to be used for, or diverted to, purposes other than for the exclusive benefit of the Participants and their Beneficiaries.
- 11.2 Custodial Accounts and Annuity Contracts. If assets are held in a custodial account or annuity contract, the term "Trust Agreement" shall also mean the custodial account agreement or annuity contract.
- 11.3 Trustee Powers.
 - (a) The Trustee has full discretion and authority to invest and re-invest the assets of the Plan in accordance with Article XII.
 - (b) In exercising its discretionary authority with respect to the management of the assets of the Plan, the Trustee shall exercise the care, skill, prudence and diligence, under the circumstances then prevailing, that an individual of prudence acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and similar objectives.

- (c) The Oakland County Retirement and Deferred Compensation Board may retain the services of (i) investment counsel to advise the Retirement Board in the making and disposition of investments; (ii) record keepers and third-party administrators to provide recordkeeping services for the assets of the Plan; (iii) custodians; (iv) legal counsel, and (v) such other advisors that the Retirement Board determines are necessary or prudent to engage in exercising its authority as Trustee.

ARTICLE XII – INVESTMENT POWERS

- 12.1 Investment Powers. In accordance with the Investment Policy Statement adopted by the Retirement Board, the Trustee shall have full discretion and authority to invest the Trust’s assets, except with respect to assets under the control or direction of an investment manager or with respect to assets subject to Section 12.2.
- 12.2 Self Directed Investments. To the extent that a Participant’s Account has been designated as self-directed, a Participant may, subject to procedures established and applied in a uniform, nondiscriminatory manner; elect to direct the Trustee to invest his or her Account in specific assets or funds. In the absence of an election, Participant Accounts shall be invested in an “age based lifestyle fund” to be selected in the sole and absolute discretion of the Retirement Board.

The portion of a Participant’s Account which is self-directed by the Participant shall not share in Trust net earnings or net losses, but shall be charged or credited as appropriate with net earnings, losses, appreciation and depreciation attributable to such investment activities directly related to the Participant Account that is self-directed.

The Trustee shall follow the directions given by a Participant subject to the limitations contained in this Plan. Neither the Trustee nor any other person shall be under a duty to question any direction of the Participant, or make any suggestions to the Participant in connection with any direction. The Trustee shall comply as promptly as practicable with directions given by a Participant.

All self-directed Participant Accounts shall be subject to the following limitations:

- (a) The Retirement Board or Trustee shall not be responsible or liable for any loss or expense which may arise from or result from the compliance with any Participant direction, nor shall the Board or Trustee be liable for any loss or expense which may result from either the Board’s or the Trustee’s refusal or failure to comply with any Participant direction.
- (b) The Retirement Board shall establish rules and procedures limiting the investment vehicles which may be selected by Participants, provided

however, that such rules and procedures shall be applied in a uniform and nondiscriminatory manner. The Retirement Board shall have the express power to refuse any investment direction which would be administratively burdensome or which the Retirement Board believes, in its sole and absolute discretion, would constitute a prohibited transaction as defined in Code section 4975, which would generate unrelated business income or unrelated debt financed income to the Plan or would otherwise be improper by virtue of any applicable law.

- (c) All expenses incurred by the Trust or Plan pursuant to a Participant's investment directions, including but not limited to brokerage fees, transfer taxes, state and federal income taxes arising from unrelated business taxable income or any other tax of any kind whatsoever which may be levied or assessed under existing or future laws upon or in respect to a Participant's investment directions or any other incidental expenses shall be paid solely with funds from the Account of such Participant.
- (d) No Participant shall have the right to elect to have the Trustee purchase an insurance contract on his or her life for his or her Account, except those certain life insurance contracts purchased prior to January 1, 1989.

12.3 Investment Manager. In the event that the Trustee appoints an investment manager for all or a portion of the Trust, the following shall apply:

- (a) The investment manager shall have the sole responsibility, duty and power to manage and direct the Trust assets assigned to it.
- (b) The investment manager may exercise his authority through procedures agreed upon with the Trustee and in accordance with all applicable laws.

12.4 Statutory Authorities. Notwithstanding any other provision of the Plan to the contrary, the Trust's assets shall be invested in accordance with the applicable provisions of Code section 457 (and the regulations thereunder) and Michigan Compiled Laws sections 38.1132-38.1141 (Public Employee Retirement System Investment Act; Public Act 314 of 1965, as amended).

ARTICLE XIII – PLAN ADMINISTRATOR POWER AND DUTIES

13.1 Duties and Responsibilities. The powers, duties and responsibilities of the Plan Administrator, in its sole and absolute discretion, with respect to the administration of the Plan, shall include but not be limited to the following:

- (a) To determine and authorize payment of Plan benefits;

- (b) To make, amend and enforce all necessary rules and regulations regarding the Plan's administration;
- (c) To resolve any and all issues and problems as may arise in connection with the interpretation, construction and administration of the Plan;
- (d) To direct the recordkeeper to invest Plan assets in accordance with each Participant's directions and the Plan's terms;
- (e) To ensure that the Plan complies with all Federal, State and local statutory and regulatory agency requirements;
- (f) To cause the preparation and filing of all required agency reports;
- (g) To establish and maintain appropriate books and records for the Plan;
- (h) To draft and disseminate information regarding the Plan;
- (i) To manage other duties assigned to him or her by the Retirement Board.

13.2 Binding Action. Any decision or action of the Plan Administrator concerning or in respect to any issue or problem arising out of or in connection with the construction, interpretation, administration and application of the Plan, including any rules and regulations promulgated hereunder, may, in the Retirement Board's sole discretion be appealable to the Retirement Board.

13.3 Cost. The Plan Administrator shall pay Plan costs as authorized by the Retirement Board in accordance with Section 14.12.

ARTICLE XIV – PLAN ADMINISTRATION

14.1 Non-Assignability. Except as provided in Sections 14.2 and Article VIII, the interests of each Participant or Beneficiary under the Plan are not subject to claims of the Participant's or Beneficiary's creditors; and neither the Participant nor any Beneficiary shall have any right to sell, assign, transfer, or otherwise convey the right to receive any payments hereunder or any interest under the Plan, which payments and interest are expressly declared to be non-assignable and non-transferable.

14.2 IRS Levy. The Plan Administrator may pay from a Participant's or Beneficiary's Account the amount that the Plan Administrator finds is lawfully demanded under a levy issued by the Internal Revenue Service with respect to that Participant or Beneficiary or is sought to be collected by the United States Government under a judgment resulting from an unpaid tax assessment against the Participant or Beneficiary.

- 14.3 Payments to Minors and Incompetents. If a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is adjudged to be legally incapable of giving valid receipt and discharge for such benefits, or is deemed so by the Plan Administrator (in its sole and absolute discretion), benefits will be paid to such person as legally designated for the benefit of such Participant or Beneficiary. Such payments shall be considered a payment to such Participant or Beneficiary and shall, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.
- 14.4 Procedure When Distributee Cannot Be Located. The Plan Administrator shall make all reasonable attempts to determine the identity and address of a Participant or a Participant's Beneficiary entitled to benefits under the Plan. For this purpose, a reasonable attempt means (a) the mailing by certified mail of a notice to the last known address shown on the County's or the Plan Administrator's records, (b) notification sent to any governmental authority with a forwarding program, (c) a search of public records using free electronic search tools, and (d) if circumstances warrant it, use a commercial locator service, with the cost of such service being charged to the Participant's account. If the Plan Administrator is unable to locate a person entitled to benefits hereunder, or if there has been no claim made for the benefits, the Participant's Account shall remain in the Plan. Any distribution check that was not cashed shall be deposited into the Participant's account to be held until the Participant, or if the Participant is deceased, the Participant's Beneficiary can be located.
- 14.5 Tax Benefits. The County does not and shall not guarantee any tax benefits or advantages under the Plan.
- 14.6 Rights of Participants. Each Employee, upon having elected to become a Participant, shall be deemed to have assented to the terms and conditions of the Plan. Each Participant shall at reasonable times be allowed to examine his or her particular Account to determine its status and condition.
- 14.7 Termination or Amendment. Subject to the applicable requirements of the Code and laws of the State of Michigan, the County reserves the right at any time to amend or terminate the Plan without the consent of any Participant or Beneficiary. Except as may be required to maintain the status of the Plan as an eligible deferred compensation plan under Code Section 457 or to comply with other applicable laws, no amendment, modification or termination shall impair any individual's right to benefits under the Plan or expand the County's obligation to provide benefits with respect to amounts previously credited to Participants' Accounts.
- 14.8 Conformity with Internal Revenue Code Section 457. The Plan shall be operated and administered consistent with Code Section 457 and all applicable regulations.

Such authorities shall be controlling as to any inadvertent inconsistencies which may occur in the Plan's provisions.

- 14.9 Employment. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the County or to interfere with any right of the County to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him or her as a Participant in the Plan.
- 14.10 Construction. The Plan shall be construed under the laws of the State of Michigan and in conformity with the requirements of Code Section 457 and all regulations thereunder applicable to eligible deferred compensation plans. Article headings are for convenience only and shall not be considered as part of the terms and provisions of the Plan. Words in the masculine gender shall include the feminine, and the singular shall include the plural, and vice versa, unless otherwise qualified by the context.
- 14.11 Binding Contract. The terms of the Plan, as duly amended from time to time, shall constitute a contract between each Participant and the County and shall be binding, as applicable, upon their heirs, administrators, trustees, successors, assigns, and Beneficiaries.
- 14.12 Plan Expenses. The expenses of administering the Plan and Trust, including (i) expenses incurred by the Retirement Board in the administration of the Plan and Trust, (ii) fees and expenses approved by the Retirement Board for investment advisory, custodial, recordkeeping, and other Plan administration and communication services, and (iii) any other expenses or charges allocable to the Plan or the Trust that have been approved by the Retirement Board shall be charged to the Trust; provided however, the Retirement Board, in its sole and absolute discretion, may charge an individual Participant's Account for expenses incurred by the Plan on behalf of the Participant (including, but not limited to, expenses incurred by the Plan in determining the status of a Qualified Domestic Relations Order or in preparation of loan documents). Brokerage fees, transfer taxes, and any other costs incident to the purchase or sale by the Trust of securities or other investments shall be deemed to be part of the cost of such securities or investments or deducted in computing the sales proceeds therefrom and shall be accounted for accordingly.
- 14.13 Right to Suspend Benefits and Correct Errors. The Plan Administrator shall take such steps as are considered necessary and appropriate to remedy any inequity that results from incorrect information received or communicated in good faith or as the consequence of an administrative error. The Plan Administrator may suspend the payment until satisfied as to the correctness of the payment or the person to receive the payment or to allow filing in any court of competent jurisdiction of a suit in such form as the Plan Administrator considers appropriate

for a legal determination of the benefits to be paid and the persons to receive them. The Plan Administrator specifically reserves the right to correct errors of every sort, and the Participant hereby agrees as Participant or on behalf of any Beneficiary or Beneficiaries to any method of error correction as the Plan Administrator shall specify. The objective of any such method of error correction shall be, to the extent reasonably possible, to adjust the Account of the Participant by reversing transactions or taking other actions to approach the situation that would have existed if the error had not been made. In the course of correcting an error, any amounts that are removed from a Participant's account and not owed to a Participant shall be allocated to a suspense account and used to offset future Employer contributions. The Plan Administrator shall also be authorized to recover any payment made in error including the right to make deductions from future benefits.

- 14.14 Reliance on Electronic Instructions, Directions, Signatures, Contracts and Records. For all purposes under the Plan, the Plan Administrator and the County may (but are not required to) give the same effect to electronic instructions, directions, signatures, contracts, records or similar communications (collectively, "records and signatures") as it would give to written records and signatures, and the Plan Administrator's and the County's actions in so doing shall be protected to the same extent as if such electronic records and signatures were, in fact, in written form. Any such electronic records and signatures shall be retained and provided by the Plan Administrator and/or the County in accordance with applicable law. For all purposes under the Plan, the term "electronic" or "electronically" shall mean relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.
- 14.15 Communications from Participants. All enrollments, elections, designations, applications and other communications by or from an Employee, Participant, Beneficiary, or legal representative of any such person regarding that person's rights under the Plan shall be made in the form and manner established by the Plan Administrator and shall be deemed to have been made and delivered only upon actual receipt by the person designated by the Plan Administrator to receive such communication. Neither the Plan Administrator nor the County shall be required to give effect to any such communication that is not made on the prescribed form and in the prescribed manner and that does not contain all information called for on the prescribed form. The County shall promptly furnish the Plan Administrator or its designee a copy of any such communication that is delivered or transmitted to the County.
- 14.16 Communications to Participants. All notices, statements, reports, and other communications from the Plan Administrator or the County to any Employee, Participant, Beneficiary, or legal representative of any such person shall be deemed to have been duly given when delivered electronically, or when mailed by

first class mail, to such person at his or her last mailing address appearing on the Plan's records.

- 14.17 Time Periods. As necessary or desirable to facilitate the proper administration of the Plan and consistent with the requirements of Code section 457, the Plan Administrator may further restrict the time periods during which a Participant or Beneficiary is required to make any election under the Plan, including the making or amending of a Deferred Compensation Agreement, the making or amending of investment option selections, the election of distribution commencement dates or distribution forms.
- 14.18 Reliance on Data and Consents. The County, the Plan Administrator, and all other persons or entities associated with the operation of the Plan, the administration management of its assets, and the provision of benefits thereunder, may reasonably rely on the truth, accuracy and completeness of all data provided by a Participant, and/or Beneficiary, including, without limitation, data with respect to age, health and marital status. Furthermore, the County, the Plan Administrator, and all persons identified above may reasonably rely on all consents, elections and designations filed with the Plan or those associated with the administration operation of the Plan by any Participant or Beneficiary, or the legal representatives of such persons without duty to inquire into the genuineness of any such consent, election or designation. None of the aforementioned persons or entities associated with the administration of the Plan, its assets and the benefits provided under the Plan shall have any duty to inquire into any such data, and all may rely on such data being current to the date of reference. It shall be the duty of the Participant or Beneficiary to advise the appropriate parties of any change in such data. The Plan Administrator shall not be liable for the consequences of such change in data.
- 14.19 Tax Consequences. The County does not represent or guarantee that any particular Federal or State income, estate, payroll, personal property or other tax consequences will occur because of the Participant's or Beneficiary's participation in this Plan. The Participant shall be responsible to obtain appropriate advice regarding all questions related to Federal, State or local income, estate, payroll, personal property or other tax consequences arising from participation in this Plan.
- 14.20 Withholding; Payroll Taxes. The trustee or custodian shall be entitled to withhold from payments or benefits hereunder any income tax or payroll taxes required to be withheld from such payments under local, state or federal law.
- 14.21 Equal Access to Benefits, Rights and Features. Any determination made by the County with respect to the availability of benefits, rights and features under this Plan shall apply on a non-discriminatory basis allowing equal access for all

Participants; provided, however, that such access may be limited by the terms of a collective bargaining agreement or individual employment contract.

14.22 Entire Agreement. This Plan and all properly adopted amendments to the Plan shall govern the provision of deferred compensation benefits pursuant to Code Section 457(b). No other instrument, communication statement of any sort shall modify this Plan in any way or be relief upon the parties to this Agreement.

14.23 Claims Procedures. Any person claiming a benefit, requesting an interpretation or ruling under the Plan, or requesting information under the Plan, shall present his or her request in writing to the Plan Administrator. Any dispute over payment from Accounts under the Plan shall be resolved by the Plan Administrator pursuant to its written claims procedures. Such claims procedures shall comply with applicable state and local laws including, but not limited to, civil service rules and applicable collective bargaining agreements.

(a) *Initial Claim*. In order to request a benefit (a "Claim"), a Participant or Beneficiary under the Plan (a "Claimant") or his duly authorized representative must file such Claim in accordance with procedures established by the Plan Administrator.

(b) *Initial Decision*.

(i) *Time Limit*. The Plan Administrator shall decide upon a Claim and notify the Claimant of the decision within a reasonable period of time after receipt of a Claim; provided however, that such period shall in no event exceed ninety (90) days, unless special circumstances require an extension of time for processing. If such an extension of time for processing is required, then the Claimant shall, prior to the termination of the initial ninety (90) day period, be furnished a written notice indicating such special circumstances and the date by which the Plan Administrator expects to render a decision. In the case of an extension, the Claimant shall receive a written determination regarding the Claim no later than ninety (90) days after the end of the initial ninety (90) day period.

(ii) *Notice of Denial*. If the Claim is wholly or partially denied, then the Plan Administrator shall furnish to the Claimant, within the time limit applicable under subparagraph (b)(i) above, a written notice setting forth in a manner calculated to be understood by the Claimant:

(A) The specific reason or reasons for such denial;

- (B) Specific reference to the pertinent Plan provisions on which the denial is based;
- (C) A description of any additional material or information necessary for the Claimant to perfect his Claim and an explanation of why such material or information is necessary; and
- (D) Appropriate information as to the steps to be taken if the Claimant wishes to submit his Claim for review pursuant to Section 14.24, including notice of the applicable time limits set forth in Section 14.24(c)(1).

14.24 Claim Review Procedure.

- (a) *Claimant's Rights.* If a Claim is wholly or partially denied under Section 14.23, the Claimant or his duly authorized representative shall have the following rights:
 - (i) To obtain, subject to subparagraph (b) below, a full and fair review;
 - (ii) To obtain, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the Claimant's Claim;
 - (iii) To submit written comments, documents, records and other information relating to the Claim; and
 - (iv) For a review that takes into account all comments, documents, records and other information submitted by the Claimant relating to the Claim, without regard to whether the information was submitted or considered in the initial benefit determination.
- (b) *Request for Review.*
 - (i) *Filing.* To obtain a review pursuant to subparagraph (a) above, a Claimant entitled to a review or his duly authorized representative shall, subject to subparagraph (b)(ii) below, request a review (a "Request for Review") in accordance with procedures established by the Plan Administrator.
 - (ii) *Time Limits for Requesting a Review.* A Request for Review must be mailed or delivered within sixty (60) days after receipt by the Claimant of the written notice of the initial denial of the Claim.

(c) *Decision on Review.*

(i) Time Limit.

(A) If, pursuant to subparagraph (b) above, a review is requested, the Plan Administrator shall make a decision regarding the Request for Review and notify the Claimant of the decision within a reasonable period of time after the receipt of the request; provided however that such period shall in no event exceed one hundred eighty (180) days, unless special circumstances require an extension of time for processing. If such an extension of time for processing is required, then the Claimant shall, prior to the termination of the initial one hundred eighty (180) day period, be furnished a written notice indicating the special circumstances and the date by which the Plan Administrator expects to render a decision. In the case of an extension, the Claimant shall receive a written determination regarding the Request for Review no later than sixty (60) days after the end of the initial one hundred eighty (180) day period.

(ii) Notice of Decision. The Plan Administrator shall furnish to the Claimant, within the time limit applicable under subparagraph (c) (i) above, a written notice setting forth in a manner calculated to be understood by the Claimant:

- (A) The specific reason or reasons for the decision on review;
- (B) Specific reference to the pertinent Plan provisions on which the decision on review is based;
- (C) A statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's Claim; and
- (D) A statement describing any voluntary appeal procedures that may be offered by the Plan and the Claimant's right to obtain the information about such procedures.

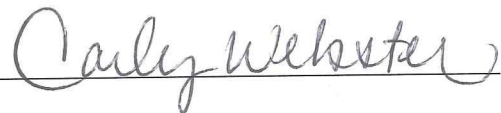
ARTICLE XV – SIGNATURES

This Plan document, as amended and restated, is signed on this 13th day of October, 2021.

OAKLAND COUNTY:

By: 

PLAN ADMINISTRATOR:

By: 

OAKLAND COUNTY RETIREMENT AND
DEFERRED COMPENSATION BOARD:

By: 