



PLAN DOCUMENT

**Central Michigan University
457(b) Public Deferred Compensation Plan**

Amended and Restated
January 1, 2019



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CENTRAL MICHIGAN UNIVERSITY
457(b) PUBLIC DEFERRED COMPENSATION PLAN

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CENTRAL MICHIGAN UNIVERSITY

457(b) PUBLIC DEFERRED COMPENSATION PLAN

Central Michigan University ("University"), an educational organization described in Code Section 170(b)(1)(A)(ii), hereby amends and restates the Central Michigan University 457(b) Public Deferred Compensation Plan.

ARTICLE 1

Establishment of Plan

1.1 Establishment of Plan.

This eligible deferred compensation plan is established by the University for the exclusive benefit of eligible Employees and their beneficiaries.

(a) Employer/University. "Employer" means the University.

(b) Plan History. A schedule of the effective date of this plan and certain amendments may be attached.

1.2 Compliance With Law.

This plan is intended to continue an eligible deferred compensation plan of a governmental entity under Section 457(b) of the Internal Revenue Code of 1986 ("Code"), as amended, and all applicable Regulations issued under the Code ("Regulations"). Since this plan is maintained by a governmental entity in the State of Michigan, the plan is subject to the Public Employee Retirement System Investment Act (Act 314 of the Michigan Public Acts of 1965) ("PERSIA"). As a governmental plan, the plan is not subject to the Employee Retirement Income Security Act of 1974 ("ERISA"). Any reference to ERISA is intended to serve as a guideline to facilitate the administration of this plan and is not intended to cause the plan to become subject to the requirements of ERISA.

1.3 Funding.

Plan assets shall be held only in a trust, annuity contract and/or custodial account as permitted under Code Section 457(g) and Regulations. Any such vehicle shall be:

(a) Exclusive Benefit. Established and operated for the exclusive benefit of Participants and their beneficiaries and may not be diverted to other purposes, except that plan assets may be used to pay reasonable expenses of administration; and

(b) Incorporation by Reference. Incorporated by reference as a part of this plan as if fully set forth in this document. The provisions of this plan control when there is any inconsistency or ambiguity between the terms of this plan and the terms of the trust, custodial account, annuity contract, or related documentation.

1.4 Effective Dates of Plan Provisions.

"Effective Date" of this restated plan means January 1, 2019, unless a provision specifies a different effective date. Each plan provision applies from its effective date until the effective date of an amendment.

1.5 Application to Inactive and Former Participants.

An amendment to this plan applies to former Participants and to Participants not employed in Covered Employment on the effective date of the amendment only to the extent it amends a provision of the plan that continues to apply to those Participants or expressly states that it is applicable. Except as specified in the preceding sentence, if a Participant is not employed in Covered Employment on the effective date of an amendment, the amendment shall not become applicable to the Participant unless the Participant has an Hour of Service in Covered Employment after the effective date of the amendment.

ARTICLE 2

Definitions

Except for the following general definitions, defined terms are located at or near the first major use of the term in this plan. A table showing the location of all definitions appears immediately after the table of contents. When used as defined, the first letter of each defined term is capitalized.

2.1 Compensation.

Except as modified below, "Compensation" means cash payments, including, but not limited to, salary, wages, fees, commissions, bonuses, and overtime, paid to a Participant in a Plan Year for personal services performed for the Employer.

(a) Inclusions. Compensation includes:

(i) Elective Contributions. Elective contributions that are excluded from gross income by Code Sections 125, 132(f)(4), 402(g)(3) or 457(b);

(ii) Deemed 125 Compensation. Deemed 125 Compensation;

(iii) Compensation Paid After Employment Terminates. The following amounts paid after employment terminates provided they are paid by the later of 2 1/2 months after the date of termination or the end of the Plan Year that includes the date of termination;

(A) Regular Compensation. Regular compensation for services performed during the Participant's regular working hours, or compensation for services performed outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, provided they would have been made had the Participant continued in employment with the Employer; and

(B) Leave Cashouts. Payments made for unused accrued bona fide sick, vacation, or other leave that the Participant would have been able to use if employment had continued.

(b) Exclusions. Compensation excludes (whether or not includable in income):

(i) Differential Wage Payments. Differential wage payments as defined under Code Section 3401(h)(2) made on or after January 1, 2009, with respect to any period the Participant is performing Qualified Military Service; and

(ii) Other Termination Payments. Any amounts paid after termination of employment other than those included under (a)(iii) above (including, but not limited to, lump sum or installment severance payments) even if paid by the later of 2 1/2 months after the date employment terminates or the end of the Plan Year that includes the date of termination.

(c) Adjusted Annual Compensation Limit. Compensation for any Plan Year may not exceed the Annual Compensation Limit. "Annual Compensation Limit" means \$280,000 (as adjusted under Code Section 401(a)(17)(B) for calendar years beginning after December 31, 2019).

2.2 Deferral Contributions.

"Deferral Contributions" means any contributions made to this plan, whether by salary reduction or by the University. Deferral Contributions may be made by, or for, former Employees with respect to compensation described in Regulations Section 1.415(c)-2(e)(3)(ii) (relating to certain compensation paid within 2 1/2 months following a

termination of employment), compensation described in Regulations Section 1.415(c)-2(g)(4) (relating to compensation paid to participants who are permanently and totally disabled), and compensation relating to Qualified Military Service under Code Section 414(u). Deferral Contributions do not include transfers or qualifying rollovers from another eligible retirement plan described in Section 4.5.

2.3 Hour of Service.

"Hour of Service" means each hour that an Employee is directly or indirectly paid or entitled to be paid by the Employer for the performance of duties during the applicable period. These hours will be credited for the period in which the duties are performed.

2.4 Person.

"Person" means an individual, committee, proprietorship, partnership, corporation, trust, estate, association, organization, or similar entity.

2.5 Plan Year.

"Plan Year" means the 12-month period beginning each January 1.

2.6 Related Employer.

"Related Employer" means (i) each corporation, other than the Employer, that is a member of a controlled group of corporations, as defined in Code Section 414(b), of which the Employer is a member; (ii) each trade or business, other than the Employer, whether or not incorporated, under common control of or with the Employer within the meaning of Code Section 414(c); (iii) each member, other than the Employer, of an affiliated service group, as defined in Code Section 414(m), of which the Employer is a member; and (iv) any other entity permitted or required to be aggregated with the Employer by Regulations under Code Section 414(o) or Regulations Section 1.414(c)-5. An entity shall not be considered a Related Employer for any purpose under this plan during any period it is not described in (i), (ii), (iii), or (iv) in the preceding sentence. The Employer shall determine which entities are Related Employers based on a reasonable, good faith standard and taking into account the special rules applicable under IRS Notice 89-23.

2.7 Valuation Date.

"Valuation Date" means each business day of the Plan Year and any other date specified as a Valuation Date by the Administrator when the assets of the plan are valued

at their current fair market value in accordance with a method consistently followed and uniformly applied in accordance with the Code and applicable Regulations.

ARTICLE 3

Eligibility to Participate

3.1 Eligibility Requirements.

(a) Participant on Effective Date. An Employee in Covered Employment who is a Participant on the Effective Date shall continue to participate under the terms of this restated plan.

(b) New Participant. An Employee in Covered Employment who is not a Participant on the Effective Date shall become a Participant ("Participant") in the plan on the date the Employee completes an Hour of Service.

(c) Definition of Employee. "Employee" means an individual who is a common-law employee of the Employer or a Related Employer and who receives compensation for personal services to the Employer or a Related Employer.

3.2 Requirement of Covered Employment.

An Employee must be in Covered Employment to participate in this plan. If an Employee is not employed in Covered Employment on the date the Employee first completes an Hour of Service, the Employee will become a Participant on the first subsequent day on which the Employee has an Hour of Service in Covered Employment.

"Covered Employment" means employment with the Employer in a classification described in (a) below.

(a) Included Classifications. Covered Employment includes employment in one of the following classifications:

(i) Regular Faculty. A regular faculty Employee with a full-time appointment or a 50 percent or more part-time appointment or an appointment of 20 hours per week or more for at least nine months;

(ii) Fixed Term Faculty. A fixed term faculty Employee with a half-time or greater appointment for at least an entire semester;

(iii) Medical Faculty. A medical faculty Employee with a full-time appointment or with a 50 percent or more part-time appointment or an appointment of 20 hours per week or more for at least six months; or

(iv) Regular, Conditional, and Provisional Staff. A regular, conditional, or provisional staff Employee with a full-time appointment or a 50 percent or more part-time appointment or an appointment of 20 hours per week or more for at least nine months.

(b) Exclusions. Covered Employment does not include employment with a Related Employer, employment classified as temporary or relief staff, employment as a global campus faculty Employee, employment as a graduate assistant, employment classified as a student employee, employment in a unit of employees covered by a collective bargaining agreement under which the Employer has engaged in good faith negotiations about retirement benefits unless such bargaining results in participation in this plan, or employment as a nonresident alien receiving no earned income from sources within the United States. Covered Employment also excludes the performance of services by any person who is classified by the Employer as other than an Employee even if it is later determined that the classification is not correct.

3.3 Participation Rules.

(a) Termination of Participation. Participation shall terminate upon the earlier of the date the Participant is not an Employee and has been paid the full amount due under this plan or the date of the Participant's death.

(b) Reemployment. A former Participant shall become a Participant immediately upon completion of one Hour of Service in Covered Employment.

(c) Transfer. The following rules apply to an Employee who transfers to or from Covered Employment under this plan.

(i) Transfer From Covered Employment. If a Participant transfers to a position with the Employer or a Related Employer that results in the Participant ceasing to be employed in Covered Employment under this plan, the Participant will receive contributions under this plan based solely on service and Compensation with the Employer prior to the date of the transfer. The Participant's account will continue to share in investment gains or losses under this plan as long as the account remains part of the plan, however, the Participant will not share in any Deferral Contributions based on service or compensation earned subsequent to the transfer.

(ii) Transfer to Covered Employment. If an Employee transfers from employment with the Employer or Related Employer not covered by this plan to Covered Employment, the Employee's eligibility to participate in the plan shall be determined in

accordance with the provisions of this plan taking into account the service earned by the Employee prior to the transfer.

ARTICLE 4

Contributions and Rollovers

4.1 Authorized Contributions.

The following contributions are permitted or required for a Plan Year.

(a) Participant Contributions. A Participant shall determine whether to have an Elective Contribution, including any Roth Contribution, made by the Employer for the Participant and the amount of the contribution.

The right of a Participant to have Roth Contributions made for the Participant, and all provisions applicable to Roth Contributions, shall be effective as of July 1, 2019.

(b) University Contribution. The Employer may make a University Contribution for a Plan Year.

(c) Restoration of Forfeiture. When restoration of a forfeiture is required under Article 6 and current forfeitures and earnings applied for that purpose are insufficient, the Employer will contribute the necessary additional amount.

4.2 Participant Contributions.

By completing a Voluntary Salary Deferral Agreement, a Participant may elect to reduce the Participant's Compensation by payroll deductions. The Employer shall contribute a corresponding amount on behalf of the Participant. Deferral Contributions corresponding to a Participant's payroll deductions are "Elective Contributions."

(a) Pre-Tax/Roth Election. Elective Contributions shall be made on a pre-tax basis unless the Participant designates all or a portion of them as Roth Contributions on the Participant's Voluntary Salary Deferral Agreement. "Roth Contributions" are Elective Contributions that are irrevocably designated as Roth Contributions by the Participant at the time of election and are contributed on an after-tax basis.

(b) Voluntary Salary Deferral Agreement. A "Voluntary Salary Deferral Agreement" means the agreement between a Participant and the University to defer receipt of Compensation not yet paid or otherwise made available to the Participant. The agreement must specify the Elective Contributions to be withheld from the Participant's

Compensation. Absent specific rules established by the Administrator to the contrary, any election to authorize, modify, suspend, or resume payroll deductions from the Participant's Compensation shall be subject to the following provisions.

(i) Timing. The election shall be made within a reasonable time before the Voluntary Salary Deferral Agreement is to be effective.

(ii) When Effective. A Voluntary Salary Deferral Agreement may not become effective earlier than the first day of the month following execution of such agreement. The agreement shall continue in effect until modified or until the Participant is no longer an Employee. A Participant may complete a new Voluntary Salary Deferral Agreement or make an election to suspend Elective Contributions at any time. The change will take effect as soon as administratively practicable but not earlier than the first pay period commencing with or during the first month following approval and acceptance of the modified Voluntary Salary Deferral Agreement by the University or its delegate.

(iii) Insufficient Compensation. If the amount of Compensation payable to a Participant in any paycheck is insufficient (after all authorized or legally required payroll deductions) to permit making the full Elective Contribution for the pay period, the Administrator may suspend Elective Contributions until the next pay period for which sufficient Compensation is available to make the full Elective Contribution. Elective Contributions that are suspended shall not be made up in subsequent pay periods.

(iv) Post-Termination Compensation. Under Regulations Section 1.415(c)-2(e)(3)(ii), a Participant may elect to defer from Compensation described in Section 2.1(a)(iii) if a Voluntary Salary Deferral Agreement providing for the deferral is entered into before the beginning of the month in which the pay will be currently available, and the pay that is paid after employment terminates is paid within the later of 2 1/2 months following the date of termination or the end of the taxable year that includes the date of termination.

4.3 University Contributions.

The Employer may make a "University Contribution" on behalf of an eligible Participant in the amount determined by the University or as specified in an agreement or contract between the Participant and the University.

4.4 Make-Up Deferrals Under USERRA.

A Participant who returns from Qualified Military Service to employment with the Employer within the time limits established by the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA") is entitled to contributions under Code Section 414(u) the Participant could have made or received if the Participant continued to be employed by the University during the period of Qualified Military Service. Make-

up deferrals required by USERRA are treated as having been made in the Plan Year for which they are made and shall not be subject to the applicable deferral limits for the Plan Year in which the contributions are actually made.

(a) Definition of Qualified Military Service. "Qualified Military Service" means the performance of duty, on a voluntary or involuntary basis, in a uniformed service under competent authority and includes active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, and a period for which a person is absent from a position of employment for the purpose of an examination to determine the fitness of the person to perform any such duty. For purposes of this definition, a uniformed service means the Armed Forces, the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty, the commissioned corps of the Public Health Service, or any other category of persons designated by the President in time of war or national emergency.

(b) Make-Up Contributions. A Participant may elect to have additional Elective Contributions made in accordance with Section 4.2 beginning on the date of the Participant's reemployment and extending five years or, if less, three times the period of the Participant's Qualified Military Service. In addition, the Employer will contribute the University Contributions, if any, the Participant would have received but for the period of Qualified Military Service. Additional Deferral Contributions shall not exceed the amount that would have been permitted under this plan if the Participant had continued to be employed by the University during the period of Qualified Military Service minus the Participant's Deferral Contributions actually made during such period, if any.

(c) Compensation. For purposes of determining the amount of make-up contributions under this provision, the Participant shall be treated as receiving compensation from the Employer at the rate of pay the Participant would have received during the period of Qualified Military Service. If the Participant's compensation during the period of Qualified Military Service cannot be determined with reasonable certainty, the Participant's compensation shall equal the Participant's average compensation from the Employer for the 12-month period immediately preceding the Qualified Military Service (or, if shorter than 12 months, the period of employment immediately preceding the Qualified Military Service).

(d) No Investment Experience. No investment experience shall be credited on make-up contributions for any period prior to the date the deferrals are actually made.

4.5 Rollovers and Transfers.

An Employee who is a Participant may elect to directly transfer amounts to this plan from another governmental Code Section 457(b) eligible deferred compensation plan or roll over an amount to this plan from an eligible retirement plan in accordance with the following provisions.

(a) Authorized Amounts. The amount must not include after-tax employee contributions and must be either:

(i) Plan-to-Plan Transfer. A direct plan-to-plan transfer of funds held under another governmental Code Section 457(b) plan that is not a qualifying rollover (as described in (ii) below) and which complies with Code Section 457(e)(10) and Regulations Section 1.457-10(b), or

(ii) Qualifying Rollover. A rollover amount, including a direct rollover, that the Administrator reasonably concludes is a qualifying rollover from the following eligible plans:

(A) Qualified Plan. A qualified plan under Code Section 401(a) or an annuity plan under Code Section 403(a);

(B) Annuity Contract. An annuity contract, custodial account, or retirement income account under Code Section 403(b);

(C) Governmental Plan. An eligible plan under Code Section 457(b) maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state;

(D) IRA. An individual retirement account or annuity under Code Section 408(a) or 408(b), excluding any amount which would not otherwise be includable in gross income; or

(E) Roth Accounts. Effective July 1, 2019, Roth contribution accounts from an applicable retirement plan described in Code Section 402A(e)(1), but only to the extent permitted under Code Section 402(c).

(b) Return of Improper Amount. The Administrator shall require such information from the Employee as deemed necessary to ensure the amounts accepted under this provision meet the requirements of this section and the Code. If an amount is accepted and is later determined that it was not a qualifying rollover, the amount, plus any earnings and minus any losses, shall be distributed to the Employee immediately.

4.6 Additional Contribution Provisions.

The Employer shall identify the type and amount of each contribution for a Plan Year by written communication to the Funding Agent on or before the date final allocations are performed under Article 5. If property other than cash is contributed, the property shall be valued at fair market value at the time of contribution.

(a) Timing. Unless otherwise required by the Code and Regulations, the Employer may make a Deferral Contribution for a Plan Year at such times as the Employer in its sole discretion determines. Any amount withheld from a Participant's Compensation for contribution to this plan shall be paid to the Funding Agent as soon as administratively feasible, but not later than the 15th business day of the month following the month in which the amounts are withheld from the Participant's Compensation or such other time prescribed by Regulations.

(b) Limits on Contributions. Contributions are subject to the limits stated in Article 5.

(c) Return of Deferral Contributions. Part or all of any Deferral Contribution made by mistake of fact shall be returned to the Employer, upon demand, within one year after payment of the contribution.

ARTICLE 5

Allocations/Limits

5.1 Accounts.

The Administrator shall establish at least one account for each Participant. Accounts are maintained for the purpose of recording contributions made on behalf of a Participant and any income, expenses, gains, or losses attributable to those contributions, and other appropriate credits and charges.

(a) Separate Accounts. The Administrator shall maintain as many accounts, or subaccounts, as necessary to reflect a Participant's interest under this plan. A separate account shall be maintained for Roth Contributions made on behalf of a Participant. The Plan Administrator shall maintain records of Roth Contributions and attributable gains, losses and other credits and charges allocated to the account. A direct rollover under Section 4.5(a)(ii)(E) shall be credited to the Participant's Roth Contributions account or a subaccount for qualifying rollovers consisting of Roth Contributions.

(b) Accounting Only. Separate accounts shall be maintained for accounting purposes only and shall not require separate investment of amounts allocated to separate accounts except as specified under Article 9.

(c) Consolidation. Separate accounts shall not be required if (i) the separation is not necessary for compliance with any requirement of the Code and Regulations; (ii) the consolidation would not deprive a Participant of any tax or transfer opportunity; and (iii) the accounts are subject to the same vesting schedule or are fully vested.

5.2 Allocations.

The contributions to this plan shall be allocated to each Participant's accounts as follows:

(a) Elective Contributions. Elective Contributions made on behalf of a Participant are allocated to the Participant's pre-tax Elective Contributions account, except that any Elective Contributions designated as Roth Contributions are allocated to the Participant's Roth Contributions account.

(b) University Contributions. A University Contribution shall be allocated to the University Contributions account of an eligible Participant in the amount determined for that Participant.

(c) Restoration of Forfeiture. If a forfeited amount is required to be restored under Article 6, that amount shall be allocated to the account from which the amount was forfeited.

5.3 Forfeitures.

Forfeitures shall be allocated first to restore any forfeited amounts that are required to be restored under Article 6. Any remaining forfeitures shall be applied to reduce any administrative expenses incurred in the operation and administration of this plan.

(a) Timing. Forfeitures shall occur as of the dates specified in Article 6. Any forfeiture that occurs during a Plan Year shall be applied as of the first administratively feasible Valuation Date following the date of the forfeiture, but in no event may the forfeiture be applied later than the end of the Plan Year following the Plan Year in which the forfeiture occurred.

(b) Limitation on Allocation. Forfeitures shall not be allocated to the account of any forfeiting Participant.

5.4 Allocation of Earnings, Losses, and Expenses; Revaluation of Assets.

Participants' accounts shall have a pro rata interest in the assets of the plan except to the extent that all or part of an account is commingled with other accounts for separate investment or is separately invested. Accounts commingled for separate investment shall have a pro rata interest in the separate investments of those accounts.

(a) Allocation Balance. A Participant's "Allocation Balance" as of the Valuation Date means the Participant's account balance as of the preceding Valuation Date with adjustments. The adjustments are as follows:

(i) Contributions Paid During Plan Year. The Administrator may choose to take into account particular types of contributions after the preceding Valuation Date on a uniform, nondiscriminatory basis.

(ii) Reductions. The account balance as of the preceding Valuation Date shall be reduced by the amount of each withdrawal, distribution, or transfer from, separate investment of, or debit or charge (not included in investment experience) to, the account after the preceding Valuation Date.

(b) Determination of Investment Experience. As soon as administratively feasible after each Valuation Date, and as of that date, the Administrator shall compute the aggregate investment experience by:

(i) Earnings/Gains. Determining any net earnings and any net realized gain from the disposition of plan assets since the preceding Valuation Date;

(ii) Losses/Charges. Determining any net realized loss and all proper expenses of, and charges against, plan assets since the preceding Valuation Date;

(iii) Unrealized Appreciation/Depreciation. Revaluing the assets at market value; and

(iv) Credit/Charge. Aggregating the earnings, losses, expenses, and unrealized appreciation or depreciation.

(c) Allocation of Investment Experience. If forfeitures are insufficient to restore forfeited amounts required to be restored under Article 6, investment experience may be allocated first for that purpose. The aggregate remaining investment experience shall be allocated to each Participant by multiplying the investment experience by a fraction. The numerator of the fraction shall be the Participant's Allocation Balance. The denominator shall be the aggregate Allocation Balances of all Participants.

(d) Resulting Account Balance. The Participant's account balance as of the Valuation Date shall be the Participant's account balance as of the preceding Valuation Date plus investment experience allocated under (c) above, plus the Deferral Contribution and other amounts to be allocated as of the Valuation Date, less the amount of all debits or charges (not included in investment experience) to, or withdrawals, transfers, distributions, or forfeitures from, the account as of that date.

(e) Fees and Expenses.

(i) Generally. The Administrator may allocate all or any portion or none of the expenses of the plan or trust to the Participants' accounts. When allocating expenses to the accounts of Participants, the Administrator may allocate such expenses using any reasonable method. Such methods include, but are not limited to, allocating expenses on a pro rata basis (by including the expenses in the aggregate investment

experience allocated in (c) above) and/or a per capita basis (by charging a flat dollar amount to each Participant's account under (a)(ii) above) and/or one or more of the methods described below.

(ii) Separate Investment. If plan assets are separately invested, the rules for allocation of fees and expenses shall be applied separately to each separately invested portion of the plan, except that the Administrator shall direct the extent to which the Funding Agent shall pay from the separately invested portion of the plan the fees, expenses, and special charges that result from the separate investment.

(iii) Direct Expenses. The Administrator may charge a Participant's accounts for any reasonable expenses directly attributable to those accounts, including, but not limited to, distribution, loan, and special investment fees. In addition, all expenses resulting from reasonable efforts to locate or determine the proper recipient of a distribution shall be charged to the affected accounts, when directed by the Administrator, on a uniform, nondiscriminatory basis for all Participants. Direct expenses include, without limitation, expenses resulting from legal proceedings, including those related to a DRO. Expenses of legal proceedings which are initiated by a Participant or Beneficiary against this plan, the Funding Agent, or another plan fiduciary, other than expenses incurred in obtaining a DRO and the Administrator's approval of the DRO, shall be charged to the Participant's accounts only if the Participant or Beneficiary fails to prevail in the legal proceeding.

(iv) Terminated Participant's Accounts. If a Participant's employment terminates and the Participant has not elected distribution of the Participant's accounts, the Administrator may charge reasonable fees, expenses, or special charges attributable to the Participant's accounts that remain in the plan, on a uniform nondiscriminatory basis for all Participants, whether or not the Administrator charges expenses to the accounts of Participants who continue to be employed. The Administrator may charge these expenses even if it will result in reduction of the Participant's accounts to zero or in the Participant not receiving a distribution from this plan; provided, however, that if the expenses exceed the total amount of the Participant's accounts, the Administrator will not charge the Participant outside of the plan for the excess expenses.

(f) Limited Allocation For Alternate Valuation Dates. If a Valuation Date is other than the last day of the Plan Year, the Administrator may limit determination and allocation of investment experience in a nondiscriminatory manner to any separate part of the trust or to any separate account or accounts.

(g) Cash Basis and Daily Valuation. Alternatively, and notwithstanding other allocation dates and requirements for other purposes in this plan, all amounts may be credited for the purpose of allocating investment experience, and investment experience may be determined and allocated, pursuant to any consistent, nondiscriminatory cash basis accounting procedure or daily valuation system (with cash basis accounting) approved by the Administrator.

(h) Revenue. Revenue generated by the investment of plan assets (including, but not limited to 12b-1 fees, sub transfer agency fees or shareholder servicing fees) may be allocated as the Administrator determines, in its sole discretion, as additional investment experience, per capita to each Participant, to pay or offset administrative expenses incurred in the operation and administration of this plan, or in any other nondiscriminatory manner determined by the Administrator.

5.5 Limitation on Deferral Contributions.

(a) Maximum Annual Contribution. Except as increased under (b) below, a Participant's Deferral Contributions for a taxable year shall not exceed the lesser of:

(i) 457(e) Dollar Limit. The applicable dollar amount set forth in Code Section 457(e)(15) (\$19,000 for 2019 and thereafter as adjusted for cost of living under Code Section 457(e)(15)(B)); or

(ii) Percentage Limit. 100% of the Participant's Includible Compensation for the taxable year.

(b) Catch-Up Limit for Individuals Age 50 or Older. For any Participant who has attained, or will attain, age 50 before the end of the calendar year, the maximum amount that may be contributed for that year shall be increased by the amount determined under Code Section 457(e)(18) (\$6,000 for 2019 and thereafter as adjusted for cost of living under Code Section 414(v)(2)(C)).

(c) Includible Compensation. Except as modified below, "Includible Compensation" means the gross salary or wages paid to a Participant in a Plan Year for personal services performed for the Employer that are required to be reported under Code Sections 6041, 6051, and 6052 (wages, tips and other compensation as reported on Form W-2) for the Participant without regard to any rules that limit remuneration included in wages based on the nature or location of the employment or the services performed..

(i) Inclusions. Includible Compensation includes:

(A) Elective Contributions. Elective contributions that are excluded from gross income by Code Sections 125, 132(f)(4), 402(g)(3) or 457(b);

(B) Deemed Section 125 Compensation. Elective contributions for payment of group health coverage that are not available to a Participant in cash because the Participant is unable to certify to alternative health coverage but only if the Employer does not request or collect information regarding the Participant's alternative health coverage as part of the enrollment process for the group health plan ("Deemed 125 Compensation");

(C) Differential Wage Payments. Differential wage payments as defined under Code Section 3401(h)(2) made on or after January 1, 2009, with respect to any period the Participant is performing Qualified Military Service; and

(D) Compensation Paid after Employment Terminates. The following amounts paid after employment terminates provided they are paid by the later of 2 1/2 months after the date of termination or the end of the taxable year that includes the date of termination:

(1) Regular Compensation. Regular compensation for services performed during the Participant's regular working hours, or compensation for services performed outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, provided they would have been made had the Participant continued in employment with the Employer;

(2) Leave Cashouts. Payments made for unused accrued bona fide sick, vacation, or other leave that the Participant would have been able to use if employment had continued; or

(3) Deferred Compensation. Payments made pursuant to a nonqualified unfunded deferred compensation plan that would have been paid at the same time had employment continued, but only to the extent the payment is includible in the Participant's gross income; and

(E) Salary Continuation. To the extent directed by the Administrator in a uniform and nondiscriminatory manner, salary continuation payments to:

(1) Qualified Military Service. A Participant who does not currently perform services for the Employer due to Qualified Military Service to the extent the payments do not exceed the amounts the Participant would have received if services had continued to be performed rather than entering Qualified Military Service; or

(2) Disability. A Participant who is permanently and totally disabled (as defined in Code Section 22(e)(3)) for a fixed or determinable period.

(ii) Exclusions/Other Termination Payments. Includible Compensation excludes any amounts paid after termination of employment other than those included under (i)(D) above (including, but not limited to, lump sum or installment severance payments) even if paid by the later of 2 1/2 months after the date employment terminates or the end of the taxable year that includes the date of termination.

(iii) Determination. Includible Compensation shall be determined under Code Section 457(e)(5) and Regulations Section 1.457-2(g) including, but not limited to, the following rules.

(A) Annual Compensation Limit. Includible Compensation shall not exceed the Annual Compensation Limit.

(B) Community Property Laws. The amount of Includible Compensation is determined without regard to community property laws.

(C) Estimation. Until Includible Compensation is actually determinable, the Employer may use a reasonable estimate of Includible Compensation. As soon as administratively feasible, actual Includible Compensation shall be determined.

(d) Aggregation of Plans. For purposes of applying this section, all Code Section 457(b) plans of the Employer, including plans of Related Employers, are treated as a single plan.

5.6 Excess Amounts.

(a) Prevention of Excess Amounts. If the Administrator determines that the limit applicable to Deferral Contributions may be exceeded, the Administrator may reduce or suspend Elective Contributions for individual Employees as necessary or reduce the amount of a contribution made by the University for the Plan Year to the maximum amount permitted for the Participant under Section 5.5.

(b) Correction of Excess Deferral Contributions/This Plan. If a Participant's Deferral Contributions under this plan exceed the maximum limit under Section 5.5 for the taxable year, the excess amount, plus attributable income or loss, shall be distributed to the Participant. The Employer will determine the amount to be distributed from this plan and the extent to which the excess is comprised of Roth Contributions.

(c) Correction of Excess Deferral Contributions/Individual. Upon written notification, an Excess Deferral, plus attributable income or loss, shall be distributed to the Participant.

(i) Definition. "Excess Deferral" means a Participant's Deferral Contributions that exceed the maximum limit on Deferral Contributions specified in Section 5.5, taking into account the combined annual contributions for the Participant for the taxable year under all Code Section 457(b) plans. For this purpose, contributions to all Code Section 457(b) plans, whether sponsored by a governmental employer or a tax-exempt employer, are counted toward this individual limit.

(ii) Written Notification. The Participant must notify the Administrator of the amount of the Excess Deferral to be distributed from this plan. The notification should be given no later than February 15 following the calendar year for which the Excess Deferral was contributed. The notification must specify the amount of the Excess Deferral to be distributed and the extent to which it is comprised of Roth Contributions, and it must

contain an acknowledgment that the amount to be distributed exceeds the maximum limit on Deferral Contributions.

(d) Attributable Income or Loss. Any deduction from a Participant's account to correct or in conjunction with correction of an excess amount shall include the attributable income or loss as determined in accordance with Section 5.4 for the taxable year. Attributable income or loss for the period between the last day of the taxable year and the date of distribution shall not be included.

(e) Ordering of Excess Amounts. If Elective Contributions must be distributed to correct an excess, the Participant's pre-tax Elective Contributions will be distributed before Roth Contributions.

(f) Deadline for Correction. An excess amount shall be corrected as soon as administratively feasible after the excess amount has been determined.

(g) Taxation of Distribution. Amounts distributed to correct an excess amount are taxable and shall be included in the Participant's income. Notwithstanding the preceding sentence and unless otherwise required, amounts that are distributed to correct an excess that are Roth Contributions shall not be included in the Participant's income. However, income attributable to those Roth Contributions shall be included in the Participant's income for the calendar year of distribution.

(h) Consent. A distribution to correct an excess amount may be made without regard to the requirements of Article 7.

(i) Penalties. Distribution of an excess amount does not subject the Participant to the 10% penalty on an early withdrawal under Code Section 72(t).

(j) Calendar Year/Taxable Year. The term calendar year with reference to an individual means the taxable year for any individual whose taxable year is not the calendar year.

ARTICLE 6

Determination of Vested Percentage

6.1 Vested Percentage.

A Participant's vested percentage with respect to all of the Participant's accounts under this plan is 100% at all times.

6.2 Forfeitures--Lost Recipient.

If a Person entitled to a payment cannot be located using reasonable search methods or if a distribution has been made but the recipient for any reason does not cash the distribution check within a reasonable period of time, the Participant's account shall be forfeited as of the date the Administrator determines that the Person cannot be located and/or payment cannot be made to the Person.

(a) Restoration. The Participant's Vested Account Balance shall be restored to the Participant's account if the plan has not terminated (or if the plan has terminated, all benefits have not yet been paid) and if the Person entitled to the payment submits a written election of method of payment. Any such restoration of the Participant's Vested Account Balance shall be made without any adjustment for gains or losses occurring during the period of forfeiture.

(b) No Restoration. If any Person whose account has been forfeited under this provision has not submitted a written election for benefits by the time all plan assets have been distributed due to the plan's termination, the Participant's Vested Account Balance will not be restored.

6.3 Vested Account Balance.

"Vested Account Balance" at any time means the aggregate value of all of the Participant's account balances.

ARTICLE 7

Distributions

7.1 Distributive Events.

(a) Employment Terminates. Distribution will be made as soon as administratively feasible after distribution is elected in connection with the Participant's termination of employment. An Employee has a termination of employment when the Employee's employment relationship with the University is severed for any reason, including death, retirement or disability. An approved leave of absence or a transfer between Covered Employment and any other employment with the Employer or a Related Employer is not a termination of employment.

(b) Withdrawals While Employed. Distribution of the requested amount will be made as soon as administratively feasible after distribution is elected in connection with one of the following distributive events, even though employment has not terminated.

(i) Age 70 1/2. The Participant reaches age 70 1/2.

(ii) Unforeseeable Emergency. The Participant has an immediate financial need or emergency and submits a written request to the Administrator accompanied by evidence acceptable to the Administrator demonstrating that the circumstances qualify as an Unforeseeable Emergency. If the request is granted, the Administrator will impose a 12-month suspension period during which the Participant may not authorize Elective Contributions. A Participant may not elect to receive a distribution of Roth Contributions due to an Unforeseeable Emergency.

(A) Circumstances. "Unforeseeable Emergency" means a severe financial hardship of the Participant or Beneficiary resulting from an illness or accident of the Participant or Beneficiary, the Participant's or Beneficiary's Spouse or the Participant's or Beneficiary's dependent (as defined in Code Section 152, without regard to subsections (b)(1), (b)(2) or (d)(1)(B)); loss of the Participant's or Beneficiary's property due to casualty; or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant or the Beneficiary, as defined in Regulations Section 1.457-6(c)(2) and any successor regulations or guidance of similar import. Except in extraordinary circumstances, the purchase of a home and the payment of college tuition may not be considered an Unforeseeable Emergency.

(B) Determination. The Administrator is solely responsible, in its sole discretion, for determining the existence of an Unforeseeable Emergency. The circumstances that constitute an Unforeseeable Emergency will depend upon the facts of each case, but, in any case, payment may not be made to the extent that the hardship is or may be relieved through reimbursement or compensation by insurance or otherwise; by liquidation of the Participant's assets, to the extent that liquidation of such assets would not itself cause severe financial hardship; or by cessation of deferrals under the plan.

(c) Events Unrelated to Employment Status. Distribution will be made as soon as administratively feasible upon the occurrence of one of the following distributive events.

(i) DRO. This plan receives a domestic relations order that the Administrator determines is a DRO. In accordance with the Public Employee Retirement Benefit Protection Act (Act 100 of the Michigan Public Acts of 2002), "DRO" means an award by a court under Section 552.18 of the Michigan Compiled Laws (providing that retirement benefits are assets of the marital estate subject to distribution by the court in a divorce proceeding), an eligible domestic relations order under the Michigan Eligible Domestic Relations Order Act, or any other domestic relations order of a court pertaining to alimony or child support. The Administrator shall direct payment to the alternate payee as set forth in the DRO. Distribution to an alternate payee under a DRO shall be paid to the alternate payee in accordance with the order, whether or not the Participant has attained age 50 and even if the Participant continues to be an Employee.

(ii) Plan Termination. This plan terminates with respect to all Participants. The Administrator shall direct distributions to be made as soon as administratively feasible following the date of termination.

(iii) Transfer of Assets to a Defined Benefit Governmental Plan. The Participant participates in a governmental defined benefit plan (as defined in Code Section 414(d)) that accepts plan-to-plan transfers with respect to the Participant. The Participant may request to have any portion of the Participant's accounts held by the Funding Agent transferred, at any time, to the governmental defined benefit plan, provided that the transferred assets are used only to:

(A) Service Credits. Purchase additional service credits (as defined in Code Section 415(n)(3)(A)) under the governmental defined benefit plan; or

(B) Repayment. Repay contributions and earnings related to a previous forfeiture of service credits under the governmental defined benefit plan and Code Section 415(k)(3).

7.2 Distribution Amount and Methods.

(a) Valuation/Amount. The amount of the Participant's Vested Account Balance shall be determined as of the Valuation Date coinciding with or most recently preceding the date of the distribution. The amount distributed shall not include investment experience for the period, if any, from the Valuation Date to the date of distribution. Separate valuations shall be performed for segregated accounts that are commingled for investment and any accounts that are separately invested without commingling. The amount to be distributed shall be reduced by the amount of any distribution or withdrawal during any period from the Valuation Date to the date of distribution.

(b) Methods of Distribution. Upon election, distribution shall be made in one of the methods specified below. If the distribution is made from more than one account, the Participant may specify the account(s) from which the distribution or withdrawal will be taken to the extent authorized by the Funding Agent. If the Participant requests a distribution from the Participant's account(s) for Elective Contributions, amounts will be distributed first from the Participant's pre-tax elective contributions account; and second, from the Participant's Roth Contributions account.

(i) Lump Sum. A lump sum payment. If only a portion of the Participant's Vested Account Balance is payable or being withdrawn under Section 7.1, that portion shall be paid in a single payment rather than a lump sum as defined in Code Section 402(e)(4)(D). The requirements set forth in Section 7.3 shall apply separately to each single or lump sum payment. Except as provided in a Funding Vehicle, a lump sum payment of the Participant's entire Vested Account Balance shall be the only permitted method of distribution for termination of this plan under Section 7.1(c)(ii) and Article 12.

(ii) Installments. Installments paid annually, or more frequently if permitted by the Administrator, over an elected period of years not exceeding the life expectancy of the Participant or the joint life expectancy of the Participant and a Beneficiary.

(A) Amount. The amount of the installment payments distributed each calendar year shall be equal to the quotient obtained by dividing the Participant's Vested Account Balance by the remaining number of years in the period. The elected installment payment schedule may be changed, the initial amount distributed may be greater or lesser than subsequent payments, or the remainder may be paid in a lump sum, but a Participant may not elect payments smaller than the Minimum Distribution.

(B) Life Expectancy. Life expectancy, as of the calendar year in which payment begins, shall be determined in the manner described in Section 7.4.

(iii) Annuity. A distribution in the form of a nontransferable annuity providing benefits over an elected period of time not exceeding the life expectancy of the Participant or the joint life expectancy of the Participant and a Beneficiary. The terms of the annuity must comply with the distribution requirements and limitations of this plan. Any annuity purchased under the terms of this plan shall be the maximum, immediate, nontransferable annuity of the selected type that can be purchased with the Participant's Vested Account Balance.

(iv) Partial Payments. Irregular, nonperiodic payments.

(c) Direct Rollover to Another Plan. At the election of the distributee, an eligible rollover distribution shall be transferred to the trustee or custodian of an eligible retirement plan for the benefit of the distributee.

(i) Eligible Rollover Distribution. An eligible rollover distribution is a distribution of any portion of the balance to the credit of a distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent that the distribution is required under Code Section 401(a)(9); any Unforeseeable Emergency distribution; a permissible withdrawal under Code Section 414(w)(2); and any other distribution that is reasonably expected to total less than \$200 during a year. For purposes of determining whether or not a distribution is reasonably expected to total less than \$200 during a year, any distribution from the Participant's Roth Contributions account shall be considered separately from the rest of the Participant's distribution.

(ii) Eligible Retirement Plan. Except as specified in (A), (B), and (C) below, an eligible retirement plan is an individual retirement account or annuity described in Code Section 408(a), 408A, or 408(b), an annuity plan described in Code Section

403(a), an annuity contract described in Code Section 403(b), or a qualified trust described in Code Section 401(a), that accepts the distributee's eligible rollover distribution. An eligible retirement plan also includes an eligible plan under Code Section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and that agrees to account separately for amounts transferred into such plan from this plan.

(A) After-Tax Contributions. For any portion of an eligible rollover distribution consisting of after-tax contributions that are not includable in gross income, an eligible retirement plan is an individual retirement account or annuity described in Code Section 408(a), 408A, or 408(b) or a qualified trust described in Code Section 401(a) or an annuity contract described in Code Section 403(b) that agrees to separately account for such portion.

(B) Roth Contributions. For any portion of an eligible rollover distribution attributable to the Participant's Roth Contributions account, an eligible retirement plan is (i) a qualified trust described in Code Section 401(a) or an annuity contract described in Code Section 403(b) that includes a qualified Roth contribution program as described in Code Section 402A or (ii) an individual retirement account described in Code Section 408A.

(C) Non-Spouse Beneficiary. For any portion of a distribution deemed to be an eligible rollover distribution for a Beneficiary who is not a Spouse, an eligible retirement plan is an individual retirement account or annuity described in Code Section 408(a), 408A, or 408(b) that is established for the purpose of receiving the distribution on behalf of the designated Beneficiary and which is treated as an inherited IRA within the meaning of Code Section 408(d)(3)(C).

(iii) Distributee. A distributee includes the Participant, the Participant's surviving Spouse, the Participant's Spouse or former Spouse who is an alternate payee under a DRO, and for distributions after December 31, 2006, a Beneficiary who is not a Spouse.

(d) Direct Transfer to Another Plan. Following a termination of employment, a Participant may request a direct transfer to another governmental Code Section 457(b) plan in which the former employee has become a participant as an employee of the plan sponsor of that plan, if the plan receiving such amounts provides for acceptance of such transfers, the Participant gives satisfactory written direction to the Administrator for such a transfer and the Participant whose amounts are being transferred has an amount deferred in that plan immediately after the transfer at least equal to the amount deferred with respect to the Participant in this plan immediately before the transfer.

7.3 Election of Method and Time of Distribution.

(a) Permitted Elections. Subject to the required distribution rules of Section 7.4 or the terms of a DRO, the Participant or other recipient may elect the method and time of distribution to the extent permitted under this plan and the applicable Funding Vehicle(s).

(b) Small Balance. If a Participant's account is \$1,000 or less, the Participant has not contributed to this plan during the two-year period ending on the date of distribution, the Participant has not received any prior distribution under this paragraph, and the Participant terminates employment for any reason other than death, the Participant's account will be distributed as soon as administratively feasible after the Participant's employment terminates.

(c) Election Requirements.

(i) Time. The election shall be made not later than the date distribution begins or, if earlier, the date when distribution must begin. An election may be revoked or changed before distribution begins.

(ii) Form. An election shall be made in a form acceptable to the Administrator. If the distribution election as originally filed with the Administrator is not completed properly, distribution shall not be made until a properly completed distribution election has been received and approved by the Administrator.

(iii) Other Conditions. An election shall become void upon the death of the Participant prior to the date the distribution is paid to the Participant.

(d) Failure to Elect. Failure to elect a distribution shall be deemed an election to defer distribution to a later date. If an election is not received, the Participant's account will be distributed at the time and in the manner determined under Section 7.4.

(e) Additional Information. The Administrator may require additional election, application or information forms required by law or deemed necessary or appropriate by the Administrator in connection with any distribution.

(f) Delay of Distribution. The Administrator may, in a uniform and nondiscriminatory manner, direct that a distribution, other than a Minimum Distribution or a distribution required after a Participant's death, shall be valued as of, and distributed after, the next Valuation Date. This action shall be taken only if the distribution, valued as of a Valuation Date preceding the distributive event or election of distribution, would permit the recipient to avoid negative investment experience with significant detrimental effect on the accounts of other Participants.

7.4 Required Distribution Rules.

This section generally states the requirements of Code Section 401(a)(9) and Regulations and shall take precedence over any other provision of this plan that permits payment at a later time or in a smaller amount; however, nothing in this section authorizes any form of distribution not otherwise permitted under the terms of this plan or the Participant's Funding Vehicle. A distribution shall be determined and made in accordance with Code Section 401(a)(9) and Regulations, including the minimum incidental benefit requirement under Code Section 401(a)(9)(G) and in accordance with Code Section 457(b) and Regulations.

(a) Time of Distribution.

(i) Required Beginning Date. Unless the Participant requests an earlier distribution, distribution to the Participant shall begin not later than the Participant's Required Beginning Date. "Required Beginning Date" means the April 1 following the calendar year in which the Participant attains age 70 1/2, or, if later, following the calendar year in which the Participant's employment terminates.

(ii) Death Before Required Beginning Date. If the Participant dies before the Required Beginning Date, distribution to the Participant's Beneficiary will be made when elected but not later than the applicable time specified below.

(A) Spouse Beneficiary. If the Spouse is the only Designated Beneficiary, the Spouse may elect to begin distributions on or before the last day of the calendar year in which the Participant would have attained age 70 1/2 or, if later, the last day of the calendar year following the calendar year in which the Participant died. If the Spouse dies before distributions are required to begin, distribution will be made under (B) or (C) as though the Spouse were the Participant. If the Spouse dies after distributions are required to begin, distribution will be made under (iii) as though the Spouse were the Participant.

(B) Other Beneficiary. If benefits are to be paid to a Designated Beneficiary other than the Spouse, the Beneficiary may elect to begin distributions on or before the last day of the calendar year following the calendar year in which the Participant died. The election must be made no later than September 30 of the calendar year in which distribution would be required to begin under the preceding sentence. The election must be irrevocable.

(C) Five Year Rule. If a Designated Beneficiary (other than the Spouse) does not make an election to begin distributions under (B) above or if there is no Designated Beneficiary as of September 30 of the calendar year following the year of the Participant's death, distribution of the Participant's entire interest must be completed by the last day of the calendar year that includes the fifth anniversary of the Participant's death.

(D) Installment Method. If distributions are made under (A) or (B) above and the installment method is elected by the Spouse or other Beneficiary, the applicable life expectancy, as of the calendar year in which distribution begins, or other installment period and the amount of each installment, shall be determined under Sections 7.2 and (b) below.

(iii) Death After Required Beginning Date. If the Participant dies after the Required Beginning Date, any unpaid amount must be distributed at least as rapidly as provided in (b)(ii) below.

(b) Minimum Distribution Amount. Unless the Participant's account is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the Participant's Required Beginning Date, the minimum amount that must be distributed for each distribution calendar year ("Minimum Distribution") shall be determined in accordance with the following provisions. If the Participant's account is distributed in the form of an annuity purchased from an insurance company, distributions from the annuity contract shall be made in accordance with the provisions of Regulations Section 1.401(a)(9)-6.

(i) Lifetime. During the Participant's lifetime, the Minimum Distribution is the lesser of (A) or (B) below. Minimum Distributions determined in accordance with this provision will begin when required under (a)(i) above and continue through the calendar year that includes the Participant's date of death.

(A) Uniform Lifetime Table. The quotient obtained by dividing the Participant's account balance by the distribution period in the Uniform Lifetime Table set forth in Regulations Section 1.401(a)(9)-9 based on the Participant's age at the birthday during the calendar year for which the distribution is made.

(B) Spouse is Beneficiary. If the Participant's Spouse is the only Designated Beneficiary, the quotient obtained by dividing the Participant's account balance by the number in the Joint and Last Survivor Table set forth in Regulations Section 1.401(a)(9)-9 based on the age of the Participant and Spouse at their birthdates during the calendar year for which the distribution is made.

(ii) Death After Required Beginning Date.

(A) Designated Beneficiary. If the Participant dies on or after the Required Beginning Date and there is a Designated Beneficiary, the Minimum Distribution for each calendar year after the year of the Participant's death shall be the quotient obtained by dividing the Participant's account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined in accordance with the following.

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

(2) Designated Beneficiary's Life Expectancy.

(a) Spouse is Beneficiary. If the Participant's Spouse is the only Designated Beneficiary, the remaining life expectancy of the Spouse is calculated for each calendar year after the year of the Participant's death using the Spouse's age as of the Spouse's birthday in that year. For calendar years after the year of the Spouse's death, the remaining life expectancy of the Spouse is calculated using the age of the Spouse in the year of death, reduced by one for each subsequent year.

(b) Other Beneficiary. If the Designated Beneficiary is not the Participant's Spouse, the Designated Beneficiary's remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(B) No Designated Beneficiary. If the Participant dies on or after the Required Beginning Date and there is no Designated Beneficiary as of September 30 of the calendar year following the year of the Participant's death, the Minimum Distribution for each calendar year after the year of the Participant's death shall be the quotient obtained by dividing the Participant's account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(iii) Death Before Required Beginning Date. If the Participant dies before the Required Beginning Date and there is a Designated Beneficiary, the Minimum Distribution for each calendar year shall be the quotient obtained by dividing the Participant's account balance by the remaining life expectancy of the Participant's Designated Beneficiary, determined under (ii)(A)(2) above. Minimum Distributions determined in accordance with this provision will begin when required under (a)(ii) above.

(c) Definitions.

(i) Designated Beneficiary. "Designated Beneficiary" means the individual who is designated as the Beneficiary under Section 7.5 and is the designated beneficiary under Code Section 401(a)(9) and Regulations Section 1.401(a)(9)-4.

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

(iii) Life Expectancy. Life expectancy is the life expectancy determined from the Single Life Expectancy Table in Regulations Section 1.401(a)(9)-9.

(iv) Account Balance/Valuation Calendar Year. The value of a Participant's account shall be determined as of the last Valuation Date within the calendar year preceding the calendar year for which the distribution is made (the "Valuation Calendar Year"). The Participant's account includes any amounts rolled over or transferred to this plan either in the Valuation Calendar Year or the calendar year for which the distribution is made if distributed or transferred in the Valuation Calendar Year.

7.5 Determination of Beneficiary.

A Participant's Beneficiary and successor Beneficiaries are determined under this section. The determination of a Designated Beneficiary under Section 7.4 is not only determined under this section but also is subject to and determined under Code Section 401(a)(9) and Regulations. A Participant may designate or change a Beneficiary by filing a signed designation with the Administrator in a form approved by the Administrator. The Participant's Will is not effective for this purpose.

(a) Beneficiary. "Beneficiary" means the Person designated by the Participant, or determined under this section, to receive the Participant's benefits from this plan after the Participant's death. The rules of this section apply to a designation by the Participant and in the absence of a valid designation or upon the failure of a designation by the Participant.

(b) Successor Beneficiaries. One or more successor Beneficiaries may be designated by the Participant or determined under this section.

(c) Married Participant; Spousal Consent. The Beneficiary of a married Participant shall be the Spouse unless the Participant elects a different Beneficiary and the Spouse consents to designation of a Beneficiary other than the Spouse. If the Spouse's consent is required and a married Participant designates or changes a Beneficiary to a Person other than the Spouse without the Spouse's consent, the designation will be void. A consent that permits further designations without consent is void unless the consent expressly permits such designations without additional spousal consent. A consent may limit a distribution to a specific Beneficiary and/or to a specific method of distribution.

(i) Consent. Consent by the Spouse must be voluntary and must acknowledge and accept the consequences of the designation of a Beneficiary other than the Spouse. Consent by the Spouse is irrevocable. The consent and acknowledgment must be witnessed by an individual designated by the Administrator or by a notary public. If the Spouse cannot be located or if any of the other exceptions set forth in Regulations issued under Code Section 417 apply, a consent is not required.

(ii) Spouse. "Spouse" means the individual to whom the Participant is lawfully married under the laws of the domestic or foreign jurisdiction where the ceremony was performed. A former Spouse shall not be a Spouse or surviving Spouse except to the extent designated in a DRO.

(iii) Successors. Spousal consent is not required for the designation or determination under this section of successor Beneficiaries to the Spouse.

(iv) Change of Marital Status. An existing Beneficiary designation by a Participant will be void upon the Participant's subsequent marriage or remarriage unless the new Spouse consents to the designation.

(d) Default Determination. If a Participant fails to designate a Beneficiary, or if there is no Beneficiary or successor at the Participant's death or at any later payment date for the reason specified in (e) below or for any other reason, the Beneficiary shall be the surviving Spouse at the time of the Participant's death and the Spouse's estate with respect to any amount remaining undistributed at the subsequent death of the Spouse. If the Participant is not survived by a Spouse, the amount shall be paid in accordance with (f) below.

(e) Death of Beneficiary. If distribution to one Beneficiary is pending or has begun and the Beneficiary dies before complete distribution, the remaining amount shall be paid to the successor Beneficiary designated by the Participant or, if no successor Beneficiary has been designated, to the Beneficiary determined under (d) above. If distribution is pending or has begun to more than one Beneficiary, distribution shall continue to the survivor or survivors of them, and any amount remaining upon the death of the last survivor shall be paid to the successor Beneficiary designated by the Participant or, if no successor Beneficiary has been designated, to the Beneficiary determined under (d) above. Survivors shall include the issue of any deceased child who shall take the deceased child's share by right of representation.

(f) No Surviving Beneficiary. If a deceased Participant has no surviving Beneficiary or successor Beneficiaries as designated by the Participant or as determined under (d) above on the date of the Participant's death, or on any subsequent date on which a distribution is payable, the remaining balance shall be paid to the Participant's estate, if then under the active administration applicable probate or similar laws, or if not, to those Persons who would then take the Participant's personal property under the laws of the Participant's state of residence then in force, and in the proportions provided by those laws, as though the Participant had died at that time.

(g) Alternate Payee. An alternate payee awarded an independent benefit under this plan shall be considered a Participant for purposes of determining the alternate payee's Beneficiary under this section.

(h) Beneficiary Treated as Predeceased. A Beneficiary will be treated as having predeceased the Participant upon the occurrence of an event described in (i), (ii), or (iii) below.

(i) Disclaimer. A Beneficiary may disclaim all or any portion of the Beneficiary's interest in any payments from this plan. If a disclaimer is presented to the Administrator, the disclaimer will be recognized and the Beneficiary will be treated as having predeceased the Participant as to the portion disclaimed.

(ii) Slayer Rule. If a Beneficiary is convicted of murdering the Participant, the Beneficiary will be treated as having predeceased the Participant.

(iii) Simultaneous Death. If the Participant and the Participant's Beneficiary die simultaneously or under circumstances such that it is not possible to determine the order of death, and the Participant's beneficiary designation form does not address simultaneous death, the Beneficiary will be presumed to have predeceased the Participant.

(i) Determination. The Administrator shall apply the rules of this section to determine the proper Persons to whom payment should be made. The decision of the Administrator shall be final and binding on all Persons.

7.6 Facility of Payment.

A payment under this section shall fully discharge the plan from all future liability with respect to that payment.

(a) Incapacity. If a recipient entitled to a payment is legally, physically, or mentally incapable of receiving or acknowledging payment, the Administrator may direct the payment to the recipient; or, for the benefit of the recipient, to the recipient's legal representative or any other Person who is legally entitled to receive payments on behalf of the recipient under the laws of the state in which the recipient resides; or to a custodian for the recipient under any applicable uniform transfers to minors act.

(b) Legal Representative. There shall be no requirement to commence probate proceedings or to secure the appointment of a legal representative.

ARTICLE 8

Administration of the Plan

8.1 Duties, Powers, and Responsibilities of the Employer.

(a) Required. The Employer shall be responsible for:

(i) Payment of Deferral Contributions. Paying, ceasing, or suspending Deferral Contributions (including additional contributions or qualified nonelective contributions (pursuant to the Employee Plans Compliance Resolution System (EPCRS) or any successor procedures issued by the Internal Revenue Service) to the extent necessary to correct an error in allocation, vesting, or distribution of a Participant's interest); and

(ii) Compliance. Determining that the amount and time of Deferral Contributions comply with this plan.

(b) Discretionary. If not delegated to the Administrator, the Employer may exercise the following responsibilities:

(i) Amendment. Amending this plan;

(ii) Plan Termination. Revoking this instrument and terminating this plan; and

(iii) Mergers; Spin-offs. Merging this plan with another Code Section 457(b) plan maintained by a governmental entity or dividing this plan into multiple plans.

8.2 Employer Action.

An action required to be taken by the Employer may be taken by its Board of Trustees, a committee of the Board of Trustees, or by an officer authorized to act on behalf of the Employer.

8.3 Plan Administrator; Named Fiduciary.

"Administrator" means the individual who is the Vice President of Finance/Administrative Services. The Administrator is a named fiduciary for operation and management of this plan and shall have the responsibilities conferred by the laws of the State of Michigan upon the Administrator.

8.4 Administrative Committee.

(a) Appointment. The Employer may, but shall not be required to, appoint an administrative committee to perform certain functions involved in the daily operation of this plan.

(b) Agent; Powers and Duties. The administrative committee is an agent of the Employer and Administrator. The administrative committee shall have the powers and duties delegated to it by the Administrator.

(c) Not Fiduciary. Except to the extent the administrative committee is expressly delegated a fiduciary responsibility with respect to this plan, the administrative committee will be responsible to the Employer or Administrator for its actions and will not be a named fiduciary for operation and management of this plan.

(d) Membership. The number of members of the administrative committee shall be determined by the Employer. The Employer shall appoint the members of the administrative committee and may remove or replace them at any time.

(e) Records. The administrative committee shall keep records of its proceedings.

(f) Actions. The administrative committee shall act by a majority of its members then in office. Action may be taken either by a vote at a meeting or in writing without a meeting. Any or all members may participate in a meeting by a conference telephone, video, or similar electronic equipment. Actions of the administrative committee may be evidenced by written instrument executed by the chairman or the secretary of the administrative committee.

(g) Report to Administrator. The administrative committee shall report to the Administrator when requested with respect to the administration, operation, and management of this plan.

(h) Compensation. Any member of the administrative committee who is an Employee shall serve without compensation.

(i) Conflict of Interest. Any member of the administrative committee who is a Participant shall not vote or act on a matter that relates solely to that Participant. If that Participant is the only member of the administrative committee, the necessary action shall be exercised by the Administrator.

8.5 Duties, Powers, and Responsibilities of the Administrator.

Except to the extent modified by the applicable administrative policy and guidelines promulgated by the Employer from time to time or to the extent properly

delegated, the Administrator shall have the following duties, powers, and responsibilities and shall:

- (a) Agent for Service of Process. Serve as the agent for service of process;
- (b) Funding Agent. Appoint one or more Funding Agents;
- (c) Amendment and Termination. To the extent not executed by the Employer, amend this plan, and take responsibility for revoking this instrument and terminating this plan;
- (d) Mergers; Spin-Offs. To the extent not executed by the Employer, merge this plan with another Code Section 457(b) plan or divide this plan into multiple plans;
- (e) Investment Manager. If appropriate, appoint one or more Investment Managers, who shall have the power to acquire, manage, or dispose of any or all plan assets subject to:
 - (i) Functions. The functions of the Investment Manager shall be limited to those specified services and duties for which the Investment Manager is engaged;
 - (ii) Qualification. "Investment Manager" means a Person, as defined under PERSIA, who is either (1) registered as an investment adviser under the Investment Advisers Act of 1940; (2) a bank (as defined in the Investment Advisers Act of 1940); or (3) an insurance company licensed to manage, acquire, and dispose of assets of retirement plans under the laws of more than one state; and
 - (iii) Acknowledgment. An Investment Manager must acknowledge in writing that it is a fiduciary with respect to this plan;
- (f) Investment Adviser. If appropriate, appoint one or more investment advisers to render advice or make recommendations with respect to any or all plan assets subject to:
 - (i) Functions. The function of an investment adviser shall be limited to those specified services and duties for which the investment adviser is engaged; and
 - (ii) Acknowledgement. When appropriate, an investment adviser must acknowledge in writing that it is a fiduciary with respect to this plan;
- (g) Payment of Administrative Expenses. Pay administrative expenses (other than expenses for which a Participant is responsible) incurred in the operation, administration, management, and control of this plan (these expenses shall be the obligation of the plan unless paid by the Employer);

(h) Plan Interpretation. Interpret all provisions of this instrument (including resolving an inconsistency or ambiguity or correcting an error or an omission);

(i) Participant Rights. Subject to Section 8.10, determine the rights of Participants and Beneficiaries under the terms of this plan and communicate that information to the appropriate Funding Agent;

(j) Limits. Be responsible for determining that this plan complies with all limitations under the Code and Regulations and maintain records necessary to demonstrate compliance with such limits;

(k) Allocations and Vesting. Determine the amount of each eligible Participant's Compensation for the Plan Year, the contribution amount to be allocated to each eligible Participant, the amount and disposition of excess amounts, and a Participant's vested percentage;

(l) Errors in Participants' Accounts. Correct (to the extent possible, by making adjustments to the accounts) an error, including (but not limited to) errors in allocations of the Deferral Contribution or investment experience, or in determination of vesting or distribution of a Participant's interest;

(m) Claims and Elections. Subject to Section 8.10, establish or approve the manner of making an election, designation, application, claim for benefits, and review of claims;

(n) Benefit Payments. Direct the Funding Agent as to the recipient, time of payment, and the elected form of distribution including selecting annuities;

(o) DRO Determination. Establish procedures to determine whether or not a domestic relations order issued by a competent state court is a DRO, to notify the Participant and any alternate payee of this determination, and to administer distributions pursuant to a DRO subject to:

(i) Alternate Payee. The alternate payee named in the DRO is the Spouse or former Spouse or a child or other dependent of the Participant; and

(ii) Reason for Distribution. The distribution relates to alimony, support of a child or other dependent, or a division of marital property;

(p) Administration Information. Obtain to the extent reasonably possible all information necessary for the proper administration of this plan;

(q) Recordkeeping. Establish procedures for and supervise the establishment and maintenance of all records necessary and appropriate for the proper administration of this plan, including procedures to identify and locate Persons entitled to benefits;

(r) Penalties; Excise Taxes. Report and pay any penalty tax or excise taxes incurred by this plan or the Employer in connection with this plan on the proper tax form designated by the Internal Revenue Service and within the time limits specified for the tax form;

(s) Advisers. Employ attorneys, actuaries, accountants, clerical employees, agents, or other Persons who are necessary for operation, administration, and management of this plan;

(t) Expenses, Fees, and Charges. Present to the Funding Agent for payment (if not paid by the Employer) or reimbursement (if advanced by the Employer) all reasonable and necessary expenses, fees and charges, including fees for attorneys, actuaries, accountants, clerical employees, agents, or other Persons, incurred in connection with the administration, management, or operation of this plan;

(u) Nondiscrimination. Apply all rules, policies, procedures, and other acts without discrimination among Participants; and

(v) Other Powers and Duties. Exercise all other powers and duties necessary or appropriate under this plan, except those powers and duties allocated to another named fiduciary.

8.6 Delegation of Administrative Duties.

The powers and duties of the Administrator set forth in Sections 8.1 and 8.5 may be delegated by the Employer, or by the Administrator (subject to any applicable Employer or legal limits on its authority to delegate), to another Person.

(a) In Writing. A delegation must be in writing and it shall specify (i) the date of the action and the effective date of the delegation; (ii) the responsibility delegated; (iii) the name, office, or other reference of each Person to whom the responsibility is delegated; and (iv) if a responsibility is delegated to more than one Person, the allocation of the responsibility among the Persons.

(b) Acceptance of Responsibility. The delegation of a fiduciary duty shall be communicated to the fiduciary to whom the responsibility is assigned, and written acceptance of the responsibility must be made by the fiduciary. The fiduciary will retain the responsibility until the fiduciary resigns or rejects the responsibility in writing, or the Employer or Administrator takes a superseding action.

(c) Conflict. If a delegate's powers or actions conflict with those of the Employer or Administrator, the powers of and actions of the Employer or Administrator will control.

8.7 Interrelationship of Fiduciaries; Discretionary Authority.

A Person may serve in more than one fiduciary capacity with respect to this plan.

(a) Performance of Duties. Each fiduciary shall act in accordance with this plan. Each fiduciary shall be responsible for the proper exercise of its powers and duties.

(b) Reliance on Others. Each fiduciary may rely upon the action of another fiduciary and is not required to inquire into the propriety of any such action.

(c) Discretionary Authority of Fiduciaries. Each fiduciary shall have full discretionary authority in the exercise of the powers, duties, and responsibilities allocated or delegated to that fiduciary under this instrument.

8.8 Compensation; Indemnification.

An Employee fiduciary who is compensated on a full-time basis by the Employer shall not receive compensation from this plan, except for reimbursement of expenses. The Employer shall indemnify and hold harmless each member of the Board of Trustees, administrative committee, and each Employee to whom fiduciary duties or other responsibilities for the operation and administration of this plan have been assigned or delegated, from any and all claims, losses, damages, expenses, and liabilities arising from any action or failure to act with respect to any matter related to this plan. Indemnification shall not apply if the action or inaction is due to gross negligence or willful misconduct. The Employer may purchase and maintain liability insurance covering itself, any Related Employer, and any other Person against claims, losses, damages, expenses, and liabilities arising from the performance or failure to perform any power, duty, or responsibility with respect to this plan.

8.9 Fiduciary Standards.

Each fiduciary shall act solely in the interest of Participants and Beneficiaries:

(a) Prudence. With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent Person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

(b) Exclusive Purpose. For the exclusive purpose of providing benefits and paying expenses of administration; and

(c) Prohibited Transaction. To avoid engaging in a prohibited transaction under the Code unless an exemption for the transaction is available or obtained.

8.10 Benefit Applications; Appeal Procedures.

(a) Application for Benefits. The Administrator will process an application for benefits by a Participant or Beneficiary and provide written notification of the determination to the Participant or Beneficiary not later than 90 days after receipt of the application unless the Administrator determines that special circumstances require an extension of time for processing the application.

(b) Notification of Adverse Determination for Application. Notification of an adverse determination shall be written in a manner that can be understood by the Participant or Beneficiary and shall include: (i) the specific reasons for the denial; (ii) specific reference to pertinent plan provisions on which the denial is based; (iii) a statement outlining additional material or information necessary to enable approval of the claim and the reasons why such material is necessary; and (iv) an explanation of the appeal procedures.

(c) Appeal. Any Participant or Beneficiary asserting entitlement to a benefit different from the benefit approved by the Administrator in response to the application for payment, or who has received an adverse determination from the Administrator, whether relating to the amount, form of payment or time of payment, may, within 60 days after notice of the determination, file a written appeal for a full and fair review by the Administrator.

(d) Final Decision. The Administrator shall render a final determination and provide written notification to the Participant or Beneficiary within 60 days after receipt of the appeal, unless the Administrator determines that circumstances require an extension of time for processing the appeal.

(e) Notification of Adverse Determination on Appeal. Notification of an adverse determination on appeal shall be written in a manner that can be understood by the Participant or Beneficiary and shall include: (i) the specific reasons for the denial; (ii) specific reference to pertinent plan provisions on which the denial is based; (iii) a statement of the Participant's or Beneficiary's right to reasonable access to, and copies of, all documents, records and information relevant to the claim at no cost; and (iv) an explanation of the additional appeal procedures, if any are available.

(f) Extensions. If the response time in (a) or (d) is extended, written notice of the extension must be provided within the original response period and the extension cannot be longer than the original response period – i.e., 90 or 60 days. Notice of the extension must specify the circumstances requiring the extension and the date by which the Administrator expects to complete the determination.

The initial and extended response times in (d) are automatically extended if appeals are processed by a committee or board that holds regular meetings at least quarterly.

(g) Authorized Representative; Hearings. A Participant or Beneficiary may designate an authorized representative to act on behalf of, or with, the Participant or Beneficiary at all stages of an appeal. There shall be no right to a hearing or other presentation before the Administrator or its committee. The Administrator or its committee may, in its sole discretion, require a hearing or other presentation if deemed necessary for full and fair review and adjudication of the claim.

(h) Seeking Review of a Claim in Court. Any claim or action filed in court with respect to the plan must be filed within the following time frames: (i) if the Administrator follows the procedures set forth above, a claim or action cannot be filed before the Participant or Beneficiary (or the Participant's or Beneficiary's duly authorized representative) has exhausted the Participant's or Beneficiary's claim and appeal rights and such claim or action must be filed no later than one year after the date of the Administrator's written or electronic determination on the appeal of the claim; or (ii) if the Administrator does not follow the procedures set forth above, the Participant or Beneficiary (or the Participant's or Beneficiary's duly authorized representative) shall be entitled to seek review of the Participant's or Beneficiary's claim in court and such claim or action must be filed no later than one year from the date the Participant or Beneficiary (or the Participant's or Beneficiary's duly authorized representative) filed the Participant's or Beneficiary's initial claim with the Administrator.

(i) Restriction on Venue. Any action or claim filed in court with respect to the plan must be filed with the Isabella County Trial Court in the State of Michigan.

8.11 Participant's Responsibilities.

All requests for action of any kind by a Participant or Beneficiary under this plan must be in writing, executed by the Participant or Beneficiary, and are subject to any other plan rules applicable to any specific type of request and any requirements of the Funding Agent.

8.12 Electronic Administration.

Notwithstanding the requirement set forth in this plan that certain transactions, notices, elections, consents and disclosures be evidenced in the form of written documentation, documentation for such transactions, notices, elections, consents or disclosures may be provided or obtained through electronic media to the extent consistent with Regulations and other guidance.

ARTICLE 9

Investment of Funds

9.1 Funding Vehicles.

Plan assets shall be held in Funding Vehicles and invested through those vehicles in investments complying with the terms, conditions, limitations, and restrictions imposed by PERSIA. "Funding Vehicle" means an arrangement offered by a Funding Agent and designated by the Administrator as available from time to time for this plan that conforms to the requirements of this plan and Code Section 457(b) and is a Trust, Custodial Account, or Annuity Contract.

(a) Trust. "Trust" means a trust described in Code Section 457(g) and Regulations Section 1.457-8 created and maintained under a separate document.

(b) Custodial Account. "Custodial Account" means a custodial account described in Code Section 401(f) maintained by a bank or an entity that meets the requirements of a non-bank trustee under Regulation Sections 1.408-2(e)(2) through (6). A Custodial Account established under this plan will be treated as a Trust.

(c) Annuity Contract. "Annuity Contract" means an annuity contract described in Code Section 401(f) and Regulation Section 1.401(f)-1.

9.2 Commingled Principal and Income.

Plan assets may be commingled for investment without distinction between principal and income.

9.3 Participant Investment Direction.

Participants may choose among the Funding Vehicles and shall direct investments to the extent permitted in the selected Funding Vehicles.

(a) Commingling. Funds or assets invested at the direction of a Participant under this provision may be commingled with other funds or assets similarly invested by other Participants.

(b) Direction. Choice among Funding Vehicles and investment directions shall be given and changed by the means established by the Administrator from time to time. An investment direction shall remain in effect until modified or revoked or until the designated Funding Vehicle is no longer available. The Funding Agent may rely upon the investment direction and, to the extent not implemented by the direction itself, shall

implement the direction by procedures established for that purpose. During any period in which there is a change in Funding Vehicles, the appropriate Funding Agent may hold contributions and other amounts in cash pending implementation of the conversion.

(c) Transfers Among Funding Agents. A Participant may transfer funds accumulated under this plan and redirect future contributions among the designated Funding Agents and their Funding Vehicles. All transfers are subject to the provisions, and any restrictions, of each Funding Vehicle. A transfer to any vendor that is not currently designated as a Funding Agent for this plan is prohibited. Enrollment with any Funding Agent must take place through the Funding Agent's designated representatives as contracted with the Employer or Administrator.

(d) Additional Terms and Conditions. The Administrator may formulate additional terms and conditions for selecting and changing Funding Vehicles and for giving and changing investment directions by the Participants as necessary or appropriate.

(e) Segregation. Subject to the rules and limitations agreed upon between the Administrator and the Funding Agent, each Participant may, as of a Valuation Date, or as soon as administratively feasible after the Valuation Date, direct the Funding Agent in writing to segregate the Participant's account for separate investment. Distributions pursuant to the terms of this plan shall not be affected by the segregation of the Participant's account. If, and to the extent, permitted by the Administrator, distributions from the segregated account may be made in cash or in kind as elected by the Participant.

(f) Limitation of Fiduciary's Responsibilities. No fiduciary of this plan shall be responsible for the investment performance of the assets of any Participant's account for which a Participant directs the investment.

(g) Beneficiary/Alternate Payee. To the extent a balance remains in the Participant's account following the death of the Participant, the Participant's Beneficiary shall have the same investment rights provided to the Participant as though the Beneficiary were the Participant. If an alternate payee is awarded an independent benefit under a DRO and the amount awarded is transferred from the Participant's account to an account established in the name of the alternate payee, the alternate payee shall be considered a Participant for purposes of directing the investment of the account in accordance with this section.

ARTICLE 10

Administration of Investments

10.1 Funding Agents.

"Funding Agent" means each trustee, insurance company, or custodian (including their investment affiliates) designated to provide Funding Vehicles under the plan. A schedule of the Funding Agents and Funding Vehicles designated as currently available to Participants under this plan shall be attached to this plan and provided to Participants on request. An insurance company designated as a Funding Agent must be authorized to issue annuities in each state where the Employer does business, meeting the requirements of Section 9.1. A trustee or custodian designated as a Funding Agent must be a bank, or other person approved by the Secretary of Treasury, authorized to maintain Custodial Accounts. Subject to Section 1.2, Funding Agents shall have the powers and responsibilities specified in their respective Funding Vehicles and related documentation.

10.2 Information Sharing Agreements.

Each Funding Agent that receives contributions under this plan is required to agree that it will, when requested by the Employer, enter into an agreement with the Employer providing that, as long as it is a designated Funding Agent under the plan and, if it ceases to be a designated Funding Agent under the plan, for as long as it holds one or more Funding Vehicles that were issued under the plan, it will, at reasonable intervals, provide to the Employer and obtain from the Employer the following information:

(a) Compliance with Section 457(b). Information necessary for the resulting Funding Vehicle, or any other Funding Vehicle(s) to which contributions have been made by the Employer, to satisfy Code Section 457(b); and

(b) Other Tax Requirements. Information necessary in order for the Funding Vehicle, and any other Funding Vehicle(s) to which contributions have been made for the Participant by the Employer, to satisfy other tax requirements, including information concerning the Participant's or Beneficiary's tax basis in order for a Funding Agent to determine the extent to which a distribution is includable in gross income.

10.3 Limitation on Duties of Funding Agents.

(a) Participant Direction. To the extent that a Participant directs investment in or through a Funding Vehicle that continues to be available under Article 9, the Funding Agent may not exercise discretionary authority or control with respect to the selection or allocation of a Participant's account among investment choices. With respect to

implementation of a Participant's investment directions, the duties of the Funding Agents are limited to the following:

(i) Custody and Protection. To act as custodian of the assets transferred to the Funding Agent, and to protect the assets in its custody from loss by theft, fire, or other cause;

(ii) Acquisitions. To acquire additional assets in accordance with the directions of the Participant;

(iii) Dispositions. To sell or otherwise dispose of assets in accordance with the directions of the Participant;

(iv) Authorized Actions. To take other authorized actions in accordance with directions of the Participant;

(v) Accountings. To account for and render accountings with respect to the assets (except for assets held by another Funding Agent); and

(vi) Ministerial and Custodial Tasks. To perform other ministerial and custodial tasks in accordance with the direction of the Participant.

(b) Transfer. If assets are transferred to another Funding Agent, that Funding Agent shall have, and the Funding Agent from which the assets are transferred shall no longer have, the foregoing duties and powers with respect to those assets.

10.4 Accounting.

The Funding Agent must maintain accurate and detailed records of all investments, receipts, disbursements, and other transactions. The records must be available for inspection at all reasonable times by Persons designated by the Administrator.

(a) Report. Each Funding Agent must prepare and furnish to Participants periodic statements of account.

(b) Judicial Settlement. A dispute concerning the records or statement of account may be settled by a suit for an accounting brought by a Person having an interest in the account.

10.5 Appointment, Resignation, and Removal of Funding Agent.

Unless otherwise stated in an agreement between the Administrator and the Funding Agent, the appointment, resignation, and removal of a Funding Agent shall be subject to the following:

(a) Appointment. The Administrator shall appoint one or more vendors as Funding Agents currently designated to receive contributions under this plan.

(b) Resignation. A Funding Agent may resign from receipt of future contributions and/or transfers by written notice to the Administrator at least 90 days prior to the effective date specified in the notice.

(c) Removal. The Administrator may remove a Funding Agent from receipt of future contributions and/or transfers by written notice to the Funding Agent at least 90 days prior to the effective date specified in the notice.

(d) Successor. The Administrator may but is not required to appoint a successor Funding Agent by written instrument with the acceptance of the successor endorsed on the instrument, provided, however, that there shall always be at least one Funding Agent designated by the Administrator for this plan.

10.6 Action.

Actions by a Funding Agent must be either by a resolution of its governing body or by a written instrument executed by an authorized individual.

10.7 Responsibility of Nonfiduciary.

A transfer agent, brokerage, clearing house or any other Person that is not a fiduciary with respect to this plan and who has paid money or delivered property to a Funding Agent shall not be responsible for its application or for determining the propriety of the actions of the Funding Agent concerning the money or other property.

ARTICLE 11

Amendment, Mergers, Successor Employer

11.1 Amendment.

The Employer may amend this plan. An amendment may be retroactive or prospective, in the sole discretion of the Employer, except where prohibited by the Code. An amendment may reduce or eliminate future contributions and may be made without the consent of any other Person, except that an amendment may not:

(a) Reduce Participant's Account. Decrease the amount credited to a Participant's account at the time of the amendment; or

(b) Reduce Vested Percentage. Reduce a Participant's vested percentage as of the later of the date of adoption of the amendment or the effective date of the amendment.

11.2 Plan Merger or Transfer.

This plan may be merged or consolidated, or its assets and liabilities may be transferred, in whole or in part, to another Code Section 457(b) plan maintained by a governmental entity if the following conditions are satisfied.

(a) Preservation of Account Balance. The Participant's account balance after the transfer would be equal to or greater than the account balance the Participant would have been entitled to receive immediately before the merger, consolidation, or transfer.

(b) Authorization. The Employer or the Administrator (to the extent the Employer has delegated merger or spin-off authority to the Administrator) and any former or new or successor employer authorize the merger, consolidation, or transfer.

11.3 Successor Employer.

If the Employer is dissolved, merged, consolidated, restructured, or reorganized, or if the assets or control of the Employer are transferred, this plan may be continued by the successor, and in that event, the successor will be substituted for the Employer.

ARTICLE 12

Termination

12.1 Right to Terminate or Discontinue Contributions.

This instrument may be revoked and the plan may be terminated by the Employer or Administrator (if, and to the extent, the Employer has delegated termination authority to the Administrator). The Employer reserves the right to cease or suspend further contributions at any time.

12.2 Effect of Termination.

(a) Nonforfeitability. Upon termination, accounts of affected Participants shall be nonforfeitable.

(b) Distribution. Upon complete termination of this plan, the Administrator shall direct the Funding Agent to make distributions to affected Participants under Article 7. If a Participant cannot be located or efforts to communicate with the Participant fail to secure an election by the Participant, the Administrator will direct the Funding Agent to transfer the Participant's Vested Account Balance to (1) the trustee or custodian of an individual retirement account designated by the Administrator, (2) an interest-bearing federally insured bank account established by the Administrator in the name of the Participant, or (3) a state unclaimed property fund in the state of the recipient's last known address. In determining the appropriate course of action for a particular account, the Administrator may consider differing factors such as the amount of the distribution, the expense involved, the Administrator's ability to establish an individual retirement account, and any other factors the Administrator reasonably concludes are relevant.

12.3 No Reversion of Assets.

The Employer may not receive an amount from the plan upon termination or discontinuance of contributions.

ARTICLE 13

General Provisions

13.1 Spendthrift Provision.

An interest in the assets of the plan shall not be subject to assignment, conveyance, transfer, anticipation, pledge, alienation, sale, encumbrance, or charge, whether voluntary or involuntary, by a Participant or Beneficiary except under a DRO or as permitted in (b) below.

(a) Not Security. An interest shall not provide collateral or security for a debt of a Participant or Beneficiary or be subject to garnishment, execution, assignment, levy, or to another form of judicial or administrative process or to the claim of a creditor of a Participant or Beneficiary, through legal process or otherwise.

(b) Offset/Felony. The interest of a Participant who is convicted of or enters a nolo contendere plea accepted by the court for a felony arising out of the Participant's service as a public employee may be offset by an order of the court in accordance with the Public Employee Retirement Benefits Forfeiture Act (Act 350 of the Michigan Public Acts of 1994).

(c) Attempts Void. Any other attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge, or otherwise dispose of benefits payable, before actual receipt of the benefits, or a right to receive benefits, shall be void. The plan shall

not be liable for, or subject to, the debts, contracts, liabilities, engagements, or torts of a person entitled to benefits. The benefits and plan assets under this plan are not considered an asset of a Participant or Beneficiary in the event of insolvency or bankruptcy.

13.2 Effect Upon Employment Relationship.

The adoption of this plan does not create a contract of employment between the Employer and an Employee, confer upon an Employee a legal right to continuation of employment, limit or qualify the right of the Employer to discharge or retire an Employee at will, or affect the right of the Employee to remain in service after the date the Participant attains age 65.

13.3 No Interest in Employer Assets.

Nothing in this plan shall be construed to give an Employee, Participant, or Beneficiary (including an alternate payee) an interest in the assets or the business affairs of the Employer, or the right to examine the books and records of the Employer. A Participant's rights are solely those granted by this instrument.

13.4 Benefits Payable by Funding Vehicles.

All benefits to which Persons become entitled to under this plan shall be provided only through Funding Vehicles and only to the extent of the value of those vehicles. No benefits are provided or paid directly by the Employer.

13.5 Construction.

The singular includes the plural, and the plural includes the singular, unless the context clearly indicates the contrary. Capitalized terms have the meaning specified in this plan. If a term is not defined, the term has the general, accepted meaning of the term. Any period of time described in this plan consists of consecutive days, months, or years, as appropriate.

13.6 Severability.

If any provision of this plan is invalid, unenforceable, or disqualified under applicable state law, the Code, or Regulations, for any period of time, the remaining provisions shall remain in effect.

13.7 Governing Law.

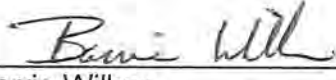
This plan shall be interpreted, administered, and managed in compliance with the Code and Regulations. This plan shall also be interpreted, administered, and managed in compliance with the laws of the State of Michigan.

13.8 No Diversion.

The plan is established and must be administered for the exclusive benefit of Participants and their beneficiaries.

The Employer has executed this instrument this 5 day of November, 2019.

CENTRAL MICHIGAN UNIVERSITY

By 
Barrie Wilkes
Its VP Finance and Administrative Services

Employer

18583672-4

SCHEDULE A

(a) Original Plan. Central Michigan University ("University") originally established the Central Michigan University 457(b) Public Deferred Compensation Plan effective October 15, 2002. The plan was amended on May 1, 2019, to authorize Roth Contributions under Code Section 402A, effective July 1, 2019.

(b) 2019 Restatement. The University amended and restated the plan in its entirety effective January 1, 2019.

SCHEDULE B

Funding Agents/Funding Vehicles

Teachers Insurance and Annuity Association of America (TIAA) has been designated as the Funding Agent for the plan. The Funding Vehicles are a custodial account as defined in Section 9.1(b) and an annuity contract as defined in Section 9.1(c).