UNIVERSITY SYSTEM OF MARYLAND
SUPPLEMENTAL 403(b) RETIREMENT PLAN

Amended and Restated Effective as of January 1, 2020
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ARTICLE I.
ESTABLISHMENT AND RESTATEMENT OF PLAN

Section 1.01. Plan Establishment and History.

(a) The University System of Maryland is a public university system established under Maryland law and an educational organization described in Section 170(b)(1)(A)(ii) of the Internal Revenue Code of 1986, as amended ("Code"). The Board of Regents of the University System of Maryland ("Board") established the University System of Maryland Supplemental 403(b) Retirement Plan ("Plan") pursuant to Code Section 403(b) and Sections 30-210 et seq. of the State Personnel and Pensions Article of the Annotated Code of Maryland (1978, 2004 Repl. Vol.), to provide eligible employees the opportunity to supplement their retirement benefits through voluntary contributions.

(b) The Plan is, and is intended to remain, a defined contribution plan under Code Section 403(b). The Plan is a governmental plan within the meaning of Code Section 414(d) and Section 3(32) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). As a governmental plan, ERISA does not apply.

(c) The Plan was most recently amended and restated effective June 17, 2011.

Section 1.02. Plan Restatement.

(a) The Plan is now being amended and restated effective January 1, 2020, except as otherwise specifically provided herein, to incorporate the prior amendments to the Plan and to make certain discretionary changes.

(b) Except as otherwise specifically provided herein, the Plan as hereinafter set forth establishes the rights and obligations with respect to individuals who are Employees on and after January 1, 2020, and to transactions under the Plan on and after January 1, 2020. The rights and benefits, if any, of individuals who are not Employees on or after January 1, 2020, shall be determined in accordance with the terms and provisions of the Plan that were in effect on the date of their Severance from Employment, except as otherwise specifically provided herein or in a subsequent amendment.

Section 1.03. Plan Funding. The Plan is funded exclusively through the purchase of Investment Arrangements in accordance with the requirements of the Code. The terms and conditions of the Investment Arrangements shall be incorporated into this Plan; provided, however, that to the extent that there is any conflict between the terms of the Investment Arrangements and the terms of the Plan, the terms of the Plan shall govern, except as otherwise specifically provided herein.
ARTICLE II.
RULES OF CONSTRUCTION AND DEFINITIONS

Section 2.01. Rules of Construction and Governing Law.

(a) This Plan shall be interpreted, enforced, and administered in accordance with the Code and, when not inconsistent with the Code, or expressly provided otherwise herein, the laws of the State of Maryland without regard to conflict of law principles.

(b) Words used herein in the masculine gender shall be construed to include the feminine gender where appropriate, and vice versa, and words used herein in the singular or plural shall be construed as being in the plural or singular, where appropriate, and vice versa.

(c) The headings and subheadings in the Plan are inserted for convenience of reference only and are not to be considered in the construction of any provision of the Plan.

(d) If any provision of the Plan shall be held to violate the Code or be illegal or invalid for any other reason, that provision shall be deemed to be null and void, but the invalidation of that provision shall not otherwise impair or affect the Plan.

(e) In resolving any conflict between provisions of the Plan and in resolving any other uncertainty as to the meaning or intention of any provision of the Plan, the interpretation that causes the Plan to (i) constitute a defined contribution plan under the provisions of Code Section 403(b), (ii) be a governmental plan as defined in ERISA Section 3(32) and Code Section 414(d), and (iii) comply with all applicable requirements of the Code, shall prevail over any different interpretation.

Section 2.02. Definitions. When the initial letter of a word or phrase is capitalized herein, the meaning of such word or phrase shall be as follows:

(a) "Account" means the separate accounts maintained for each Participant and Beneficiary under the Plan. The following Accounts shall be established for a Participant or Beneficiary, if applicable:

1. A Pre-Tax Contribution Account to reflect the Participant's or Beneficiary's interest under the Plan attributable to Pre-Tax Contributions pursuant to Section 4.01. Such Account may be further divided into a Pre-1987 Pre-Tax Contribution Account reflecting Pre-Tax Contributions made to the Plan prior to 1987 and a Post-1986 Pre-Tax Contribution Account reflecting Pre-Tax Contributions made to the Plan after 1986, including any earnings on the Pre-1987 Pre-Tax Contributions.

2. A Roth Contribution Account to reflect the Participant's or Beneficiary's interest under the Plan attributable to Roth Contributions pursuant to Section 4.01.

3. "Post-Severance Employer Contribution Account" means the account maintained to reflect the Participant's or Beneficiary's interest under the Plan attributable to his or her Post-Severance Employer Contributions, if any, pursuant to Section 4.02.
(4) A Rollover Contribution Account to reflect the Participant's or Beneficiary's interest under the Plan attributable to Rollover Contributions pursuant to Section 4.03.

(b) "Administrator" means the Administrative Committee as designated by the Board, or such other person, persons, or entity designated by the Board, to perform the administrative duties and functions under the Plan.

(c) "Allocable Income" means the sum of the allocable gain or loss for the year or partial year determined in accordance with Code Section 402(g) and the regulations promulgated thereunder.

(d) "Annual Addition" means annual addition as defined in Code Section 415(c) and as modified in Code Sections 415(l)(1) and 419A(d)(2). In general, Code Section 415(c) defines annual addition as the sum of the following amounts credited to a Participant's Account for the Limitation Year under this Plan and to a Participant's account under any other Code Section 401(a) defined contribution plan maintained by the Employer (or, if required by Code Section 415 and the regulations thereunder, to any other defined contribution plan):

1. employee contributions;
2. employer contributions;
3. forfeitures;
4. allocations under a simplified employee pension;
5. amounts allocated to an individual medical account, as defined in Code Section 415(l)(2), which is part of a pension or annuity plan maintained by the University or a Related Employer, or both, as applicable; and
6. mandatory employee contributions to a defined benefit plan maintained by the University, unless the contributions are picked up by the University pursuant to Code Section 414(h)(2).

Annual Additions shall not include (i) elective deferrals made by a Participant who is age 50 or older in accordance with Code Section 414(v), (ii) excess elective deferrals distributed in accordance with Treasury Regulation Section 1.402(g)-1(e)(2), (iii) rollover contributions, or (iv) transfer contributions.

(e) "Annuity Contract" means a nontransferable contract as defined in Code Sections 403(b)(1) and 401(g), established for Participants by the Employer, or by each Participant individually, that is issued by a Vendor who is an insurance company qualified to issue annuities in a State and that includes payment in the form of an annuity.

(f) "Applicable Form" means the appropriate form as designated and furnished by the Administrator or Vendor to make an election or provide a notice as required by the Plan. If a written election or consent is not specifically required by the Code, the Administrator or Vendor
may prescribe a verbal, electronic, or telephonic instruction in lieu of or in addition to a written form.

(g) "Beneficiary" means the person, company, trustee, or estate designated by the Participant on the Applicable Form to receive any benefits payable under the Plan in the event of the Participant's death. A designation of an individual as a Beneficiary shall remain in effect until affirmatively revoked by the Participant on a subsequent Applicable Form. Unless otherwise provided in the Investment Arrangement, if the designated Beneficiary does not survive the Participant or there is no Beneficiary designated, the Participant's Spouse shall be the Beneficiary or, if none, the Participant's estate shall be the Beneficiary. Beneficiary also means an alternate payee within the meaning of Code Section 414(p)(8).

(h) "Board" means the Board of Regents of the University System of Maryland.

(i) "Code" means the Internal Revenue Code of 1986, as amended from time to time.

(j) "Compensation" means all cash compensation for services to the Employer, including salary, wages, fees, commissions, bonuses, and overtime pay, which is includible in the Employee's gross income for the calendar year, plus amounts that would be cash compensation for services to the Employer includible in the Employee's gross income for the calendar year but for a compensation reduction election under Code Section 125, 132(f), 401(k), 403(b), or 457(b) (including an election to reduce compensation in order to make Elective Deferrals under the Plan). Compensation does not include amounts "picked up" by the Employer within the meaning of Code Section 414(h). Compensation includes any compensation described in paragraphs (1) or (2), provided it is paid by the later of 2½ months after the Employee's Severance from Employment with the Employer or the end of the calendar year in which the Employee has a Severance from Employment with the Employer:

(1) any payment that would have been paid to the Employee prior to a Severance from Employment if the Employee continued in employment with the Employer and that is regular compensation for services during the Employee's regular working hours, compensation for services outside the Employee's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and

(2) a payment for unused accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if employment had continued and the payment would be Compensation if paid prior to the Employee's Severance from Employment, and only if the Employee separately elects for such payment to be reduced on his or her Salary Reduction Agreement pursuant to Section 4.01.

Notwithstanding the above, to the extent applicable, Compensation shall not exceed the limits under Code Section 401(a)(17), as increased for the Cost of Living Adjustment for the Plan Year.

(k) "Contributions" mean Pre-Tax Contributions, Roth Contributions, Post-Severance Employer Contributions, and Rollover Contributions.
"Cost of Living Adjustment" means the cost of living adjustment prescribed by the Secretary of the Treasury under Code Section 401(a)(17), 402(g), 414(v), or 415(d) for any applicable year.

"Custodial Account" means the group or individual custodial account or accounts, as defined in Code Section 403(b)(7), established by the Administrator, or by each Participant individually, with a Vendor to hold assets of the Plan.

"Disabled" or "Disability" means disability within the meaning of Code Section 72(m)(7).

"Elective Deferral" means Pre-Tax Contributions, Roth Contributions, and any other elective deferral as defined by Code Section 402(g)(3).

"Employee" means a common law employee of the Employer, other than non-resident aliens with no U.S. source income or students performing services described in Code Section 3121(b)(10). Employee shall not include an employee unless his or her Compensation for performing services is paid by the Employer.

"Employer" means one of the following Public Schools:

1. the University System of Maryland Office;
2. Bowie State University;
3. Coppin State University;
4. Frostburg State University;
5. Salisbury University;
6. Towson University;
7. University of Baltimore;
8. University of Maryland, Baltimore;
9. University of Maryland, Baltimore County;
10. University of Maryland, College Park;
11. University of Maryland, Eastern Shore;
12. University of Maryland University College;
13. University of Maryland Biotechnology Institute;
14. University System of Maryland Center for Environmental Science; and
(15) any other center, component, or institute established and operated by the University System of Maryland in accordance with its mission pursuant to Section 12-101 of the Annotated Code of Maryland (1978, 2006 Repl. Vol.).

(r) "Excess Annual Additions" mean, except as provided in Code Section 414(v), that portion of a Participant's Contributions to the Plan and contributions to another qualified defined contribution plan sponsored by the Employer (or, if required by Code Section 415 and the regulations thereunder, to any other defined contribution plan) for a Limitation Year which exceeds the limits of Code Section 415.

(s) "Excess Elective Deferrals" mean, except as provided in Code Section 414(v), that portion of a Participant's Pre-Tax Contributions and/or Roth Contributions to the Plan and Elective Deferrals to any other 403(b) or 401(k) plan maintained by the Employer or a Related Employer for a Plan Year which exceeds the limits of Code Section 402(g).

(t) "Former Vendor" means a service provider that was an approved Vendor under the Plan, but that ceases to be an approved Vendor under the Plan, that continues to hold Plan assets. Notwithstanding the preceding, a Former Vendor shall not include a service provider that ceased to be eligible to receive contributions under the Plan prior to January 1, 2005.

(u) "HEART" means the Heroes Earnings Assistance and Relief Tax Act of 2008, as amended from time to time.

(v) "Includible Compensation" means all compensation received by an Employee from the Employer that is includible in his or her gross income for federal income tax purposes (computed without regard to Code Section 911) for the most recent period that is a Year of Service which precedes the taxable year by no more than five years within the meaning of Code Section 403(b)(3). Includible Compensation also includes any amounts excludable from taxable income because of an election (including Elective Deferrals under the Plan) under Code Sections 403(b), 457(b), 125, 401(k), or 132(f). Includible Compensation includes compensation paid by 2½ months after the later of an Employee's Severance from Employment or the end of the Plan Year that includes the date of the Employee's Severance from Employment, if:

1. the payment is regular compensation for services during the Employee's regular working hours, or compensation for services outside the Employee's regular working hours (e.g., overtime or shift differential), commissions, bonuses, or other similar payments and the payment would have been paid to the Employee prior to a Severance from Employment if the Employee had continued in employment with the Employer; and

2. the payment is for unused accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if the Employee had continued in employment.

Includible Compensation does not include any amounts "picked up" by the Employer within the meaning of Code Section 414(h). Includible Compensation is determined without regard to any community property laws. To the extent applicable, Includible Compensation shall not exceed
the limits under Code Section 401(a)(17), as increased for the Cost of Living Adjustment for the Plan Year.

(w) "Investment Arrangement" means an Annuity Contract or Custodial Account that satisfies the requirements of Treasury Regulation Section 1.403(b)-3 and that is issued or established for funding amounts held under the Plan and specifically approved by the Administrator for use under the Plan.

(x) "Investment Options" mean the investment funds available under the Investment Arrangements provided by the Vendor(s) and specifically approved by the Administrator, in its sole and absolute discretion, for use under this Plan.

(y) "Limitation Year" means the Plan Year; provided, however, that if the Participant is in control of an employer within the meaning of Treasury Regulation Section 1.415(a)-1(f), the Limitation Year is the limitation year of that employer.

(z) "Participant" means any Employee who is or may become eligible to receive a benefit of any type under the Plan. A Participant shall also mean, when appropriate to the context, a former Employee who is eligible to receive a benefit of any type under the Plan.

(aa) "Plan" means the University System of Maryland Supplemental 403(b) Retirement Plan, as amended from time to time.

(bb) "Plan Year" means the calendar year.

(cc) "Post-Severance Employer Contribution" means Employer contributions made to the Plan on behalf of a Participant in connection with the Participant's Severance from Employment as determined in the sole and absolute discretion of the Board or its delegate pursuant to Section 4.02.

(dd) "Pre-Tax Contribution" means a contribution made to the Plan by the Employer at the election of a Participant pursuant to a Salary Reduction Agreement in accordance with Section 4.01.

(ee) "Public School" means a state sponsored educational organization described in Code Section 170(b)(1)(A)(ii).

(ff) "Qualified Distribution" means a distribution from a Roth Contribution Account after the Participant has satisfied a five year tax holding period and has attained age 59½, died, or become Disabled, in accordance with Code Section 402A(d). The five year tax holding period is the period of five consecutive taxable years that begins with the first day of the first taxable year in which the Participant makes a designated Roth Contribution under the Plan or to another retirement plan which amount was directly rolled over to the Plan, and ends when five consecutive taxable years have been completed.

(gg) "Related Employer" means any entity which is under common control with the Employer under Code Section 414(b), (c), (m), or (o). 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, 1989-1 C.B. 654.

(hh) "Rollover Contribution" means an amount contributed to the Plan pursuant to Section 4.03.

(ii) "Roth Contribution" means a contribution made to the Plan by the Employer at the election of a Participant pursuant to a Salary Reduction Agreement in accordance with Section 4.01, where the contribution has been (i) designated irrevocably by the Participant as a Roth Contribution being made in lieu of all or a portion of the Pre-Tax Contribution the Participant is otherwise eligible to make under the Plan, and (ii) treated by the Employer as includible in the Participant's gross income at the time the Participant would have received that amount in cash if the Participant had not made such an election. Roth Contributions shall be available under the Plan as soon as administratively practicable on or after January 1, 2020.

(jj) "Salary Reduction Agreement" means an agreement entered into between an Employee and the Employer pursuant to Section 4.01. Such agreement shall not be effective with respect to Compensation made available prior to the effective date of such agreement and shall be binding on the parties and irrevocable with respect to Compensation earned while it is in effect.

(kk) "Section" means, when not preceded by the word Code or ERISA, a section of the Plan.

(ll) "Severance from Employment" means the complete termination of the employment relationship between the Employee and the Employer and any Related Employer. However, a Severance from Employment also occurs on any date on which an Employee ceases to be an employee of an Employer or Related Employer that is a Public School, even though the Employee may continue to be employed by a Related Employer that is another unit of the State or local government that is not a Public School or in a capacity that is not employment with a Public School (e.g., ceasing to be an employee performing services for a Public School but continuing to work for the same State or local government employer).

(mm) "Spouse" means the person to whom an Eligible Employee is legally married under the law of any state.

(nn) "USERRA" means the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended from time to time.

(oo) "Vendor" means the service provider that has been approved by the Administrator to serve as third party administrator and/or recordkeeper for the Plan and/or to offer Investment Options to Participants under the Plan. The Vendor(s) are listed in Appendix A, as modified from time to time in the Administrator's sole and absolute discretion. A modification of Appendix A is not an amendment of the Plan.

(pp) "Vest" or "Vested" means the interest of the Participant or Beneficiary in his or her Account that is unconditional, legally enforceable, and nonforfeitable.
"Year of Service" means each year during which the Employee is a full-time Employee of the Employer for the entire work period, and a fraction of a year for each part of a work period during which the Employee is a full-time or part-time Employee of the Employer, determined in accordance with the rules under Treasury Regulation Section 1.403(b)-4(e).

**ARTICLE III. PARTICIPATION**

**Section 3.01. Participation.** An Employee may become a Participant in the Plan for purposes of Elective Deferrals or Rollover Contributions immediately after commencement of employment with the Employer. Participation in the Plan is voluntary.

**Section 3.02. Notice and Enrollment.**

(a) The Employer shall notify an Employee when he or she is eligible to participate in the Plan for purposes of Elective Deferrals.

(b) An Employee must complete the enrollment process and make investment elections with the Vendor on the Applicable Form, including a Salary Reduction Agreement for purposes of Elective Deferrals, to become a Participant in the Plan. An Employee who fails to complete the enrollment process and make investment elections with the Vendor on the Applicable Form shall be deemed to have waived all of his or her rights under the Plan, provided that such Employee may become a Participant in the Plan at any time thereafter by completing the enrollment process and making investment elections with the Vendor on the Applicable Form.

**Section 3.03. Cessation of Contributions.** A Participant shall cease to be eligible for Elective Deferrals under the Plan when he or she is no longer an Employee.

**Section 3.04. Cessation of Participation.** A Participant shall cease to be a Participant on the distribution of his or her entire interest in the Plan.

**Section 3.05. Reemployment.** A former Participant who is reemployed by the Employer shall immediately become a Participant in this Plan as of his or her date of rehire as an Employee.

**ARTICLE IV. CONTRIBUTIONS**

**Section 4.01. Elective Deferrals.**

(a) Subject to the limitations under Article V, an Employee who has satisfied the participation requirements under Section 3.01 may enter into a written Salary Reduction Agreement with the Employer agreeing to contribute each pay period Pre-Tax Contributions and/or Roth Contributions to the Plan in any flat dollar amount.

(b) Pre-Tax Contributions and Roth Contributions shall begin as soon as administratively practicable following the date specified in the Salary Reduction Agreement, or,
if later or if no date is specified, as soon as administratively practicable after the Salary Reduction Agreement is filed with the Administrator or the Vendor, as applicable.

(c) Pre-Tax Contributions and/or Roth Contributions shall reduce the Compensation otherwise payable to a Participant and shall be paid in cash to the Vendor by the Employer, on a basis consistent with its payroll practices, as soon as administratively feasible after being withheld from the Compensation of a Participant, but no later than 15 business days following the end of the month in which such amount is withheld from the Compensation of the Participant.

(d) If the Participant fails to designate whether Elective Deferrals are Pre-Tax Contributions or Roth Contributions, the Participant will be deemed to have designated his or her Elective Deferrals as Pre-Tax Contributions. Pre-Tax Contributions shall be allocated to the Pre-Tax Contribution Account of the Participant as of the date of contribution. Roth Contributions shall be allocated to the Roth Contribution Account of the Participant as of the date of contribution.

(e) A Salary Reduction Agreement shall remain in effect until superseded by another election or until the Administrator requires a Participant to complete a new Salary Reduction Agreement on a uniform and nondiscriminatory basis.

(1) A Participant may change his or her election to make Pre-Tax Contributions and/or Roth Contributions at any time by filing a new Salary Reduction Agreement with the Administrator or the Vendor, as applicable. Any such changes shall be effective as soon as administratively practicable following the date specified in the new Salary Reduction Agreement, or, if later, as soon as administratively practicable after the Salary Reduction Agreement is filed.

(2) A Participant may terminate his or her election to make Pre-Tax Contributions and/or Roth Contributions at any time by filing the Applicable Form with the Administrator or the Vendor, as applicable, which shall be effective as soon as administratively practicable after the Applicable Form is filed.

(f) An election to make Pre-Tax Contributions and/or Roth Contributions shall not be valid with respect to any period during which the Participant is not an Employee. No election to make, change, or discontinue Pre-Tax Contributions and/or Roth Contributions shall be given retroactive effect.

(g) The Administrator may establish additional nondiscriminatory rules and procedures governing the manner and timing of elections by Participants to make, change, or discontinue Pre-Tax Contributions and/or Roth Contributions.

Section 4.02. Post-Severance Employer Contributions. The Employer may make Post-Severance Employer Contributions to the Plan in an amount and for such Employee or Employees as determined by the Board or its delegate in its sole and absolute discretion each Plan Year. Post-Severance Employer Contributions shall be allocated to the Post-Severance Employer Contribution Account of the Participant as of the date of the contribution, and shall be made in accordance with Code Section 403(b)(3) and Treasury Regulation Section 1.403(b)-4(d).
Section 4.03. Rollover Contributions to the Plan.

(a) Subject to the Investment Arrangements, Participants who are Employees may transfer to the Plan as a Rollover Contribution a distribution from a Code Section 401(a) (including 401(k)) or 403(a) qualified plan (excluding after-tax contributions), a Code Section 403(b) plan (excluding after-tax contributions), a Code Section 408 individual retirement account or annuity, or a Code Section 457(b) eligible deferred compensation plan which is maintained by an eligible employer described in Code Section 457(e)(1)(A). Any Rollover Contribution (i) shall be subject to the Vendor's determination, in its discretion, that the Rollover Contribution satisfies all applicable requirements of the Code and (ii) shall be made directly from such prior plan, or if such amount was distributed to the Participant, such Rollover Contribution shall be made within 60 days after the Participant receives the rollover amount.

(b) The Plan shall accept a Rollover Contribution to a Roth Contribution Account only if it is a direct rollover from another Roth elective deferral account under an applicable retirement plan described in Code Section 402A(e)(1) and only to the extent the rollover is permitted under the rules of Code Section 402(c).

(c) A Rollover Contribution shall be allocated to the Rollover Contribution Account of the Participant as of the date of the contribution. Before a Rollover Contribution is made, the Participant shall designate on the Applicable Form the Investment Options in which the Vendor should invest the Participant's Rollover Contribution.

Section 4.04. In-Plan Roth Rollovers.

(a) Any portion or all of a Participant's Vested Account (other than a Roth Contribution Account) is eligible for direct rollover to the Participant's Roth Contribution Account under the Plan, even if the Vested Account is not otherwise distributable (pursuant to Code Section 402A(c)(4)(E)) under Article VIII of the Plan, and the transfer shall be treated as a qualified rollover contribution (within the meaning of Code Section 408A(e)) to the Participant's Roth Contribution Account.

(b) A Participant's election under this Section 4.04 shall be subject to the reasonable administrative procedures established by the Administrator, Code Section 402A(c)(4) and the regulations thereunder, and subsequent guidance from the Internal Revenue Service.

(c) The taxable portion of the Participant's Account directly rolled over to a Roth Contribution Account under this Section 4.04 shall be included in the Participant's gross income in the tax year in which the transfer occurs.

(d) To the extent required by Code Section 402(f), the Administrator shall provide written information regarding in-Plan Roth rollovers under this Section 4.04, for amounts that are otherwise distributable under Article VIII.

Section 4.05. Leave of Absence. During a paid leave of absence, Pre-Tax Contributions and/or Roth Contributions shall continue to be made for a Participant on the basis of Compensation paid by the Employer during the leave. No Contributions shall be made during an unpaid leave of absence.
**Section 4.06. Expenses of Plan.** All reasonable expenses of administering the Plan shall be charged against and paid from the Participant's Accounts, subject to the terms of the applicable Investment Arrangements, unless paid by the Employer. The Administrator shall have the right to allocate expenses associated with maintaining the Accounts of terminated Employees to such Accounts, even if no expenses are allocated to the Accounts of active Employees, in accordance with rules promulgated by the Internal Revenue Service.

**ARTICLE V. LIMITATIONS ON CONTRIBUTIONS**

**Section 5.01. Elective Deferral Limits.**

(a) The maximum amount of Elective Deferrals to the Plan for any calendar year shall be limited to the applicable dollar amount as provided in Code Section 402(g)(B)(1). The applicable dollar amount is $19,500 for 2020, increased thereafter by the Cost of Living Adjustment.

(b) A Participant who attains age 50 or more by the end of the calendar year, and who is contributing up to the applicable dollar amount under paragraph (a), may make additional Elective Deferrals under Code Section 414(v) of up to $6,500 for 2020, increased thereafter by the Cost of Living Adjustment.

(c) The special catch-up under Code Section 402(g)(7) shall not apply.

**Section 5.02. Excess Elective Deferrals.** Excess Elective Deferrals resulting from Elective Deferrals made on behalf of the Participant to this Plan and to any other 403(b) or 401(k) plan maintained by the Employer or a Related Employer (or, to the extent timely requested by the Participant, to any other 403(b) or 401(k) plan maintained by any other employer) shall be distributed along with Allocable Income to the Participant no later than the April 15th following the calendar year in which the Excess Elective Deferral was made. Such distributions shall be made in accordance with the rules under Code Section 402(g) and the regulations thereunder.

**Section 5.03. Code Section 415 Limits.**

(a) Notwithstanding any provision of the Plan to the contrary, Annual Additions to the Plan and any other Code Section 403(b) plan maintained by the Employer or a Related Employer (or, if required by Code Section 415 and the regulations thereunder, to any other defined contribution plan) for a Participant in a Limitation Year shall not exceed the limitations set forth in Code Section 415(c), except to the extent permitted under Code Section 414(v).

(b) The Code Section 415(c) limit for any Limitation Year is the lesser of:

1. $57,000 for 2020, increased thereafter by the Cost of Living Adjustment;

or

2. 100% of the Participant's Includible Compensation.
Section 5.04. Excess Annual Additions.

(a) If as of the end of the Plan Year, the Annual Additions allocated to any Participant's Account exceed the limitations of this Article V, the Excess Annual Additions will be corrected as permitted under the Employee Plans Compliance Resolution System (or similar Internal Revenue Service correction program).

(b) In any Plan Year, in the event Contributions would exceed the Code Section 415(c) limitations, an adjustment to comply with this Article shall be made as soon as administratively practicable, but no later than the time permitted under Internal Revenue Service to any plan maintained by the Participant or another employer that is required to be aggregated under Code Section 415(c) with the Plan.

ARTICLE VI. ACCOUNTING

Section 6.01. Participant Accounts. The Vendor(s) shall establish and maintain adequate records to reflect the Accounts of each Participant and Beneficiary. Credits and charges shall be made to such Accounts to reflect additions, distributions, and withdrawals, and to reflect gains or losses pursuant to the terms of each Investment Arrangement. The maintenance of individual Accounts is for accounting purposes only, and a segregation of Plan assets to each Account shall not be required.

Section 6.02. Participant Statements. The Vendor(s) shall provide to each Participant a quarterly statement reflecting the value of the Participant's Account as of the end of each quarter, and shall provide similar information to the Administrator upon its request.

Section 6.03. Value of Account. The value of the Account of a Participant as of any valuation date is the value of the Account balance as determined by the Vendor. The valuation date shall be the last day of the Plan Year and each other date designated by the Administrator or Vendor in a uniform and nondiscriminatory manner. All transactions and Account records shall be based on fair market value.

ARTICLE VII. INVESTMENT OF CONTRIBUTIONS

Section 7.01. Vendors and Investment Options.

(a) All Contributions under the Plan shall be transferred to the Vendor(s) to be held, managed, invested and distributed in accordance with the provisions of the Plan and the Investment Arrangements as applicable. All benefits under the Plan shall be distributed solely from the Investment Arrangements, and the Employer shall have no liability for any such benefits other than the obligation to make Contributions as provided in the Plan.

(b) Participants' Accounts shall be invested in one or more of the Investment Options available to Participants from a Vendor(s) approved under this Plan, as selected by the Administrator and communicated to Participants. The current Vendor(s) are listed in Appendix
A. The Administrator's current selection of Vendor(s) and Investment Options is not intended to limit future additions or deletions of Vendor(s) or Investment Options.

   (c) A Participant shall have the right to direct the investment of his or her Accounts by filing the Applicable Form with the Vendor(s). A Participant may change his or her investment election as often as determined by the Vendor(s). A Participant may elect to transfer all or any portion of his or her Accounts invested in any one Investment Option to another Investment Option, regardless of whether offered by the same or a different Vendor, subject to the limitations of the Investment Arrangements, by filing a request on the Applicable Form with the Vendor(s) or by such other means that may be provided for by the Vendor(s). A Participant may also elect to transfer all or any portion of his or her Accounts invested with a Former Vendor to an Investment Option with a Vendor, subject to the terms of the Investment Arrangements. In no event, however, may a Participant transfer any portion of his or her Accounts invested in an Investment Option with a Vendor to an investment with a Former Vendor or any other vendor that is not eligible to receive Contributions under the Plan.

Section 7.02. Exclusive Benefit. Each Custodial Account shall provide for it to be impossible, prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries, for any part of the assets and income of the Custodial Account to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and Beneficiaries.

Section 7.03. Default Investments. If a Participant does not have a valid and complete investment direction on file with the Vendor on the Applicable Form, Contributions will be invested in a default Investment Option selected by the Administrator in its sole and absolute discretion, until the Participant makes an affirmative election regarding the investment of his or her Account.

ARTICLE VIII.
DISTRIBUTIONS

Section 8.01. Commencement of Distributions.

(a) A Participant or, if applicable, a Beneficiary, shall be eligible to receive a distribution of his or her Vested Account under the Plan upon the Participant's:

   (1) Severance from Employment;

   (2) death;

   (3) Disability;

   (4) attainment of age 59½; or

   (5) financial hardship, as described in Section 8.03.

(b) The distribution restrictions in paragraph (a) do not apply to Pre-Tax Contributions to the Plan prior to January 1, 1989 (not including earnings thereon), provided such Pre-Tax Contributions are separately accounted for under the Plan.
(c) Subject to the terms of the Investment Arrangements, Participants may elect to have either Pre-Tax Contributions or Roth Contributions distributed from the Plan first. Unless provided otherwise under the terms of the applicable Investment Arrangement, if the Participant fails to make an election, Pre-Tax Contributions will be distributed from the Plan first.

(d) Subject to the terms of the Investment Arrangements, a Rollover Contribution Account may be distributed to a Participant at any time, to the extent that Rollover Contributions have been separately accounted for by the Vendor.

(e) A Participant or Beneficiary may submit a request for a distribution to the Vendor on the Applicable Form. The Employer shall certify that the Participant has had a Severance from Employment or is Disabled.

Section 8.02. Form of Distribution.

(a) A Participant may elect to receive his or her Vested Account under any payment option available under the Investment Arrangement. Subject to the terms of the Investment Arrangement, these may include, but are not necessarily limited to, a single lump sum, annuity payments, and installment payments. All forms of payment shall be subject to the limitations of the Investment Arrangement.

(b) To the extent permitted by the Investment Arrangement, a lump sum payment of a Vested Account may be made without the consent of the Participant or Beneficiary if his or her Account balance does not exceed $1,000 (determined without regard to his or her Rollover Contribution Account), unless the Participant elects to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly in a lump sum.

Section 8.03. Hardship Distributions.

(a) To the extent (i) a Vendor has been approved by the Administrator to allow hardship withdrawals under the Plan and (ii) a hardship withdrawal is permitted by the terms governing the applicable Investment Arrangement, distribution of Elective Deferrals (excluding any earnings on such Elective Deferrals after December 31, 1988) may be made to a Participant who is an Employee in the event of hardship. A hardship distribution may only be made on account of an immediate and heavy financial need of the Participant and where the distribution is necessary to satisfy the immediate and heavy financial need. Participants may be charged a reasonable processing fee per hardship withdrawal.

(b) The following are the only financial needs considered immediate and heavy:

1. expenses incurred or necessary for medical care described in Code Section 213(d) (without regard to whether the expenses exceed 7.5% of adjusted gross income) of the Participant, the Participant's Spouse or dependents (as defined in Code Section 152, but without regard to Code Sections 152(b)(1), (b)(2), and (d)(1)(B));

2. the purchase (excluding mortgage payments) of a principal residence for the Participant;
(3) payment of tuition and related educational fees and room and board expenses for the next 12 months of post-secondary education for the Participant, the Participant's Spouse or dependents (as defined in Code Section 152, but without regard to Code Sections 152(b)(1), (b)(2), and (d)(1)(B));

(4) payments necessary to prevent the eviction of the Participant from, or a foreclosure on the mortgage of, the Participant's principal residence;

(5) payments for funeral or burial expenses for the Participant's deceased parent, Spouse, any dependent (as defined in Code Section 152, but without regard to Code Sections 152(b)(1), (b)(2), and (d)(1)(B));

(6) expenses to repair damage to the Participant's principal residence that would qualify for a casualty loss deduction under Code Section 165 (determined without regard to whether the loss exceeds 10% of adjusted gross income);

(7) expenses and losses (including loss of income) incurred by the Participant on account of a disaster declared by the Federal Emergency Management Agency (FEMA) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 100-707, provided that the Participant's principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster; and

(8) such other circumstances as the Commissioner of Internal Revenue determines constitute financial hardship under Code Section 401(k) or the Treasury Regulations thereunder.

(c) A distribution will be considered necessary to satisfy an immediate and heavy financial need of the Participant only if:

(1) The distribution is not in excess of the amount of the immediate and heavy financial need (including amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution);

(2) The Participant has obtained all distributions currently available under the Plan or any other plans maintained by the Employer, other than hardship distributions and non-taxable loans;

(3) For distributions on or before December 31, 2019, all plans maintained by the Employer provide that the Participant's Elective Deferrals will be suspended until the earlier of (i) six months after the receipt of the hardship distribution or (ii) January 1, 2020;

(4) For distributions made on or after January 1, 2020, the Participant represents that he or she has insufficient cash or other liquid assets reasonably available to satisfy the need; and
(5) The Participant has met any such additional or alternative requirements as may be prescribed in Treasury Regulation Section 1.401(k)-1(d)(3)(iv)(E) or subsequent promulgations.

(d) A Participant must provide substantiation of the reason for and the amount of the immediate and heavy financial need to the Vendor. The Vendor shall approve all hardship distributions under this Section 8.03.

(e) The Administrator shall take such steps as appropriate to coordinate the hardship distribution rules, including collection of information from Vendors, and transmission of information requested by any Vendor. The Administrator may delegate this responsibility to a Vendor or to another service provider pursuant to Article XII of the Plan.

Section 8.04. Reemployment. If a Participant who is a former Employee subsequently becomes an Employee again, the Participant cannot request a distribution of his or her Vested Accounts until he or she is again entitled to a distribution under Section 8.01.

Section 8.05. Death Benefits. If a Participant dies before the distribution of his or her entire Account, his or her remaining Account shall be distributed to his or her Beneficiary(ies) as soon as administratively practicable after the Participant's death, unless the Beneficiary elects a later payment date on the Applicable Form, subject to Code Section 401(a)(9). A Beneficiary may elect to receive the Participant's Account under any distribution option available under the Section 8.02, subject to Code Section 401(a)(9).

Section 8.06. Required Distribution Rules. The provisions of this Section 8.06 take precedence over any inconsistent provisions of the Plan or of any Investment Arrangement. All distributions under this Plan shall be made in accordance with Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and shall comply with the following rules.

(a) Distributions may only be made over one of the following periods (or a combination thereof):

(1) The life of the Participant;

(2) The life of the Participant and a designated Beneficiary;

(3) A period certain not extending beyond the life expectancy of the Participant; or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and designated Beneficiary.

(b) A Participant's Accounts shall be distributed to the Participant beginning no later than April 1 of the calendar year following the calendar year in which the Participant attains age 70½ or, if later, April 1 of the calendar year following the calendar year that the Participant has a Severance from Employment.
(c) Notwithstanding anything to the contrary in this Section 8.06, if the Vendor(s) separately accounts for Contributions made prior to January 1, 1987, then distribution of such Contributions (but not any interest accumulated with respect thereto) need not commence until April 1 of the calendar year following the calendar year in which the Participant attains age 75.

(d) Upon the death of the Participant, the following distribution provisions shall take effect:

(1) If the Participant dies after distribution of his or her Account(s) begins, any remaining portion of the Account(s) shall continue to be distributed at least as rapidly as under the method of distribution in effect at the time of the Participant's death.

(2) If the Participant dies before distributions of his or her Account(s) begins and the Participant has no designated Beneficiary(ies), the Participant's Account(s) under the Plan shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(3) If the Participant dies before distributions of his or her Account(s) begins and any portion of his or her Account(s) are payable to a designated Beneficiary, the designated Beneficiary may elect for the Participant's Account(s) to be distributed (i) by December 31 of the calendar year containing the fifth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the designated Beneficiary or over a period not exceeding the life expectancy of the designated Beneficiary. If the designated Beneficiary is the surviving Spouse, the Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained age 70½. If the designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account(s) shall be distributed in accordance with item (i).

(4) Any distribution required under the incidental death benefit requirements of Code Section 401(a) shall be treated as distributions required under this Section 8.06(d).

(e) Each Vendor shall be separately and solely responsible for complying with the provisions of this Section 8.06 with respect to its Investment Arrangements under the Plan. The Vendor(s) shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions at least 60 days prior to the date distributions must begin.

Section 8.07. Transfer to Defined Benefit Governmental Plan.

(a) If a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in Code Section 414(d)) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant may elect to have any portion of the Participant's Account transferred to the defined benefit governmental plan, subject to the terms of the Investment Arrangement. A transfer under this Section may be made before the Participant has had a Severance from Employment.
(b) A transfer may be made under this Section only if the transfer is either for the purchase of permissive service credit (as defined in Code Section 415(n)(3)(A)) under the receiving defined benefit governmental plan or a repayment to which Code Section 415 does not apply by reason of Code Section 415(k)(3).

Section 8.08. Additional Tax on Early Withdrawals.

(a) Generally, and except as described in paragraph (b), if a Participant receives any amount under the Plan, his or her tax for the taxable year in which such amount is received is increased by an amount equal to 10% of the portion of such amount which is includible in gross income. Such amount shall be included in gross income to the extent allocable to income on the Investment Arrangement and shall not be included in gross income to the extent allocable to the investment in the Investment Arrangement as provided in Code Section 72(e)(2)(b).

(b) The penalty described in paragraph (a) generally does not apply to any distribution (i) made on or after the date on which the Participant attains age 59½, (ii) made on or after the death of the Participant, (iii) attributable to the Participant becoming Disabled, (iv) which is part of a series of substantially equal periodic payments made (not less frequently than annually) for the life or life expectancy of the Participant or the joint lives (or joint life expectancies) of such Participant and his or her designated Beneficiary, (v) made to a Participant after Severance from Employment following the attainment of age 55, (vi) which is a qualified reservist distribution within the meaning of Code Section 72(t)(2)(G)(iii), or (vii) any other circumstance permitted by the Code or the Internal Revenue Service.

ARTICLE IX.
LOANS

Section 9.01. Loans Generally.

(a) To the extent (i) a Vendor has been approved by the Administrator to allow loans under the Plan and (ii) loans are permitted by the terms governing the applicable Investment Arrangement, loans shall be available to a Participant who is an Employee from his or her Vested Account. No loans shall be permitted from Investment Arrangements held by Former Vendors.

(b) Loans shall be subject to all applicable requirements and restrictions of the Code, including the provisions of Code Section 72(p) and the regulations thereunder. A Participant who has defaulted on a loan shall not be entitled to a future loan under the Plan until it has been fully repaid to the Plan.

(c) All loans shall be subject to the approval of the Vendor. The Vendor may charge a reasonable processing fee with respect to any loan.

Section 9.02. Loan Procedures. The Vendor shall establish written procedures to govern Participant loans under the Plan, which may be amended from time to time. All loans shall comply with such procedures, and shall be administered subject to the terms of the applicable Investment Arrangement.
**Section 9.03. Loan Limits.**

(a) No loan to a Participant under the Plan may exceed the lesser of:

(1) $50,000, reduced by the greater of (i) the outstanding balance on any loan from the Plan to the Participant on the date the loan is made or (ii) the highest outstanding balance on loans from the Plan to the Participant during the one-year period ending on the day before the date the loan is approved by the Vendor (not taking into account any payments made during such one-year period); or

(2) One-half of the value of the Participant's Vested Account (as of the valuation date immediately preceding the date on which such loan is approved by the Vendor).

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

(c) The Administrator shall take such steps as appropriate to coordinate the limitations on loans, including collection of information from Vendors, and transmission of information requested by any Vendor. The Administrator may delegate this responsibility to a Vendor or to another service provider pursuant to Article XII of the Plan.

**ARTICLE X. VESTING**

A Participant or, in the event of the Participant's death, the Beneficiary, shall be 100% Vested in his or her Account at all times.

**ARTICLE XI. ROLLOVERS FROM THIS PLAN**

**Section 11.01. Definitions for this Article.** For purposes of this Article, the following definitions shall apply.

(a) "Direct Rollover" means an Eligible Rollover Distribution that is paid directly to an Eligible Retirement Plan for the benefit of the Distributee.

(b) "Distributee" means a Participant, the Spouse of the Participant, the Participant's former Spouse who is an alternate payee within the meaning of Code Section 414(p)(8), and, effective January 1, 2008, a Participant's non-Spouse Beneficiary, any of whom is eligible to receive a distribution from the Plan.

(c) "Eligible Retirement Plan," as defined under Code Section 402(c)(8)(B), means:
(1) an individual retirement account described in Code Section 408(a);

(2) an individual retirement annuity (other than an endowment contract) described in Code Section 408(b);

(3) a simple retirement account described in Code Section 408(p)(1) following the two year period described in Code Section 72(t)(6);

(4) any annuity plan described in Code Section 403(a);

(5) a plan described in Code Section 403(b);

(6) a qualified plan described in Code Section 401(a);

(7) a Code Section 457(b) eligible deferred compensation plan which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state; and

(8) effective January 1, 2008, a Roth individual retirement account described in Code Section 408A(e), provided the Distributee's adjusted gross income does not exceed any limit applicable under federal law for the tax year in which the distribution occurs.

Effective January 1, 2008, in the case of a distribution to a Participant's non-Spouse Beneficiary, an Eligible Retirement Plan shall mean the plans described in subparagraphs (1) and (2) only, to the extent consistent with the provisions of Code Section 402(c)(11) and any successor provisions thereto or additional guidance issued thereunder.

(d) "Eligible Rollover Distribution," as defined in Code Section 402(f)(2)(A), means any distribution of all or any portion of the balance to the credit of the Distributee under this Plan, except that an Eligible Rollover Distribution does not include:

(1) 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 period of ten years or more;

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

(3) the portion of any distribution that is not includible in gross income; provided, however, a portion of a distribution shall not fail to be an Eligible Rollover Distribution merely because the portion consists of after-tax employee contributions that are not includible in gross income. However, such portion may be transferred only:

   (i) to an individual retirement account or annuity described in Code Section 408(a) or 408(b), respectively, or to a qualified defined contribution plan described in Code Section 401(a) that agrees to separately account for amounts so
transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of such distribution which is not so includible;

(ii) to a qualified defined benefit plan described in Code Section 401(a) or to an annuity contract described in Code Section 403(b), that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; or

(iii) to a Roth IRA described in Code Section 408A;

(4) any distribution which is made upon the financial hardship of the Participant; and

(5) other items designated by regulations, or by the Commissioner in revenue rulings, notices, or other guidance, as items that do not constitute an eligible rollover distribution.

Section 11.02. Direct Transfer of Eligible Rollover Distribution. A Distributee may elect on an Applicable Form to have an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan as specified by the Distributee in a Direct Rollover, at the time and in the manner prescribed by the Vendor. An Eligible Rollover Distribution that is paid to an Eligible Retirement Plan in a Direct Rollover is excludable from the Distributee's gross income under Code Section 402; provided, however, if any portion of such Eligible Rollover Distribution is subsequently distributed from the Eligible Retirement Plan, that portion shall be included in gross income to the extent required under Code Section 402, 403, or 408.

Section 11.03. Mandatory Withholding of Eligible Rollover Distributions.

(a) If the Distributee of an Eligible Rollover Distribution does not elect to have the Eligible Rollover Distribution paid directly from the Plan to an Eligible Retirement Plan in a Direct Rollover pursuant to Code Section 401(a)(31), the Eligible Rollover Distribution shall be subject to a mandatory 20% federal income tax withholding under Code Section 3405(c). Only that portion of the Eligible Rollover Distribution that is not paid directly from the Plan to an Eligible Retirement Plan in a Direct Rollover shall be subject to the mandatory withholding requirement under Code Section 3405(e), and only to the extent such amount would otherwise be includible in the Distributee's taxable gross income.

(b) If a Distributee elects to have an Eligible Rollover Distribution paid to the Distributee, the distribution may be excluded from gross income of the Distributee provided that said distribution is contributed to an Eligible Retirement Plan no later than the 60th day following the day on which the Distributee received the distribution.

(c) If the Plan distribution is not an Eligible Rollover Distribution, said distribution shall be subject to the elective withholding provisions of Code Section 3405(a) and (b).
Section 11.04. Explanation of Plan Distribution and Withholding Requirements.

Not fewer than 30 days nor more than 180 days before an Eligible Rollover Distribution, the Vendor shall provide each Distributee a written explanation as required under Code Section 402(f), which explains the rules:

(a) under which a Distributee may elect to have an Eligible Rollover Distribution paid in a Direct Rollover to an Eligible Retirement Plan;

(b) that require the withholding of tax on an Eligible Rollover Distribution if it is not paid in a Direct Rollover to an Eligible Retirement Plan;

(c) that provide that a distribution shall not be subject to tax if the distribution is rolled over to an Eligible Retirement Plan within 60 days after the date the Distributee receives the distribution; and

(d) if applicable, certain special rules regarding taxation of the distribution as described in Code Sections 402(d) and (e).

Notwithstanding the above, a distribution may begin fewer than 30 days after the notice discussed in the preceding sentence is given, provided that the Vendor clearly informs the Participant that he or she has a right to a period of at least 30 days after receiving the notice to consider the decision of whether or not to elect a distribution and the Participant, after receiving a notice, affirmatively elects a distribution.

ARTICLE XII.

PLAN ADMINISTRATION

Section 12.01. Authority of the Administrator. The Administrator shall have the authority to control and manage the operation and administration of the Plan. The Administrator shall have all power necessary or convenient to enable it to exercise its authority under the Plan. The Administrator may provide rules and regulations, not inconsistent with the provisions hereof, for the operation and management of the Plan, and may from time to time amend or rescind such rules or regulations. The Administrator is authorized to accept service of legal process for the Plan.

Section 12.02. Powers of the Administrator. The Administrator shall have the power and discretion to construe and interpret the Plan, including any ambiguities, to determine all questions of fact or law arising under the Plan, and to resolve any disputes arising under and all questions concerning administration of the Plan. The Administrator may correct any defect, supply any omission or reconcile any inconsistency in the Plan in such manner and to such extent as the Administrator may deem expedient and, subject to the Plan's claim procedures, the Administrator shall be the sole and final judge of such expediency. Benefits are payable under the Plan only if the Administrator, in its sole and absolute discretion, determines the benefits are payable under the provisions the Plan.
Section 12.03. Delegation by Administrator.

(a) The Administrator may from time to time delegate in writing to a committee or any duly authorized officer certain of its fiduciary duties or other responsibilities under the Plan. Any such committee or officer delegated fiduciary duties shall be a fiduciary until the Administrator revokes such delegation. A delegation of the Administrator's duties or responsibilities may be revoked without cause or advance notice. To the extent permitted under applicable law, such committee or officer shall have the same power and authority with respect to such delegated fiduciary or other responsibilities as the Administrator has under the Plan. The Administrator shall not be liable for any act or omission of such fiduciary in carrying out such responsibilities.

(b) The Administrator has designated the Vendors to be responsible for providing information to Participants regarding enrollment, investment options, and performance; processing contributions, withdrawal requests, transfers, and changes in investment options; providing record keeping services and such other services as provided for under agreements between the Vendors and the Administrator.

(c) The Administrator may designate one of the Vendors or another service provider to provide for the collection and coordination of information relating to hardship withdrawals, loans, contribution limits, and any other administrative function under the Plan.

Section 12.04. Fiduciary Insurance. Subject to State law, the Board may require the purchase of fiduciary liability insurance for any Plan fiduciary or fiduciaries to cover liability or losses occurring by reason of the act or omission of a fiduciary.

Section 12.05. Employment of Consultants. The Administrator may employ one or more persons to render advice with regard to its responsibilities under the Plan.

ARTICLE XIII. CLAIMS PROCEDURES

Section 13.01. Requests for Information Concerning Eligibility, Participation and Contributions. Requests for information concerning eligibility, participation, contributions, or any other aspects of the operation of the Plan, and service of legal process, should be in writing and directed to the Administrator of the Plan. If a written request is denied, the Administrator shall, within a reasonable period of time, provide a written denial to the Participant. A Participant may request in writing a review of a claim denied by the Administrator and may submit issues and comments in writing to the Administrator. The Administrator shall provide to the Participant a written decision upon such request for review of a denied claim.

Section 13.02. Requests for Information Concerning Investment Arrangements. Requests for information concerning the Annuity Contracts and Custodial Accounts and their terms, conditions, and interpretations thereof, claims thereunder, any requests for review of such claims, and service of legal process, should be in writing and directed to the Vendor. If a written request is denied, the Vendor shall, within a reasonable period of time, provide a written denial to the Participant. A Participant may request in writing a review of a claim denied by the Vendor.
and may submit issues and comments in writing to the Vendor. The Vendor shall provide to the Participant a written decision upon such request for review of a denied claim.

ARTICLE XIV.
AMENDMENT AND TERMINATION

Section 14.01. Amendment and Termination of Plan. The Board shall have the right, in its sole and final discretion, to amend or terminate the Plan at any time and from time to time to any extent which it may deem advisable.

Section 14.02. Restrictions on Amendments. The Plan may not be amended in a manner that violates any provision of the Code.

Section 14.03. Distribution Upon Termination of the Plan. The Board may provide that, in connection with a termination of the Plan, all Accounts shall be distributed, provided that the Employer and any Related Employer on the date of the termination does not make contributions to an alternative Code Section 403(b) plan that is not part of the Plan during the period beginning on the date of Plan termination and ending 12 months after the distribution of all assets from the Plan, except as permitted by the regulations. For purposes of distributing all accumulated benefits under the Plan in the event of Plan termination, delivery of a fully paid individual insurance annuity contract shall be treated as a distribution.

ARTICLE XV.
MISCELLANEOUS

Section 15.01. Non-Alienation.

(a) A Participant's Account under the Plan shall not be liable for any debt, liability, contract, engagement, or tort of the Participant or his or her Beneficiary, nor subject to anticipation, sale, assignment, transfer, encumbrance, pledge, charge, attachment, garnishment, execution, alienation, or any other voluntarily or involuntarily alienation or other legal or equitable process, nor transferable by operation of law.

(b) Notwithstanding paragraph (a), the Plan shall comply with any judgment, decree or order ("domestic relations order") which establishes the right of an alternate payee within the meaning of Code Section 414(p)(8) to all or a portion of a Participant's benefit under the Plan to the extent that it is a "qualified domestic relations order" ("QDRO") under Code Section 414(p). The Vendor shall establish reasonable written procedures to determine whether a domestic relations order is a QDRO and to administer the distribution of benefits with respect to such orders, which procedures may be amended from time to time, and which shall be provided to Participants upon request. Notwithstanding any other provisions in the Plan, the Plan may make an immediate distribution to the alternate payee pursuant to a QDRO.

(c) Notwithstanding paragraph (a), the Plan shall offset from the benefit otherwise payable to a Participant or his or her Beneficiary such amounts as are permitted to be offset under a court order, civil judgment, or settlement agreement in accordance with Code Section 401(a)(13)(C).
Section 15.02. Military Service.

(a) Notwithstanding any provisions of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service shall be provided in accordance with USERRA, HEART, Code Section 414(u), and Code Section 401(a)(37). For purposes of this Section, "qualified military service" means any service in the uniformed services as defined in USERRA by any individual if such individual is entitled to reemployment rights under USERRA with respect to such service.

(b) A Participant whose employment is interrupted by qualified military service or who is on a leave of absence for qualified military service may elect to make Elective Deferrals upon resumption of employment with the Employer up to the maximum Elective Deferrals that the Participant could have elected during that period if the Participant's employment with the Employer had continued (at the same level of Compensation) without the interruption or leave, reduced by the Elective Deferrals, if any, actually made for the Participant during the period of the interruption or leave. Except to the extent provided under Code Section 414(u), this right applies for the lesser of (i) five years following the resumption of employment or (ii) a period equal to three times the period of the interruption or leave. Such Elective Deferrals by the Participant may only be made during such period and while the Participant is reemployed by the Employer.

(c) Effective January 1, 2007, to the extent provided under Code Section 401(a)(37), in the case of a Participant whose employment is interrupted by qualified military service and who dies while performing qualified military service, the survivor of such Participant shall be entitled to any additional benefit (other than benefit accruals) provided under the Plan as if the Participant timely resumed employment in accordance with USERRA and then, on the next day, terminated employment on account of death.

(d) Effective January 1, 2009, differential wage payments within the meaning of Code Section 414(u)(12)(D) shall be treated as Compensation and Includible Compensation under the Plan.

Section 15.03. Limitation of Rights and Obligations. Neither the establishment nor maintenance of the Plan nor any amendment thereof nor any act or omission under the Plan or resulting from the operation of the Plan shall be construed:

(a) as conferring upon any Participant, Beneficiary, or any other person a right or claim against the Administrator or Employer, except to the extent that such right or claim shall be specifically expressed and provided in the Plan;

(b) as creating any responsibility or liability of the Board, the Employer or the Administrator for the validity or effect of the Plan;

(c) as a contract or agreement between the Board, the Employer, or the Administrator and any Participant or other person;

(d) as an agreement, consideration, or inducement of employment or as effecting in any manner or to any extent whatsoever the rights or obligations of the Employer or any
Employee to continue or terminate the employment relationship at any time, except as otherwise provided under any applicable collective bargaining agreement; or

(e) as giving any Participant the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or other person at any time; provided, however, that the foregoing will not be deemed to modify the provisions of any collective bargaining agreements which may have been entered into by the Employer with the bargaining representatives of any Participant.

Section 15.04. Federal and State Taxes. It is intended that Contributions other than Roth Contributions under this Plan, plus any earnings thereunder, are excludable from gross income for federal and state income tax purposes until paid to Participants or Beneficiaries, and that Roth Contributions and earnings thereunder are excludable from gross income for federal and state income tax purposes when paid to Participants or Beneficiaries to the extent that they are Qualified Distributions. However, the Administrator does not guarantee that any particular federal or state income, payroll, or other tax consequence will occur as a result of participation in this Plan.

Section 15.05. Erroneous Payments. If the Administrator or Vendor makes any payment that, according to the terms of the Plan and the benefits provided hereunder, should not have been made, the Administrator or Vendor may recover that incorrect payment, by whatever means necessary, whether or not it was made due to the error of the Administrator or Vendor, from the person to whom it was made, or from any other appropriate party. For example, if any such incorrect payment is made directly to a Participant, the Administrator or Vendor may deduct it when making any future payments directly to that Participant.

Section 15.06. Benefit Payment Issue Resolution. The Administrator, or its designee, if in doubt regarding the correctness of its action with respect to a benefit payment, may direct suspension of payment until satisfied as to the correctness of the payment or the person to receive the payment. Alternatively, the Administrator, or its designee, may file, in any state court of competent jurisdiction, a suit, in the form it deems appropriate, for legal determination of the benefits to be paid and the persons to receive them. The Administrator, or its designee, may also bring a suit, or take other action as it deems appropriate, to resolve questions involving investment directions. The Administrator shall comply with the final order of the court in any such suit, and Participants and the Administrator shall be bound by such an order, insofar as it affects the benefits payable under this Plan, or the method or manner of payment.

Section 15.07. Release. Any payments to any Participant shall, to the extent thereof, be in full satisfaction of the claim of such Participant being paid thereby and the Administrator may condition payment thereof on the delivery by the Participant of the duly executed receipt and release in such form as may be determined by the Administrator.

Section 15.08. Liability. The Administrator shall not incur any liability in acting upon any notice, request, signed letter, telegram, or other paper or document or electronic transmission believed by the Administrator to be genuine or to be executed or sent by an authorized person.
Section 15.09. Information Provided by the Participant. Each Participant should provide to the Administrator at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the Administrator to administer the Plan.

Section 15.10. Family Medical Leave Act. Notwithstanding any provisions of this Plan to the contrary, Contributions and benefits with respect to qualified leave will be provided in accordance with the Family Medical Leave Act of 1993, 29 U.S.C. Section 2601 et. seq.

Section 15.11. Payments to Minors or Incompetents. If a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is determined to be legally incapable of giving valid receipt and discharge for such benefits by a court or by the Administrator, benefits shall be paid to such person as the Administrator may designate for the benefit of such Participant or Beneficiary. Such payments shall be considered a payment to the Participant or Beneficiary and shall, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.

Section 15.12. Missing or Lost Participants. In the event that the Administrator does not have current contact information for or is unable to identify a Participant or Beneficiary under the Plan, the Administrator shall make reasonable attempts to determine the address and identity of the Participant or Beneficiary entitled to benefits under the Plan. A reasonable attempt to locate a missing or lost Participant or Beneficiary shall include (i) providing notice to the Participant at the Participant's last known address via certified mail; (ii) determining whether the Employer's records or the records of another plan maintained by the Employer has a more current address for the Participant; (iii) attempting to contact any named Beneficiary of the Participant; and (iv) searching for the missing Participant via free electronic search tools, such as Internet search engines, public record databases, obituaries, and social media. If such search methods are unsuccessful, based on the facts and circumstances, the Administrator may use other search methods, including using Internet search tools, commercial locator services, credit reporting agencies, information brokers, investigation databases, and analogous services that may involve charges. The Administrator may charge missing Participants and Beneficiaries reasonable expenses for efforts to find them.

Section 15.13. Indemnification. The Employer shall satisfy any liability actually and reasonably incurred by any members of the Board or any person to whom any power, authority or responsibility of the Administrator is delegated pursuant to Section 12.03, except a Vendor or other service provider. These liabilities include expenses, attorney's fees, judgments, fines, and amounts paid in connection with any threatened, pending or completed action, suit or proceeding related to the exercise (or failure to exercise) of this authority. This is in addition to whatever rights of indemnification exist under the regulations or by-laws of the Employer, under any provision of law, or under any other agreement; provided, however, that the Employer will not satisfy any such liability to the extent that the person did not act in good faith.

Section 15.14. No Reversion. Under no circumstances or conditions will any Contributions revert to, be paid to, or inure to the benefit of, directly or indirectly, the Employer, but shall be held for the exclusive purpose of providing benefits to Participants and their Beneficiaries and defraying the reasonable expenses of administering the Plan. However, if
Contributions are made by the Employer by a good faith mistake of fact, such amount may be returned to the Employer within one year of the date that they were made to the Plan.

**Section 15.15. Finality of Determination.** All determinations with respect to crediting of service under the Plan are made on the basis of the records of the Employer, and all determinations made are final and conclusive upon Employees, former Employees, Eligible Employees, former Eligible Employees, and all other persons claiming a benefit under the Plan.

**Section 15.16. Counterparts.** The Plan may be executed in any number of counterparts, each of which shall be deemed to be an original. All counterparts shall constitute but one and the same instrument and shall be evidenced by any one counterpart.

IN WITNESS WHEREOF, the Board has caused this amended and restated Plan to be executed by its duly authorized representative as of the date written below, but effective as of January 1, 2020.

UNIVERSITY SYSTEM OF MARYLAND
BOARD OF REGENTS

________________________________________
Signature

________________________________________
Printed

________________________________________
Title

________________________________________
Date
APPENDIX A

APPROVED VENDORS

The current selection of Vendor(s) is not intended to limit future additions or deletions of Vendor(s). The Administrator from time to time may add or delete Vendor(s) which shall be effective on the date adopted by the Administrator and shall be reflected in a revised Appendix A.

1.1 Approved Vendors

As of January 1, 2020, the Board has approved the following Vendors under the Plan:

- TIAA
- Fidelity Investments

1.2 Former Vendors

As of January 1, 2008, the Former Vendor under the Plan is AIG VALIC.
UNIVERSITY SYSTEM OF MARYLAND  
DEFERRED COMPENSATION PLAN AND TRUST
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UNIVERSITY SYSTEM OF MARYLAND
DEFERRED COMPENSATION PLAN AND TRUST

ARTICLE I.
ESTABLISHMENT AND RESTATEMENT OF PLAN

Section 1.01. Plan Establishment and History.

(a) The University System of Maryland is a public university system established under Maryland law and an educational organization described in Section 170(b)(1)(A)(ii) of the Internal Revenue Code of 1986, as amended ("Code"). The Board of Regents of the University System of Maryland ("Board") established the University System of Maryland Deferred Compensation Plan and Trust ("Plan") pursuant to Code Section 457(b) and Sections 30-210 et seq. of the State Personnel and Pensions Article of the Annotated Code of Maryland (1978, 2004 Repl. Vol.), to provide eligible employees the opportunity to supplement their retirement benefits through voluntary contributions.

(b) The Plan is, and is intended to remain, a defined contribution plan under Code Section 457(b). The Plan is a governmental plan within the meaning of Code Section 414(d) and Section 3(32) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). As a governmental plan, ERISA does not apply.

(c) The Plan was most recently amended and restated effective January 1, 2006, and has been amended from time to time thereafter.

Section 1.02. Plan Restatement.

(a) The Plan is now being amended and restated effective January 1, 2020, except as otherwise specifically provided herein, to incorporate the prior amendments to the Plan and to make certain discretionary changes.

(b) Except as otherwise specifically provided herein, the Plan as hereinafter set forth establishes the rights and obligations with respect to individuals who are Employees on and after January 1, 2020, and to transactions under the Plan on and after January 1, 2020. The rights and benefits, if any, of individuals who are not Employees on or after January 1, 2020, shall be determined in accordance with the terms and provisions of the Plan that were in effect on the date of their Severance from Employment, except as otherwise specifically provided herein or in a subsequent amendment.

Section 1.03. Plan Funding. The Plan is funded through one or more Trusts in accordance with the qualification requirements of the Code.

ARTICLE II.
RULES OF CONSTRUCTION AND DEFINITIONS

Section 2.01. Rules of Construction and Governing Law.

(a) This Plan shall be interpreted, enforced, and administered in accordance with the Code and, when not inconsistent with the Code, or expressly provided otherwise herein, the laws of the State of Maryland without regard to conflict of law principles.
(b) Words used herein in the masculine gender shall be construed to include the feminine gender where appropriate, and *vice versa*, and words used herein in the singular or plural shall be construed as being in the plural or singular, where appropriate, and *vice versa*.

(c) The headings and subheadings in the Plan are inserted for convenience of reference only and are not to be considered in the construction of any provision of the Plan.

(d) If any provision of the Plan shall be held to violate the Code or be illegal or invalid for any other reason, that provision shall be deemed to be null and void, but the invalidation of that provision shall not otherwise impair or affect the Plan.

(e) In resolving any conflict between provisions of the Plan and in resolving any other uncertainty as to the meaning or intention of any provision of the Plan, the interpretation that causes the Plan to (i) constitute an eligible plan under the provisions of Code Section 457 and the Trust to be exempt from tax under Code Section 457, (ii) be a governmental plan as defined in ERISA Section 3(32) and Code Section 414(d), and (iii) comply with all applicable requirements of the Code, shall prevail over any different interpretation.

Section 2.02. Definitions. When the initial letter of a word or phrase is capitalized herein, the meaning of such word or phrase shall be as follows:

(a) "Account Balance" means the bookkeeping account maintained with respect to each Participant which reflects the value of the deferred compensation credited to the Participant, including the Participant's Annual Deferrals, the earnings or loss of the Trust Fund (net of Trust Fund expenses) allocable to the Participant, any transfers for the Participant's benefit, and any distribution made to the Participant or the Participant's Beneficiary. If a Participant has more than one Beneficiary at the time of the Participant's death, then a separate Account Balance shall be maintained for each Beneficiary. The Account Balance includes any account established under Article XI for Rollover Contributions and Article XII for plan-to-plan transfers made for a Participant, the account established for a Beneficiary after a Participant's death, and any account or accounts established for an alternate payee (as defined in Code Section 414(p)(8)).

(b) "Account" means the separate accounts maintained for each Participant and Beneficiary under the Plan. The following Accounts shall be established for a Participant or Beneficiary, if applicable:

1. A Pre-Tax Contribution Account to reflect the Participant's or Beneficiary's interest under the Plan attributable to Pre-Tax Contributions pursuant to Article III.

2. A Roth Contribution Account to reflect the Participant's or Beneficiary's interest under the Plan attributable to Roth Contributions pursuant to Article III.

3. A Rollover Contribution Account to reflect the Participant's or Beneficiary's interest under the Plan attributable to Rollover Contributions pursuant to Article XI.

4. A Transfer Account to reflect the Participant's or Beneficiary's interest under the Plan attributable to transfers pursuant to Article XII.
(c) "Administrator" means the Administrative Committee as designated by the Board, or such other person, persons, or entity designated by the Board, to perform the administrative duties and functions under the Plan.

(d) "Annual Deferrals" mean Pre-Tax Contributions and/or Roth Contributions.

(e) "Applicable Form" means the appropriate form as designated and furnished by the Administrator or Vendor to make an election or provide a notice as required by the Plan. If a written election or consent is not specifically required by the Code, the Administrator or Vendor may prescribe a verbal, electronic, or telephonic instruction in lieu of or in addition to a written form.

(f) "Beneficiary" means the person, company, trustee, or estate designated by the Participant on the Applicable Form to receive any benefits payable under the Plan in the event of the Participant's death. A designation of an individual as a Beneficiary shall remain in effect until affirmatively revoked by the Participant on a subsequent Applicable Form. Unless otherwise provided in the Trust, if the designated Beneficiary does not survive the Participant or there is no Beneficiary designated, the Participant's Spouse shall be the Beneficiary or, if none, the Participant's estate shall be the Beneficiary. Beneficiary also means an alternate payee within the meaning of Code Section 414(p)(8).

(g) "Board" means the Board of Regents of the University System of Maryland.

(h) "Code" means the Internal Revenue Code of 1986, as amended from time to time.

(i) "Compensation" means all cash compensation for services to the Employer, including salary, wages, fees, commissions, bonuses, and overtime pay, which is includible in the Employee's gross income for the calendar year, plus amounts that would be cash compensation for services to the Employer includible in the Employee's gross income for the calendar year but for a compensation reduction election under Code Section 125, 132(f), 401(k), 403(b), or 457(b) (including an election to reduce compensation in order to make Annual Deferrals under the Plan). Compensation does not include amounts "picked up" by the Employer within the meaning of Code Section 414(h). Compensation includes any compensation described in paragraph (1) or (2), provided it is paid by the later of 2½ months after the Employee's Severance from Employment with the Employer or the end of the calendar year in which the Employee has a Severance from Employment with the Employer:

1. any payment that would have been paid to the Employee prior to a Severance from Employment if the Employee continued in employment with the Employer and that is regular compensation for services during the Employee's regular working hours, compensation for services outside the Employee's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and

2. a payment for unused accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if employment had continued and the payment would be Compensation if paid prior to the Employee's Severance from Employment, and only if the Employee separately elects for such payment to be reduced on his or her Salary Reduction Agreement pursuant to Section 4.01.
Any payment that is not described in paragraph (1) or (2) above is not considered Compensation if paid after Severance from Employment. Thus, for example, Compensation does not include amounts paid after Severance from Employment that are severance pay, unfunded nonqualified deferred compensation, or parachute payments within the meaning of Code Section 280G(b)(2).

(j) "Cost of Living Adjustment" means the cost of living adjustment prescribed by the Secretary of the Treasury under Code Section 414(v) or 457(e)(15) for any applicable year.

(k) "Disabled" or "Disability" means disability within the meaning of Code Section 72(m)(7).

(l) "Employee" means each employee of the Employer, including a contingent employee (other than a contractual or a leased employee or an independent contractor) and an employee whose employment is governed by the terms of a collective bargaining agreement between representatives of the employee's bargaining unit and the State, and under which retirement benefits were the subject of good faith bargaining, unless the bargaining representatives for the bargaining unit and the Employer have agreed to have the employees in the bargaining unit excluded from participation.

(m) "Employer" means the University System of Maryland and its constituent institutions and centers, which are all governmental entities.

(n) "Former Vendor" means a service provider that was an approved Vendor under the Plan, but that ceases to be an approved Vendor under the Plan, that continues to hold Plan assets.

(o) "HEART" means the Heroes Earnings Assistance and Relief Tax Act of 2008, as amended from time to time.

(p) "Includible Compensation" means all compensation received by an Employee from the University that is includible in his or her gross income for federal income tax purposes (computed without regard to Code Section 911) for that taxable year under Code Section 415(c)(3). Includible Compensation also includes any amounts excludable from taxable income because of an election (including Elective Deferrals under the Plan) under Code Sections 403(b), 457(b), 125, 401(k), or 132(f). Includible Compensation includes compensation paid by the later of 2½ months after an Employee's Severance from Employment or the end of the Plan Year that includes the date of the Employee's Severance from Employment, if:

1. the payment is regular compensation for services during the Employee's regular working hours, or compensation for services outside the Employee's regular working hours (e.g., overtime or shift differential), commissions, bonuses, or other similar payments and the payment would have been paid to the Employee prior to a Severance from Employment if the Employee had continued in employment with the University;

2. the payment is for unused accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if the Employee had continued in employment; or
(3) the payment is made to the Employee under a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid to the Employee at the same time if the Employee had continued in employment with the University and only to the extent that the payment is includible in the Employee's gross income.

Includible Compensation does not include any amounts "picked up" by the Employer within the meaning of Code Section 414(h). Includible Compensation is determined without regard to any community property laws.

(q) "Investment Options" mean the investment funds available under the Trust provided by the Vendor(s) and specifically approved by the Administrator, in its sole and absolute discretion, for use under this Plan.

(r) "Normal Retirement Age" means, for a Participant who is a member of:

1. a State defined benefit retirement system, the age designated by the Participant, but beginning no earlier than the earliest age at which the Participant may retire under the State defined benefit retirement system in which he or she participates and receive immediate retirement benefits (without consent of the State and without actuarial or similar reduction), and ending no later than age 70½; or

2. the State optional retirement plan, the age designated by the Participant, but beginning no earlier than age 65, and ending no later than age 70½.

Said designation may be amended by the Participant at any time prior to reaching such designated age. If the Participant shall, for any reason, fail to designate a Normal Retirement Age, the Normal Retirement Age shall be age 70½. The Normal Retirement Age specified must be the same for all eligible deferred compensation plans under Code Section 457(b) sponsored by the Employer in which the Participant participates.

(s) "Participant" means any Employee who is or may become eligible to receive a benefit of any type under the Plan. A Participant shall also mean, when appropriate to the context, a former Employee who is eligible to receive a benefit of any type under the Plan.

(t) "Participation Agreement" means the Applicable Form signed by the Employee when he or she commences participation in the Plan, any amendment thereto, and any subsequent agreement in which the Participant designates the amount of his or her Annual Deferral, his or her investment selections, his or her designated Normal Retirement Age, his or her date for commencement of benefits, and his or her method of payments of benefits.

(u) "Plan" means the University System of Maryland Deferred Compensation Plan and Trust, as amended from time to time.

(v) "Plan Year" means the calendar year.

(w) "Pre-Tax Contribution" means a contribution made to the Plan by the Employer at the election of a Participant pursuant to a Participation Agreement in accordance with Article III.
(x) "Qualified Distribution" means a distribution from a Roth Contribution Account after the Participant has satisfied a five year tax holding period and has attained age 59½, died, or become Disabled, in accordance with Code Section 402A(d). The five year tax holding period is the period of five consecutive taxable years that begins with the first day of the first taxable year in which the Participant makes a designated Roth Contribution under the Plan or to another retirement plan which amount was directly rolled over to the Plan, and ends when five consecutive taxable years have been completed.

(y) "Related Employer" means any entity which is under common control with the Employer under Code Section 414(b), (c), (m), or (o). 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, 1989-1 C.B. 654.

(z) "Rollover Contribution" means an amount contributed to the Plan pursuant to Article XI.

(aa) "Roth Contribution" means a contribution made to the Plan by the Employer at the election of a Participant pursuant to a Participation Agreement in accordance with Article III that has been (i) designated irrevocably by the Participant as a Roth Contribution being made in lieu of all or a portion of the Pre-Tax Contribution the Participant is otherwise eligible to make under the Plan, and (ii) treated by the Employer as includible in the Participant's gross income at the time the Participant would have received that amount in cash if the Participant had not made such an election. Roth Contributions shall be available under the Plan as soon as administratively practicable on or after January 1, 2020.

(bb) "Section" means, when not preceded by the word Code or ERISA, a section of the Plan.

(cc) "Severance from Employment" means the date that the Employee dies, retires, or otherwise has a severance from employment with the Employer, as determined by the Administrator (and taking into account guidance issued under the Code). For an Employee on a leave of absence, such separation shall occur when the leave of absence expires if the Employee does not return to service.

(dd) "Spouse" means the person to whom an Eligible Employee is legally married under the law of any state.

(ee) "State" means the State of Maryland acting through the Employer which has offered this Plan to its Employees.


(gg) "Trust" means a trust that satisfies the requirements of Code Section 457(g), including a custodial account and/or an annuity contract treated as qualified trust under Code Section 401(f) that satisfies the requirements of Code Section 457(g)(3), established under the Plan to hold Plan assets.

(hh) "Trust Fund" means the assets of the Plan held pursuant to the terms of the Plan and Trust.
(ii) "Trustee" means the Board; provided, however, that the entity or person(s) designated by the Administrator to hold the assets of a custodial account or hold an annuity contract in accordance with Code Sections 457(g)(3) and 401(f) shall be the custodial Trustee with respect to such assets.

(jj) "USERRA" means the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended from time to time.

(kk) "Vendor" means the service provider that has been approved by the Administrator to serve as third party administrator and/or recordkeeper for the Plan and/or to offer Investment Options to Participants under the Plan. The Vendor(s) are listed in Appendix A, as modified from time to time in the Administrator's sole and absolute discretion. A modification of Appendix A is not an amendment of the Plan.

(ll) "Vest" or "Vested" means the interest of the Participant or Beneficiary in his or her Account that is unconditional, legally enforceable, and nonforfeitable.

**ARTICLE III. PARTICIPATION**

**Section 3.01. Participation.** An Employee may become a Participant in the Plan for purposes of Annual Deferrals or Rollover Contributions immediately after commencement of employment with the Employer. Participation in the Plan is voluntary.

**Section 3.02. Election Required for Participation.** An Employee may elect to become a Participant by executing an election to defer a portion of his or her Compensation (and have that amount contributed as a Pre-Tax Contribution and/or Roth Contribution on his or her behalf) and filing it with the Administrator. This participation election shall be made on the Participant Agreement provided by the Administrator under which the Employee agrees to be bound by all the terms and conditions of the Plan. If the Employee fails to designate whether Annual Deferrals are Pre-Tax Contributions or Roth Contributions, the Employee will be deemed to have designated his or her Annual Deferrals as Pre-Tax Contributions. The Administrator may establish a minimum deferral amount, and may change such minimums from time to time. The participation election shall also include designation of Investment Options and designation of a Beneficiary. Any such election shall remain in effect until a new election is filed on the Applicable Form.

**Section 3.03. Commencement of Participation.** An Employee shall become a Participant as soon as administratively practicable following the date the Employee files a Participation Agreement pursuant to Section 3.02, or upon establishing a Rollover Contribution Account as described in Article XI of the Plan, as applicable. An election pursuant to Section 3.02 shall become effective no earlier than the calendar month following the month in which the election is made. A new Employee may defer Compensation payable in the calendar month during which the Participant first becomes an Employee if a Participation Agreement providing for the deferral is entered into on or before the first day on which the Participant performs services for the Employer.

**Section 3.04. Deferrals of Sick, Vacation, and Back-Pay.** A Participant who has not had a Severance from Employment may elect to defer accumulated sick pay, accumulated vacation pay, and back-pay if the requirements of Code Section 457(b) are satisfied and if
permitted by Board policy and Maryland State law. These amounts may be deferred for any calendar month only if a Participation Agreement providing for the Annual Deferral is entered into before the beginning of the month in which the amounts would otherwise be paid or made available and the Participant is an Employee on the date the amounts would otherwise be paid or made available. Compensation that would otherwise be paid for a payroll period that begins before Severance from Employment is treated as an amount that would otherwise be paid or made available before an Employee has a Severance from Employment. In addition, Annual Deferrals may be made for former Employees with respect to Compensation paid after an Employee has a Severance from Employment as described in Section 2.02(i) of the Plan.

Section 3.05. Information Provided by the Participant. Each Employee enrolling in the Plan should provide to the Administrator at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the Administrator to administer the Plan, including, without limitation, whether the Employee is a participant in any other eligible plan under Code Section 457(b).

Section 3.06. Contributions Made Promptly. Annual Deferrals by the Participant under the Plan shall be transferred to the Vendors within a period that is not longer than is reasonable for the proper administration of the Participant's Account Balance. For this purpose, Annual Deferrals shall be treated as contributed within a period that is not longer than is reasonable for the proper administration if the contribution is made to the Trust Fund within 15 business days following the end of the month in which the amount would otherwise have been paid to the Participant.

Section 3.07. Amendment of Participation Election. Subject to other provisions of the Plan, a Participant may at any time revise his or her Participation Agreement, including a change of the amount of his or her Annual Deferrals, his or her Investment Options, and his or her designated Beneficiary on the Applicable Form in accordance with procedures established by the Administrator. Unless the election specifies a later effective date, a change in the amount of the Annual Deferrals shall take effect as of the first day of the next following month or as soon as administratively practicable if later. A change in the Investment Option shall take effect as of the date provided by the Vendor on a uniform basis for all Employees. A change in the Beneficiary designation shall take effect when the election is accepted by the Vendor. The Participant may revoke his or her election to participate in the Plan by signing and filing with the Administrator (or such other entity as is designated by the Administrator) a written revocation on the Applicable Form and in the procedural manner approved by the Administrator. Any such revocation shall be effective prospectively only.

Section 3.08. Leave of Absence or Sabbatical. Unless an election is otherwise revised, if a Participant is absent from work by leave of absence or sabbatical, Annual Deferrals under the Plan shall continue to the extent that Compensation continues.

Section 3.09. Disability. A Disabled Participant may elect Annual Deferrals during any portion of the period of his or her Disability to the extent that he or she has actual Compensation (not imputed Compensation and not disability benefits) from which to make contributions to the Plan and has not had a Severance from Employment.

Section 3.10. Cessation of Plan Participation. An Employee shall cease to be a Participant on the distribution of the Employee's entire interest in the Plan.
Section 3.11. Vesting Standards. A Participant shall be 100% Vested in the Participant's Accounts.

Section 3.12. Plan Expenses. All reasonable expenses of administering the individual Accounts in the Plan will be charged against and paid from the Participants' Accounts.

ARTICLE IV.
LIMITATIONS ON AMOUNTS DEFERRED

Section 4.01. Basic Annual Limitation. The maximum amount of Annual Deferrals to the Plan for any calendar year shall be limited to the lesser of (i) the applicable dollar amount as provided in Code Section 457(e)(15) or (ii) the Participant's Includible Compensation as provided in Code Section 457(b)(2). The applicable dollar amount is $19,500 for 2020, increased thereafter by the Cost of Living Adjustment.

Section 4.02. Age 50 Catch-up Annual Deferral Contributions. A Participant who attains age 50 or more by the end of the calendar year, and who is contributing up to the applicable dollar amount under Section 4.01, may make additional Annual Deferrals under Code Section 414(v) of up to $6,500 for 2020, increased thereafter by the Cost of Living Adjustment.

Section 4.03. Special Section 457 Catch-up Limitation. If the applicable year is one of a Participant's last three calendar years ending before the year in which the Participant attains Normal Retirement Age and the amount determined under this Section exceeds the amount computed under Sections 4.01 and 4.02, then the Annual Deferral limit under this Article IV shall be the lesser of:

(a) An amount equal to two times the applicable dollar amount under Section 4.01 for such year; or

(b) The sum of:

   (1) An amount equal to (A) the aggregate Section 4.01 limit for the current calendar year plus each prior calendar year beginning after December 31, 2001, during which the Participant was an Employee under the Plan, minus (B) the aggregate amount of Compensation that the Participant deferred under the Plan during such years, plus

   (2) An amount equal to (A) the aggregate limit referred to in Code Section 457(b)(2) for each prior calendar year beginning after December 31, 1978, and before January 1, 2002, during which the Participant was an Employee (determined without regard to Sections 4.02 and 4.03), minus (B) the aggregate contributions to Pre-2002 Coordination Plans for such years.

However, in no event can the deferred amount under this Section 4.03 be more than the Participant's Compensation for the year. A Participant may not have more than one Normal Retirement Age under the Plan.
Section 4.04. Special Rules. For purposes of this Article IV, the following rules shall apply:

(a) Participant Covered By More Than One Eligible Plan. If the Participant is or has been a participant in one or more other eligible plans within the meaning of Code Section 457(b), then this Plan and all such other plans shall be considered as one plan for purposes of applying the foregoing limitations of this Article IV. For this purpose, the Administrator shall take into account any other such eligible plan maintained by the Employer and shall also take into account any other such eligible plan for which the Administrator receives from the Participant sufficient information concerning his or her participation in such other plan.

(b) Pre-Participation Years. In applying Section 4.03, a year shall be taken into account only if (i) the Participant was eligible to participate in the Plan during all or a portion of the year and (ii) Compensation deferred, if any, under the Plan during the year was subject to the Basic Annual Limitation described in Section 4.01 or any other plan ceiling required by Code Section 457(b).

(c) Pre-2002 Coordination Years. For purposes of Section 4.03(b)(ii)(B), "contributions to Pre-2002 Coordination Plans" means any employer contribution, salary reduction, or elective contribution under any other eligible Code Section 457(b) plan, or a salary reduction or elective contribution under any Code Section 401(k) qualified cash or deferred arrangement, Code Section 402(h)(1)(B) simplified employee pension (SARSEP), Code Section 403(b) annuity contract, and Code Section 408(p) simple retirement account, or under any plan for which a deduction is allowed because of a contribution to an organization described in Code Section 501(c)(18), including plans, arrangements or accounts maintained by the Employer or any employer for whom the Participant performed services. However, the contributions for any calendar year are only taken into account for purposes of Section 4.03(b)(ii)(B) to the extent that the total of such contributions does not exceed the aggregate limit referred to in Code Section 457(b)(2) for that year.

Section 4.05. Correction of Excess Deferrals. If the Annual Deferral on behalf of a Participant for any calendar year exceeds the limitations described under this Article IV, or the Annual Deferral on behalf of a Participant for any calendar year exceeds the limitations described under this Article IV when combined with other amounts deferred by the Participant under another eligible deferred compensation plan under Code Section 457(b) for which the Participant provides information that is accepted by the Administrator, then the Annual Deferral, to the extent in excess of the applicable limitation (adjusted for any income or loss in value, if any, allocable thereto), shall be distributed to the Participant as soon as administratively practicable. Subject to the terms of the Trust, if a Participant who made both Pre-Tax Contributions and Roth Contributions for a calendar year has excess amounts for that year, the excess Annual Deferrals will be distributed out of the Roth Contribution Account unless the Participant elects to instead have the excess Annual Deferrals distributed out of the Pre-Tax Contribution Account.

Section 4.06. Disregard Excess Deferrals. For purposes of Sections 4.01, 4.02, and 4.03, an individual is treated as not having deferred compensation under a plan for a prior taxable year to the extent excess deferrals under the plan are distributed, as described in Section 4.05. To the extent that the combined deferrals for pre-2002 years exceeded the maximum deferral limitations, the amount is treated as an excess deferral for those prior years.
ARTICLE V.
ACCOUNTS AND REPORTS

Section 5.01. Accounts. The Vendor shall maintain a Pre-Tax Contribution Account and/or Roth Contribution Account with respect to each Participant. Pre-Tax Contributions shall be credited to the Pre-Tax Contribution Account of the Participant each payroll period. Roth Contributions shall be credited to the Roth Contribution Account of the Participant each payroll period. In addition, a Rollover Contribution Account shall also be maintained for any Participant making rollover contributions to the Plan pursuant to Article XI, and a Transfer Account shall also be maintained for any Participant making transfers to the Plan pursuant to Article XII. The balance of such Accounts shall be adjusted daily to reflect any distribution to the Participant and all interest, dividends, account charges and changes of market value resulting from the investment of the Participant's Accounts.

Section 5.02. Records. The records of each Participant's Account shall be maintained by each Vendor.

Section 5.03. Statements. Statements of each Participant's Account shall be furnished by the Vendor to each Participant at least annually, within 90 days after the end of each calendar year (or such other time as is designated by the Administrator), and at such more frequent intervals as is determined by the Administrator. The Vendor may use the Internet or other electronic means of communication to provide statements, if done through secure means. Participant reports shall be deemed to have been accepted by the Participant as correct unless written notice to the contrary is received by the Vendor within 60 days after the mailing or distribution of a report to the Participant.

Section 5.04. Year End Reports. Within 90 days after the end of each Plan Year, a written report shall be prepared by each Vendor and delivered to the Administrator showing the assets held under the Plan, a schedule of all receipts and disbursements and all material transactions of the Plan during the preceding year. This report shall be in a form and shall contain other information as the Administrator requires. Such reports shall be maintained on file by the Administrator.

Section 5.05. Inspections. The Administrator's or its designee's records pertaining to a Participant's Account, shall be open to inspection by appointment during normal business hours by a Participant, or his or her designated representative. However, no Participant may review any record specifically relating to any other Participant.

ARTICLE VI.
VALUATION OF ACCOUNTS

Section 6.01. Valuation of Accounts. Each Participant's Account in the Plan and Trust shall be equal in value to the Participant's amount credited to the Account, plus (i) income earned and market gains for the Account under the Participant's investment selection, less (ii) market losses for the Account, and expenses and charges to such Account under the Participant's particular investment selection and less (iii) assessments and charges made against the Participant's Account by the Vendor, Administrator, or the Trustee for the expenses of the Plan.

Section 6.02. Valuation and Book Value. All interest, dividends, charges for premiums and changes in value due to market fluctuations, or charges or expenses of
administration shall be credited or debited to the Participant's Accounts as they occur. All Accounts shall be valued every business day, except in cases where the Administrator authorizes a different valuation method. All reports to the Participant shall be based on fair market value as of the reporting date, except that: (i) investments or investment pools that are measured by daily income accruals and fair or book value of the contracts contained therein shall be valued in that manner, and shall not require independent appraisals of value, and; (ii) the Vendor, in cases where the marketability of an investment has been suspended at a time when value must be determined, may make such reasonable estimates of value of all accounts within such particular Investment Option as is necessary to determine the value of any interest therein.

Section 6.03. Deposits. In all cases, deposits of deferrals shall be treated as actually made only as of the date the funds are accepted as in good order by the Vendor.

ARTICLE VII.
DECLARATION OF TRUST

Section 7.01. The Trust. Each Participant in the Plan shall have Accounts within the Trust Fund created by the Administrator under Article V. The Administrator may designate those individuals or institutions who shall act as custodial trustees under this Plan from time to time, and execute such further agreements with them as the Administrator shall deem necessary. The Administrator may designate more than one institution to act as custodial trustee, or may create sub-trusts. To the extent permitted by federal tax law, custodial accounts and annuity contracts may serve as trusts and the Administrator may use such combination of trusts and custodial accounts and annuity contracts to hold Plan assets as it shall see fit. Any reference to the Trust Fund shall include such custodial accounts or annuity contracts unless the context clearly indicates to the contrary. As further described in this Article, each Plan Account, and the Trust Fund as a whole, shall be held in trust for the exclusive benefit of Participants and their Beneficiaries, under the requirements of Code Section 457(g), and the State Pers. & Pens. Art. This Declaration of Trust shall apply to all future contributions and earnings of the Plan and Trust. This Declaration of Trust shall not be interpreted as prohibiting the use of Plan assets to pay fees and other expenses incurred in the maintenance, administration and investment of the Trust Fund, custodial accounts, or annuity contracts, or the Participant's share of Plan administration expense.

Section 7.02. Identification of Trust Assets. All assets of the Plan shall be held in trust or in custodial or annuity contracts as described herein by the Trustees for the exclusive benefit of Participants and their Beneficiaries. Such Trust Fund, and the investments, accounts, contracts, securities and other intangible property and rights that make up the Trust Fund and Plan assets, shall be sufficiently identified by the Trustees and any custodial trustees so that its status as Trust property, or Plan contracts and the individual interests therein, can always be determined. The Trustees shall take all reasonable and necessary steps to execute any documents necessary to effect such trust status or insurance company contract status for existing or future Plan assets.

Section 7.03. Fiduciary Status and Delegation of Duties. The Board is a fiduciary of Plan assets, custodial accounts, or annuity contracts only to the extent required by applicable provision of the Annotated Code of Maryland or the Code. The assumption of fiduciary status by the Board hereunder shall not extend to, or create, any liability or duty to a Participant with respect to the Investment Options offered for Participant selection. No provision of this Plan
shall be construed in any manner that would be inconsistent with the duties and responsibilities specified herein. The Board, as an entity, may: (a) allocate duties and responsibilities under this Plan to one or more of its members; (b) designate one or more persons or entities in their employ to perform such duties and responsibilities; and (c) determine any matter with respect to this Plan by a majority vote of those individuals then constituting the Board.

Section 7.04. Unclaimed Benefit Payments. If any check or share certificate in payment of a benefit hereunder, which has been mailed by regular United States first-class mail to the last address of the payee furnished to the Vendors by the Administrator or the Participant or Beneficiary, is returned unclaimed, the Vendors shall follow such procedures regarding unclaimed benefit payments that the Administrator has established.

Section 7.05. Duty to Furnish Information. Both the Administrator and the Vendors shall furnish to each other any document, report, return, statement or other information that the other reasonably deems necessary to perform duties imposed under this Plan and Trust or otherwise imposed by law.

Section 7.06. Deposits And Disbursements From The Trust.

(a) Trust Deposits. The Board, acting through the Administrator, shall delegate to the Vendors the responsibility for accepting deposits to this Plan and Trust.

(b) Trust Payments. The Board, acting through the Administrator, shall delegate to the Vendors the responsibility for making payments from the Trust. The Vendors shall make payments from the Trust to Participants, their Beneficiaries and such other persons as the Plan may provide for from time to time. Such payments shall be made in such manner, in such amounts and for such purposes, including the payment of Plan benefits and the payment of expenses of administration of the Plan, as may be specified in the Plan. The Vendors shall ensure that any payment directed under this Section conforms to the provisions of this Plan and Trust and the provisions of any applicable law. Payments from the Trust shall be made by check (or the check of an agent) or deposit to the order of the payee. Payments or other distributions hereunder may be mailed to the payee at the address last furnished to the Vendors by the Administrator. The Vendors shall not incur any liability or other damage on account of any payment or other distribution made by the Trust in accordance with this Section.

(c) Allocation of Trust Expenses. All expenses of the Trust shall be paid from the Trust to the extent not paid by the Employer. All expenses of the Trust which are allocable to a particular Investment Option or Account may be allocated and charged to such Investment Option or Account as determined by the Trustees. All expenses of the Trust which are not allocable to a particular Investment Option or Account shall be charged to each such Investment Option or Account in proportion to the value of such Investment Options and Accounts as of the close of business of the immediately preceding valuation date.

Section 7.07. Resignation And Removal Of Trustees. Any custodial trustee may resign at any time in writing to the Administrator. Any custodial trustee may be removed by the Administrator. Upon such resignation or removal, a successor trustee shall be appointed by the Administrator, and shall have the same powers and duties as those conferred upon the custodial trustees hereunder.
Section 7.08. **No Guarantees.** Neither the Board nor the Administrator guarantees the Trust from loss or depreciation or the payment of any amount which may become due to any person under this Plan and Trust.

Section 7.09. **Parties Bound.** This Plan and Trust shall be binding upon the parties hereto, all Participants in this Plan and Trust and persons claiming under or through them pursuant to this Plan and Trust, and, as the case may be, the heirs, executors, administrators, successors and assigns of each of them.

Section 7.10. **Exclusive Benefit Rule.** An Annual Deferral shall be delivered by the State to the Vendor who shall hold such amounts in trust for the exclusive benefit of Participant and Beneficiaries, to be paid by the Vendor, to the Participant pursuant to Article V.

ARTICLE VIII.

INVESTMENT OF ACCOUNTS

Section 8.01. **Investment Options.** The Administrator shall determine from time to time the permitted Investment Options of the Trust that are available for selection by Participants and Beneficiaries, who shall select among those options for the investment of their Account Balance. These options may include securities (debt or equity), mutual funds and/or regulated investment companies, annuity contracts, investment contracts, real estate investment trusts, investment pools, bonds, and any other investment, including collective investment vehicles (whether or not such collective investment vehicles are generally available to the public) and such other investments as are permitted by statute. The Administrator may also invest in, or arrange for investment in, qualifying custodial accounts and contracts as permitted by Code Section 457(g)(3). In each case, however, regardless of the type of investment, it is the intention of this Plan that the individual interest of each Participant and Beneficiary within this Plan and Trust shall always be capable of identification. The Administrator shall at all times create and administer the Plan and the investments of the Plan in accordance with requirements of the State Pers. & Pens. Art., and shall only use such designated company or companies as allowed by Section 30-210 of that Article, or successor provision of similar import. The Vendor shall transfer to each such Investment Option such portion of the assets of the Trust as directed by Participants and Beneficiaries. The Vendor shall manage, acquire, or dispose of the assets in an Investment Option in accordance with the specific investment directions given by the Participants. All income received with respect to, and all proceeds received from, the disposition of property held in an Investment Option shall be credited to, and reinvested in, such Investment Option. From time to time, the Administrator may eliminate an Investment Option, and the proceeds thereof shall be reinvested in another Investment Option in accordance with the directions of the Administrator.

Section 8.02. **Participant Investment Options.**

(a) **Change of Investment Options.** The Participant may change the Investment Options he or she has selected for his or her Account Balance, or a portion of his or her Account Balance, by amending his or her Participation Agreement, and filing such amendment with the Administrator. Such amendment shall become effective only under such terms and conditions as are set by the Administrator, and at such time as the Vendor is able to change any Account Balance maintained by it for the Participant's benefit under the existing Investment Options previously chosen by the Participant, to the new Investment Options selected by the Participant.
in his or her amended Participation Agreement. Such amendments to the Participation Agreement may be made through electronic means under regular and secure procedures established therefore.

(b) Conditions for Change of Investment Options. Amendments to the Participation Agreement, for purposes of changing an Employee's Investment Option selection for his or her Account Balance, may be made on the Applicable Form at such times and under such conditions as may be determined from time to time by the Administrator during the Plan Year.

(c) Administrator's Right to Select Investment Options. The Administrator may, without consent of any Participant whose Investment Option selection may be affected, restrict or terminate the right to change an Investment Option selection for all Participants, or class of Participants. Such change, reduction or termination shall be made in accordance with applicable provisions of the State Pers. & Pens. Art. The maintenance by the Administrator or Vendor of electronic or automated methods of Investment Option selection, or of methods that permit daily change in Investment Option selection, shall not constitute a guarantee against any loss in value that may accrue through temporary inability to change such selection through use of such methods.

Section 8.03. Beneficiary Investment Options. A Beneficiary of a deceased Participant shall have the same rights as a Participant to elect a change of Investment Option selection.

Section 8.04. Investment Default. In the event that a Participant does not have a valid investment direction on file for any portion of the amount in that Participant's Account, the Account shall be invested in any default option or options as determined by the Administrator. In such event, the Participant shall be deemed to have directed that option (or options) for investment of his or her Account. The Administrator intends to establish one or more default Investment Options based upon various factors, including, but not limited to, market risk, stability and rate of return. If the Administrator has appropriately exercised its fiduciary duty in selecting a default option(s), it shall have no liability for any loss sustained by a Participant or Beneficiary whose Account is invested in the default option(s).

ARTICLE IX.
BENEFITS

Section 9.01. Benefit Payments.

(a) Distributable Events. A Participant or, if applicable, a Beneficiary, shall be eligible to receive a distribution of his or her Vested Account under the Plan upon the Participant's:

(1) Severance from Employment;
(2) death;
(3) attainment of age 70½; or
(4) unforeseeable emergency, as described in Section 9.09.
(b) **Severance from Employment.** Upon Severance from Employment, a Participant is entitled to receive a distribution of his or her Accounts under any form of distribution permitted under Section 9.02, subject to Section 9.04, commencing on a date selected by the Participant which may not be later than the required distribution date of Code Section 401(a)(9), as specified in Section 9.04. A Participant may elect to change the commencement date of distribution of the Accounts to a later date otherwise permitted under this Article, so long as the commencement date meets the required distribution commencement date provisions of Code Section 401(a)(9). All benefits shall be paid under a payment option under Section 9.02, subject to Section 9.04.

(c) **Attainment of Age 70½.** Upon attaining age 70½, a Participant may elect to have benefits commence on a date which is no later than the required distribution date of Code Section 401(a)(9), as specified in Section 9.04. All benefits shall be paid under a payment option under Section 9.02, subject to Section 9.04.

(d) **Death.** In the event of the Participant's death prior to the commencement of benefits under subsection (a), the value of the Participant's Accounts shall be paid to the Beneficiary under a payment option elected by the Beneficiary under Section 9.02, subject to the restrictions in Section 9.06. Such benefits shall be payable commencing within 60 days after receipt by the Administrator of satisfactory proof of the Participant's death. However, if the Beneficiary is the Spouse of the Participant, then the Spouse may elect within 60 days of Participant's death, to defer distribution to a date not later than the date when the Participant would have attained age 70½. In the event of the Participant's death after commencement of benefits, benefits shall be paid subject to Section 9.04.

**Section 9.02. Payment Options.**

(a) The election of a payment option by a Participant or a Beneficiary under Section 9.01 must be made no later than 30 days before the commencement of such benefits. Subject to restrictions established by the Administrator, the methods of payment of benefits available for election by a Participant shall be either: (i) a single sum payment of the entire value of the Participant's Account; (ii) an installment schedule of monthly, quarterly or yearly payments of a period of one or more years; (iii) through purchase of an individual fixed or variable annuity contract for that Account; (iv) a series of payments on an annuity basis as if an annuity contract was purchased for such person, or (v) such method as may be allowed under procedures described by the Administrator and allowed by the Trustee holding the account. It is the Participant's responsibility to notify the Administrator when he or she separates from State service, and to make the elections set forth in this Section.

(b) Subject to the terms of the Trust, Participants may elect to have either Roth Contributions or Pre-Tax Contributions distributed from the Plan first. Unless provided otherwise under the Trust, if the Participant fails to make an election, Pre-Tax Contributions will be distributed from the Plan first.

**Section 9.03. Lump Sum Settlement.** Notwithstanding anything in this Plan to the contrary, if a Participant's Account Balance does not exceed $1,000 (determined without regarding to his or her Rollover Contribution Account) at the time of Severance from Employment, the Administrator may effect a lump sum distribution of the Participant's Accounts.
Section 9.04. Minimum Distribution Rules. No payment option may be selected by a Participant unless the amounts payable to the Participant are expected to be at least equal to the minimum distribution required under Code Section 401(a)(9). With respect to distributions under the Plan, the Plan will apply the minimum distribution requirements of Code Section 401(a)(9) in accordance with the final Treasury Regulations under Code Section 401(a)(9), as follows:

(a) General Rules.

(1) The requirements of this Section will take precedence over any inconsistent provisions of the Plan.

(2) All distributions required under this Section will be determined and made in accordance with the Treasury Regulations under Code Section 401(a)(9).

(3) Distributions to a Participant and his or her Beneficiaries shall only be made in accordance with the incidental death benefit requirements of Code Section 401(a)(9)(G) and the Treasury Regulations thereunder.

(b) Time and Manner of Distribution.

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

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

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

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

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

(iv) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, this Section 9.04(b)(2), other than Section 9.04(b)(2)(i), will apply as if the surviving Spouse were the Participant.
For purposes of this Section 9.04(b)(2) and Section 9.04(d), unless Section 9.04(b)(2)(iv) applies, distributions are considered to begin on the Participant's Required Beginning Date. If Section 9.04(b)(2)(iv) applies, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.04(b)(2)(i). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's Required Beginning Date (or to the Participant's surviving Spouse before the date distributions are required to begin to the surviving Spouse under Section 9.04(b)(2)(i)), the date distributions are considered to begin is the date distributions actually commence.

(3) Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the Required Beginning Date, as of the first Distribution Calendar Year distributions will be made in accordance with Sections 9.04(c) and 9.04(d). If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code Section 401(a)(9) and the Treasury Regulations.

(c) Required Minimum Distributions During Participant's Lifetime.

(1) During the Participant's lifetime, the minimum amount that will be distributed for each Distribution Calendar Year is the lesser of:

(i) the quotient obtained by dividing the Participant's Account Balance by the distribution period in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's age as of the Participant's birthday in the Distribution Calendar Year; or

(ii) if the Participant's sole Designated Beneficiary for the Distribution Calendar Year is the Participant's Spouse, the quotient obtained by dividing the Participant's Account Balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's and Spouse's attained ages as of the Participant's and Spouse's birthdays in the Distribution Calendar Year.

(2) Required minimum distributions will be determined under this Section 9.04(c) beginning with the first Distribution Calendar Year and up to and including the Distribution Calendar Year that includes the Participant's date of death.

(d) Required Minimum Distributions After Participant's Death.

(1) Death On or After Date Distributions Begin.

(i) If the Participant dies on or after the date distributions begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the longer of the remaining Life Expectancy of the Participant or the remaining Life Expectancy of the Participant's Designated Beneficiary, determined as follows:
(A) The Participant's remaining Life Expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(B) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the remaining Life Expectancy of the surviving Spouse is calculated for each Distribution Calendar Year after the year of the Participant's death using the surviving Spouse's age as of the Spouse's birthday in that year. For Distribution Calendar Years after the year of the surviving Spouse's death, the remaining Life Expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(C) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary, 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.

(ii) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the Participant's remaining Life Expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(2) Death Before Date Distributions Begin.

(i) If the Participant dies before the date distributions begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining Life Expectancy of the Participant's Designated Beneficiary, determined as provided in Section 9.04(d)(1).

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

(iii) If the Participant dies before the date distributions begin, the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, and the surviving Spouse dies before distributions are required to begin to the surviving Spouse under Section 9.04(b)(2)(i), this Section 9.04(d)(2) will apply as if the surviving Spouse were the Participant.
(e) **Definitions.**

(1) "Designated Beneficiary" means the individual who is designated as the Beneficiary under Section 9.05 of the Plan and is the designated beneficiary under Code Section 401(a)(9) and Treasury Regulation Section 1.401(a)(9)-1, Q&A-4.

(2) "Distribution Calendar Year" means a calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first Distribution Calendar Year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first Distribution Calendar Year is the calendar year in which distributions are required to begin under Section 9.04(b)(2). The required minimum distribution for the Participant's first Distribution Calendar Year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other Distribution Calendar Years, including the required minimum distribution for the Distribution Calendar Year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that Distribution Calendar Year.

(3) "Life Expectancy" means Life Expectancy as computed by use of the Single Life Table in Treasury Regulation Section 1.401(a)(9)-9.

(4) "Participant's Account Balance" means the Account Balance as of the last valuation date in the calendar year immediately preceding the Distribution Calendar Year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the Account Balance as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The Account Balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the Distribution Calendar Year if distributed or transferred in the valuation calendar year.

(5) "Required Beginning Date" means April 1 of the calendar year following the later of (i) the calendar year in which the Participant reaches 70½, or (ii) the calendar year in which the Participant retires.

(f) **2009 Minimum Distributions.** For 2009, the minimum distribution requirements under Section 9.04 will be satisfied as provided in either paragraph (1) or (2) below, as determined by the Vendor responsible for the Participant's required minimum distribution:

(1) A Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code Section 401(a)(9)(H) ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are (A) equal to the 2009 RMDs or (B) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's designated Beneficiary, or for a period of at least 10 years ("Extended 2009 RMDs"), will receive those distributions for 2009 unless the Participant or beneficiary chooses not to receive
such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

(2) A Participant or Beneficiary who would have been required to receive 2009 RMDs, and who would have satisfied that requirement by receiving distributions that are (A) equal to the 2009 RMDs or (B) Extended 2009 RMDs, will not receive those distributions for 2009 unless the Participant or Beneficiary chooses to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

Further, if provided by the Vendor, the 2009 RMDs and Extended 2009 RMDs will be treated as eligible rollover distributions in 2009.

Section 9.05. Designated Beneficiary. The Participant shall file with the Administrator, or such other entity as may be designated by the Administrator from time to time, the Applicable Form, designating or changing the person or persons who shall receive any balance of the Participant's Account under this Plan in the event of the Participant's death. The Participant may also designate his or her estate as the Beneficiary of his or her Account, or a trust created by him or her as the Beneficiary. The Applicable Form will have no effect until it is signed and filed with the Administrator, or such other entity as may be designated by the Administrator from time to time. If the Participant dies without having designated a Beneficiary, any payment due shall be made to the properly appointed fiduciary of the Participant's estate. The Participant shall have the burden for executing and filing the Applicable Form. Only the last designation of a Beneficiary prior to receipt of benefits shall have effect, and any new designation of a Beneficiary invalidates, supersedes, and revokes any prior designation.

A Participant shall have the right to designate at least one primary and contingent Beneficiary and to indicate whether the Beneficiaries in each class are to share equally or according to specified percentages. A contingent Beneficiary shall receive benefit payments only if there is no surviving primary Beneficiary. If a Beneficiary predeceases the Participant, the surviving Beneficiaries in the same class (i.e., primary or contingent) will share among each other all benefits in the same proportion as originally designated by the Participant. In the event of the death of a Beneficiary after the Beneficiary has become entitled to receive benefits, the remaining benefits shall be paid to the estate of the Beneficiary in a lump sum.

Section 9.06. Voluntary In-Service Distribution.

(a) A Participant who is an active Employee of the Employer may elect to receive a distribution of the Participant's Pre-Tax Contribution Account and Transfer Account under the Plan before a Severance of Employment if the following requirements are met:

(1) the Participant's Vested Account (not including his or her Rollover Contribution Account) does not exceed the amount specified under Code Section 411(a)(11) (as of January 1, 2001, $5,000) on the date of the distribution;

(2) the Participant has not previously received an in-service distribution of the Participant's Account under this Section; and
(3) no Annual Deferrals have been made to the Plan with respect to the Participant during the two year period ending on the date of the in-service distribution under this Section.

(b) This election must be made in accordance with the procedures established by the Administrator.

Section 9.07. Distributions from the Rollover Contribution Account. Effective January 1, 2005, a Participant shall have the right to a distribution of the Participant's Rollover Contribution Account at any time at the direction of the Participant, subject to any applicable penalties or other distribution requirements under the Code.

Section 9.08. Unforeseeable Emergency Distributions. Notwithstanding any other provision herein and subject to guidelines and requirements set forth in procedures established by the Administrator, individuals with a Pre-Tax Contribution Account and/or Roth Contribution Account may request that benefits be paid in the event of an unforeseeable emergency, including individuals who are no longer employed by the Employer but who still have an Account Balance and individuals who are currently receiving benefits under the Plan which are not being paid as an annuity. If the Participant has an unforeseeable emergency before Severance from Employment, the Participant may elect to receive a lump sum distribution equal to the amount requested or, if less, the maximum amount determined by the Administrator to be permitted to be distributed under this Section.

(a) Requests for Unforeseeable Emergency Distributions. All requests for unforeseeable emergency distributions shall be made initially to the Administrator or such other entity as may be designated by the Administrator from time to time. Any decision made by the Administrator or its designee shall be final and conclusive. The Administrator may establish restrictions following a distribution pursuant to this Section.

(b) Unforeseeable Emergency Defined. An unforeseeable emergency is defined as a severe financial hardship of the Participant resulting from: an illness or accident of the Participant, the Participant's Spouse, or the Participant's dependent (as defined in Code Section 152 without regard to Code Sections 152(b)(1), (b)(2), and (d)(1)(B); loss of the Participant's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); the need to pay for the funeral expenses of the Participant's Spouse, or dependent (as defined in Code Section 152 without regard to Code Section 152(d)(1)(B)); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. For example, the imminent foreclosure of or eviction from the Participant's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses for the Participant or the Participant's Spouse or dependent (as defined in Code Section 152 without regard to Code Section 152(d)(1)(B)), including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Except as otherwise specifically provided in this Section, neither the purchase of a home nor the payment of college tuition is an unforeseeable emergency.

(c) Unforeseeable Emergency Distribution Standard. A distribution on account of unforeseeable emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of
the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship, or by cessation of deferrals under the plan.

(d) Distribution Necessary To Satisfy Emergency Need. Distributions because of an unforeseeable emergency may not exceed the amount reasonably necessary to satisfy the emergency need (which may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution).

(e) Possible Class Restriction. The Administrator may further limit and/or prohibit such withdrawals for classes of accounts maintained under the Plan.

(f) Special Relief for Distributions. Notwithstanding the other provisions of this Article, the Administrator may authorize the Vendors to make any distribution authorized by the Internal Revenue Service or by Act of Congress in response to a natural disaster.

ARTICLE X.
ELIGIBLE ROLLOVERS FROM THIS PLAN

Section 10.01. Definitions for this Article.

(a) "Direct Rollover" means an Eligible Rollover Distribution that is paid directly to an Eligible Retirement Plan for the benefit of the Distributee.

(b) "Distributee" means a Participant, the Spouse of the Participant, the Participant's former Spouse who is an alternate payee within the meaning of Code Section 414(p)(8), and, effective January 1, 2008, a Participant's non-Spouse Beneficiary, any of whom is eligible to receive a distribution from the Plan.

(a) "Eligible Retirement Plan," as defined under Code Section 402(c)(8)(B), means:

(1) an individual retirement account described in Code Section 408(a);

(2) an individual retirement annuity (other than an endowment contract) described in Code Section 408(b);

(3) a simple retirement account described in Code Section 408(p)(1) following the two year period described in Code Section 72(t)(6);

(4) any annuity plan described in Code Section 403(a);

(5) a plan described in Code Section 403(b);

(6) a qualified plan described in Code Section 401(a);

(7) a Code Section 457(b) eligible deferred compensation plan which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state; and

(8) effective January 1, 2008, a Roth individual retirement account described in Code Section 408A(e), provided the Distributee's adjusted gross income does not
exceed any limit applicable under federal law for the tax year in which the distribution occurs.

Effective January 1, 2008, in the case of a distribution to a Participant's non-Spouse Beneficiary, an Eligible Retirement Plan shall mean the plans described in paragraphs (1) and (2) only, to the extent consistent with the provisions of Code Section 402(c)(11) and any successor provisions thereto or additional guidance issued thereunder.

(b) "Eligible Rollover Distribution," as defined in Code Section 402(f)(2)(A), means any distribution of all or any portion of the balance to the credit of the Distributee under this Plan, except that an Eligible Rollover Distribution does not include:

(1) 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 period of ten years or more;

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

(3) the portion of any distribution that is not includible in gross income; provided, however, a portion of a distribution shall not fail to be an Eligible Rollover Distribution merely because the portion consists of after-tax employee contributions that are not includible in gross income. However, such portion may be transferred only:

(i) to an individual retirement account or annuity described in Code Section 408(a) or 408(b), respectively, or to a qualified defined contribution plan described in Code Section 401(a) that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of such distribution which is not so includible;

(ii) to a qualified defined benefit plan described in Code Section 401(a) or to an annuity contract described in Code Section 403(b), that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; or

(iii) to a Roth IRA described in Code Section 408A;

(4) any distribution which is made upon the financial hardship of the Participant; and

(5) other items designated by regulations, or by the Commissioner in revenue rulings, notices, or other guidance, as items that do not constitute an eligible rollover distribution.

**Section 10.02. Direct Transfer of Eligible Rollover Distribution.** A Distributee may elect on an Applicable Form to have an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan as specified by the Distributee in a Direct Rollover, at the time and in the
manner prescribed by the Vendor. An Eligible Rollover Distribution that is paid to an Eligible Retirement Plan in a Direct Rollover is excludable from the Distributee's gross income under Code Section 402; provided, however, if any portion of such Eligible Rollover Distribution is subsequently distributed from the Eligible Retirement Plan, that portion shall be included in gross income to the extent required under Code Section 402, 457, or 408.

Section 10.03, Mandatory Withholding of Eligible Rollover Distributions.

(a) If the Distributee of an Eligible Rollover Distribution does not elect to have the Eligible Rollover Distribution paid directly from the Plan to an Eligible Retirement Plan in a Direct Rollover pursuant to Code Section 401(a)(31), the Eligible Rollover Distribution shall be subject to a mandatory 20% federal income tax withholding under Code Section 3405(c). Only that portion of the Eligible Rollover Distribution that is not paid directly from the Plan to an Eligible Retirement Plan shall be subject to the mandatory withholding requirement under Code Section 3405(e), and only to the extent such amount would otherwise be includible in the Distributee's taxable gross income.

(b) If a Distributee elects to have an Eligible Rollover Distribution paid to the Distributee, the distribution may be excluded from gross income of the Distributee provided that said distribution is contributed to an Eligible Retirement Plan no later than the 60th day following the day on which the Distributee received the distribution.

Section 10.04, Explanation of Plan Distribution and Withholding Requirements. Not fewer than 30 days nor more than 180 days before an Eligible Rollover Distribution, the Vendor shall provide each Distributee a written explanation as required under Code Section 402(f), which explains the rules:

(a) under which a Distributee may elect to have an Eligible Rollover Distribution paid in a Direct Rollover to an Eligible Retirement Plan;

(b) that require the withholding of tax on an Eligible Rollover Distribution if it is not paid in a Direct Rollover to an Eligible Retirement Plan;

(c) that provide that a distribution shall not be subject to tax if the distribution is rolled over to an Eligible Retirement Plan within 60 days after the date the Distribute receives the distribution; and

(d) if applicable, certain special rules regarding taxation of the distribution as described in Code Sections 402(d) and (e).

Notwithstanding the above, a distribution may begin fewer than 30 days after the notice discussed in the preceding sentence is given, provided that the Vendor clearly informs the Participant that he or she has a right to a period of at least 30 days after receiving the notice to consider the decision of whether or not to elect a distribution and the Participant, after receiving a notice, affirmatively elects a distribution.
ARTICLE XI.
ELIGIBLE ROLLOVERS TO THIS PLAN

Section 11.01. Participant Rollovers.

(a) At any time, a Participant who is an Employee and who is entitled to receive an Eligible Rollover Distribution, as defined under Code Section 402(c)(4) and Section 10.02(a) of the Plan, from another eligible retirement plan may contribute to the Plan in cash as a rollover contribution, a qualified rollover amount from a qualified plan under Code Section 401(a), an annuity plan under Code Section 403(a), an individual retirement account under Code Section 408(a) or individual retirement annuity under Code Section 408(b), an eligible governmental deferred compensation plan under Code Section 457(b), or a tax-sheltered annuity under Code Section 403(b). Any Rollover Contribution (i) shall be subject to the Administrator's determination, in its discretion, that the Rollover Contribution satisfies all applicable requirements of the Code and (ii) shall be made directly from such prior plan, or if such amount was distributed to the Participant, such Rollover Contribution shall be made within 60 days after the Participant receives the rollover amount.

(b) The Plan shall accept a Rollover Contribution to a Roth Contribution Account only if it is a direct rollover from another Roth elective deferral account under an applicable retirement plan described in Code Section 402A(e)(1) and only to the extent the rollover is permitted under the rules of Code Section 402(c).

(c) A Rollover Contribution shall be allocated to the Rollover Contribution Account of the Participant as of the date of the contribution. Before a Rollover Contribution is made, the Participant shall designate on the Applicable Form the Investment Options in which the Vendor should invest the Participant's Rollover Contribution.

Section 11.02. Administrator Requirements. The Vendor may require such documentation from the distributing plan as it deems necessary to effectuate the rollover in accordance with Code Section 402 and to confirm that such plan is an eligible retirement plan within the meaning of Code Section 402A(3)(8)(B). With respect to receipt or transfer of Account Balances under this Article the Vendor may rely upon representations made by either the Participant or other plan (made through those having apparent authority to make them).

Section 11.03. Separate Accounts for Rollovers. The Vendor shall establish and maintain for the Participant a separate account for any eligible rollover distribution paid to the Plan from any eligible retirement plan that is not an eligible governmental plan under Code Section 457(b). In addition, the Vendor shall establish and maintain for the Participant a separate account for any eligible rollover distribution paid to the Plan from any eligible retirement plan that is an eligible governmental plan under Code Section 457(b).

Section 11.04. In-Plan Roth Rollovers.

(a) Any portion or all of a Participant's Vested Account Balance (other than a Roth Contribution Account) is eligible for direct rollover to the Participant's Roth Contribution Account under the Plan, even if the Vested Account Balance is not otherwise distributable (pursuant to Code Section 402A(c)(4)(E)) under Article IX of the Plan, and the transfer shall be treated as a qualified rollover contribution (within the meaning of Code Section 408A(e)) to the Participant's Roth Contribution Account.
(b) A Participant's election under this Section shall be subject to the reasonable administrative procedures established by the Administrator, Code Section 402A(c)(4) and the regulations thereunder, and subsequent guidance from the Internal Revenue Service.

(c) The taxable portion of the Participant's Account directly rolled over to a Roth Contribution Account under this Section shall be included in the Participant's gross income in the tax year in which the transfer occurs.

(d) To the extent required by Code Section 402(f), the Administrator shall provide written information regarding in-Plan Roth rollovers under this Section, for amounts that are otherwise distributable under Article IX.

ARTICLE XII.
PLAN-TO-PLAN TRANSFERS

Section 12.01. Direct Transfers Among Plans of the Same Employer. A transfer from this Plan to another eligible governmental plan of the same Employer and a transfer to this Plan from another eligible governmental plan of the same Employer is permitted under the following conditions:

(1) The transfer is from an eligible governmental plan to another eligible governmental plan of the same Employer (and, for this purpose, the Employer is not treated as the same employer if the Participant's compensation is paid by a different entity);

(2) The transferor plan provides for transfers;

(3) The receiving plan provides for the receipt of transfers;

(4) The Participant or Beneficiary whose amounts deferred are being transferred will have an amount deferred immediately after the transfer at least equal to the amount deferred with respect to that Participant or Beneficiary immediately before the transfer; and

(5) The Participant or Beneficiary whose deferred amounts are being transferred is not eligible for additional annual deferrals in the receiving plan unless the Participant or Beneficiary is performing services for the entity maintaining the receiving plan.

Section 12.02. Plan-to-Plan Transfers from the Plan to another Plan.

(a) Requirements for Transfer. At the direction of the Employer, the Administrator may permit a class of Participants and Beneficiaries to elect to have all or any portion of their Account Balance transferred to another eligible governmental plan within the meaning of Code Section 457(b) and Treasury Regulation Section 1.457-2(f). A transfer is permitted under this Section 12.02(a) for a Participant only if the Participant has had a Severance from Employment with the Employer and is an employee of the entity that maintains the other eligible governmental plan. Further, a transfer is permitted under this Section 12.02(a) only if the other eligible governmental plan provides for the acceptance of plan-to-plan transfers and if each Participant and Beneficiary has an amount deferred under the other plan immediately after the
transfer at least equal to the amount transferred. The Administrator may require such documentation from the receiving plan as it deems appropriate or necessary to comply with this Section 12.02 (for example, to confirm that the receiving plan is an eligible governmental plan and to assure that the transfer is permitted under the receiving plan) or to effectuate the transfer pursuant to Treasury Regulation Section 1.457-10(b).

(b) **Effect of Transfer.** Upon the transfer of assets under this Section 12.02, the Plan's liability to pay benefits to the Participant or Beneficiary under this Plan shall be discharged to the extent of the amount so transferred for the Participant or Beneficiary.

**Section 12.03. Plan-to-Plan Transfers to the Plan.** At the direction of the Employer, the Administrator may permit a class of Participants who are participants in another eligible governmental plan under Code Section 457(b) to transfer assets to the Plan as provided in this Section. Such a transfer is permitted only if the other plan provides for the direct transfer of each Participant's interest therein to the Plan. The Administrator may require in its sole discretion that the transfer be in cash or other property acceptable to the Administrator. The Administrator and Vendor may require such documentation from the other plan as it deems necessary to effectuate the transfer in accordance with Code Section 457(e)(10) and Treasury Regulation Section 1.457-10(b) and to confirm that the other plan is an eligible governmental plan as defined in Treasury Regulation Section 1.457-2(f). The amount so transferred shall be credited to the Participant's Transfer Account and shall be held, accounted for, administered and otherwise treated in the same manner as an Annual Deferral by the Participant under the Plan, except that the transferred amount shall not be considered an Annual Deferral under the Plan in determining the maximum deferral under Article V.

**Section 12.04. Permissive Service Credit Transfers.**

(a) If a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in Code Section 414(d)) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant may elect to have any portion of the Participant's Account Balance transferred to the defined benefit governmental plan. A transfer under this Section may be made before the Participant has had a Severance from Employment.

(b) A transfer may be made under this Section only if the transfer is either for the purchase of permissive service credit (as defined in Code Section 415(n)(3)(A)) under the receiving defined benefit governmental plan or a repayment to which Code Section 415 does not apply by reason of Code Section 415(k)(3).

**Section 12.05. Direct Transfers to this Plan.** Subject to the approval of the Administrator, this Plan shall accept cash transfers of Participants' accounts maintained under an eligible Section 457 plan directly to this Plan.

**Section 12.06. Representations.** With respect to receipt or transfer of account balances under this Article, the Board, Administrator and Vendor may rely upon representations made by either the Participant or the other Section 457 plan (made through those having apparent authority to make them) with respect to matters relevant for the transfer.

**Section 12.07. Plan Charges.** An Employee who has become a Participant through a transfer allowed by this Section shall be liable for Plan charges and expenses in the same manner
and to the same extent as any other Participant notwithstanding the fact that all or part of his or her existing Account Balance may have been derived from contributions and earnings attributable to another plan. In addition, the Administrator may from time to time impose charges on said transfers to be deducted directly from the Participant's Transfer Account in this Plan once the transfer has occurred.

Section 12.08. Effect of Elections. Neither this Plan nor a new Participant making such a transfer shall be bound by any elections or designations (whether of a commencement date of distributions, or manner of distributions, designation of retirement age or beneficiaries) made under such other plan, but, instead, shall make and be bound by such elections and designations as are required under this Plan.

ARTICLE XIII.
DOMESTIC RELATIONS ORDERS

Section 13.01. General Provisions. If authorized by the Administrator, domestic relations orders which satisfy the requirements of Code Sections 414(p)(1)(A)(i) and 414(p)(1)(B), this Article, and the procedures established by the Administrator for such orders may be considered Plan-Approved Domestic Relations Orders ("PADROs") and may be honored by the Plan. If the Administrator determines to honor PADROs, this Article will apply to those PADROs. If the Administrator determines that certain PADROs will not be honored, then this Article shall not be interpreted as requiring that those PADROs be honored. The Administrator is authorized to establish and amend procedures for the determination of PADROs (including procedures for the resolution of disputes) consistent with the above-referenced Code provisions and this Article.

Section 13.02. Administration of Covered PADROs. In administration of this Plan, the Administrator or the Vendors, as appropriate, may establish such procedures as enable any discrete interest of an alternate payee established under a PADRO to be separately accounted for and distributed. Any funds held under such a separate account shall not be distributed in any form or manner that would cause the Plan to become an ineligible plan under Code Section 457. This Article shall not be construed as requiring the Administrator or Vendors to recognize or make distributions under any PADRO whose validity is in doubt.

Section 13.03. Investments of Covered PADROs. During any period that the issue of whether an order satisfies the applicable requirements of the Code and the procedures established by the Administrator is under consideration, the investment direction of the Participant with respect to the Participant's Accounts shall remain in effect, subject to a determination by the Administrator that such investment direction would be contrary to a final court order. After a determination has been made that a domestic relations order satisfies the applicable requirements of the Code and the procedures established by the Administrator and a separate Plan Account has been established for the alternate payee, the alternate payee shall direct the investment of his or her Plan Account. The Administrator shall direct the investment of an alternate payee's Account to a default investment pursuant to Section 8.04 when there is no valid investment direction on file. The alternative payee's Account shall be assessed administrative fees in the same amount and in the same manner as a Participant's Account.

Section 13.04. Distributions to Alternate Payees of Covered PADROs. Distribution of benefits to the alternate payee shall commence as soon as administratively practicable after (i)
a determination is made that the order satisfies the applicable requirements of the Code and the procedures established by the Administrator, and (ii) receipt by the Administrator of the Applicable Forms for the election of benefits. In the event of an alternative payee's death, any remaining benefits shall be payable solely to the alternate payee's estate, via the duly-appointed and then-currently serving executor of the alternative payee's estate.

**ARTICLE XIV.**

**LOANS**

**Section 14.01. Loans.** A Participant who is an Employee may apply for and receive a loan from his or her Vested Accounts as provided in this Section. Any such loan may not be for an amount less than the minimum amount specified by the Vendor in accordance with the applicable law.

**Section 14.02. Maximum Loan Amount.**

(a) No loan to a Participant under the Plan may exceed the lesser of:

(1) $50,000, reduced by the greater of (i) the outstanding balance on any loan from the Plan to the Participant on the date the loan is made or (ii) the highest outstanding balance on loans from the Plan to the Participant during the one-year period ending on the day before the date the loan is approved by the Vendor (not taking into account any payments made during such one year period); or

(2) One-half of the value of the Participant's Vested Account Balance (as of the valuation date immediately preceding the date on which such loan is approved by the Vendor).

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

**Section 14.03. Terms of Loan.** The terms of the loan shall:

(a) require level amortization with payments not less frequently than quarterly throughout the repayment period, except that alternative arrangements for repayment may apply in the event that the borrower is on an bona fide unpaid leave of absence for a period not to exceed one year for leaves other than a qualified military leave within the meaning of Code Section 414(u) or for the duration of a leave which is due to qualified military service;

(b) require that the loan be repaid within five years unless the Participant certifies in writing to the Administrator that the loan is to be used to acquire any dwelling unit which within a reasonable time is to be used (determined at the time the loan is made) as a principal residence of the Participant; and

(c) provide for a reasonable interest rate established by the Vendor in accordance with the applicable law.
Section 14.04. Security for Loan; Default.

(a) Security. Any loan to a Participant under the Plan shall be secured by the pledge of the portion of the Participant's interest in the Plan invested in such loan.

(b) Default. In the event that a Participant fails to make a loan payment under this Section within 90 days after the date such payment is due, a default on the loan shall occur. In the event of such default, (i) all remaining payments on the loan shall be immediately due and payable, (ii) effective as of the first day of the calendar month next following the month in which any such loan default occurs, the interest rate for such loan shall be (if higher than the rate otherwise applicable) the rate being charged on loans from the Plan that are approved by the Administrator in the month in which such default occurs, (iii) no contributions shall be made on such Participant's behalf prior to the first payroll period that follows by 12 calendar months the date of repayment in full of such loan, and (iv) the Participant shall be permanently ineligible for any future loans from the Plan.

In the case of any default on a loan to a Participant, the Administrator shall apply the portion of the Participant's interest in the Plan held as security for the loan in satisfaction of the loan on the date of Severance from Employment. In addition, the Administrator shall take any legal action it shall consider necessary or appropriate to enforce collection of the unpaid loan, with the costs of any legal proceeding or collection to be charged to the Account Balance of the Participant.

Notwithstanding anything elsewhere in the Plan to the contrary, in the event a loan is outstanding hereunder on the date of a Participant's death, his or her estate shall be his or her Beneficiary as to the portion of his or her interest in the Plan invested in such loan (with the Beneficiary or Beneficiaries as to the remainder of his or her interest in the Plan to be determined in accordance with otherwise applicable provisions of the Plan).

Section 14.05. Repayment. Repayment of a loan may be made by payroll deduction, by direct payment to the Plan, by direct debit of the Participant's checking account, or may such other means as the Vendor may permit. A Vendor may require the Participant, as a condition to receiving a loan, to enter into an irrevocable agreement authorizing the Employer to make payroll deductions from his or her Compensation as long as the Participant is an Employee and to transfer such payroll deduction amounts to the Trustee in payment of such loan plus interest. Repayments of a loan shall be made in equal installments (comprised of both principal and interest) each due date, with the first such repayment to be made as soon as practicable after the loan funds are disbursed; provided however, that a Participant may prepay the entire outstanding balance of his or her loan at any time; and provided, further, that if any payroll deductions cannot be made in full because a Participant is on an unpaid leave of absence or the Participant's paycheck is insufficient for any other reason, the Participant shall pay directly to the Plan the full amount that would have been deducted from the Participant's paycheck, with such payment to be made by the last business day of the calendar month in which which the amount would have been deducted.

Section 14.06. Special Relief for Loans. Notwithstanding any other Sections of this Article, the Administrator may authorize the Vendors to observe the terms of any Internal Revenue Service guidance or Act of Congress regarding plan loans, which guidance or Act was issued or enacted in response to a natural disaster.
ARTICLE XV.
PLAN ADMINISTRATION

Section 15.01. Authority of the Administrator. The Administrator shall have the authority to control and manage the operation and administration of the Plan. The Administrator shall have all power necessary or convenient to enable it to exercise its authority under the Plan. The Administrator may provide rules and regulations, not inconsistent with the provisions hereof, for the operation and management of the Plan, and may from time to time amend or rescind such rules or regulations. The Administrator is authorized to accept service of legal process for the Plan.

Section 15.02. Powers of the Administrator. The Administrator shall have the power and discretion to construe and interpret the Plan, including any ambiguities, to determine all questions of fact or law arising under the Plan, and to resolve any disputes arising under and all questions concerning administration of the Plan. The Administrator may correct any defect, supply any omission or reconcile any inconsistency in the Plan in such manner and to such extent as the Administrator may deem expedient and, subject to the Plan's claim procedures, the Administrator shall be the sole and final judge of such expediency. Benefits are payable under the Plan only if the Administrator, in its sole and absolute discretion, determines the benefits are payable under the provisions the Plan.

Section 15.03. Delegation by Administrator.

(a) The Administrator may from time to time delegate in writing to a committee or any duly authorized officer certain of its fiduciary duties or other responsibilities under the Plan. Any such committee or officer delegated fiduciary duties shall be a fiduciary until the Administrator revokes such delegation. A delegation of the Administrator's duties or responsibilities may be revoked without cause or advance notice. To the extent permitted under applicable law, such committee or officer shall have the same power and authority with respect to such delegated fiduciary or other responsibilities as the Administrator has under the Plan. The Administrator shall not be liable for any act or omission of such fiduciary in carrying out such responsibilities.

(b) The Administrator has designated the Vendors to be responsible for providing information to Participants regarding enrollment, investment options, and performance; processing contributions, withdrawal requests, transfers, and changes in investment options; providing record keeping services and such other services as provided for under agreements between the Vendors and the Administrator.

(b) The Administrator may designate one of the Vendors or another service provider to provide for the collection and coordination of information relating to unforeseeable emergency distribution, loans, contribution limits, and any other administrative function under the Plan.

Section 15.04. Fiduciary Insurance. Subject to State law, the Board may require the purchase of fiduciary liability insurance for any Plan fiduciary or fiduciaries to cover liability or losses occurring by reason of the act or omission of a fiduciary.

Section 15.05. Employment of Consultants. The Administrator may employ one or more persons to render advice with regard to its responsibilities under the Plan.
ARTICLE XVI
CLAIMS PROCEDURE

Section 16.01. Requests for Information Concerning Eligibility, Participation and Contributions. Requests for information concerning eligibility, participation, contributions, or any other aspects of the operation of the Plan, and service of legal process, should be in writing and directed to the Administrator of the Plan. If a written request is denied, the Administrator shall, within a reasonable period of time, provide a written denial to the Participant. A Participant may request in writing a review of a claim denied by the Administrator and may submit issues and comments in writing to the Administrator. The Administrator shall provide to the Participant a written decision upon such request for review of a denied claim.

Section 16.02. Requests for Information Concerning Investment Arrangements. Requests for information concerning the Trust and the terms, conditions, and interpretations thereof, claims thereunder, any requests for review of such claims, and service of legal process, should be in writing and directed to the Vendor. If a written request is denied, the Vendor shall, within a reasonable period of time, provide a written denial to the Participant. A Participant may request in writing a review of a claim denied by the Vendor and may submit issues and comments in writing to the Vendor. The Vendor shall provide to the Participant a written decision upon such request for review of a denied claim.

ARTICLE XVII
AMENDMENT OF THE PLAN

Section 17.01. Amendment and Termination of Plan. The Board may at any time amend this Plan with or without consent of the Participant (or any Beneficiary thereof). No amendment may be effected, however, if it removes Plan assets from the Trust hereunder, or causes Plan assets to be used for a purpose other than the exclusive benefit of Participants and their Beneficiaries. Any modification, alteration, or amendment of the Plan made in accordance with this Section may be made retroactively if deemed necessary or appropriate by the Board.

Section 17.02. Right to Suspend Deferrals. Suspension or termination of additional deferral of salary under the Plan generally, or under one or more Investment Options maintained by the Plan, shall not otherwise restrict or affect other provisions of this Plan. The Board, in its sole discretion, may suspend or terminate additional deferral of salary for (i) all Participants, or (ii) a class of Participants, or (iii) for one or more Investment Options maintained under the Plan.

Section 17.03. Amendment for Eligible Plan Status. It is the intent of the Board that the Plan shall be and remain an eligible plan under the provisions of Code Section 457 and that the Trust be exempt from tax under Code Section 457. The Board may make any modifications, alterations, or amendments to the Plan necessary to obtain and retain approval of the Secretary of the Treasury or his or her delegate as may be necessary to establish and maintain the status of the Plan as an eligible plan under the Code or other federal legislation, as now in effect or hereafter enacted, and the regulations issued thereunder. Any modification, alteration, or amendment of the Plan, made in accordance with this Section, may be made retroactively, if necessary or appropriate.

Section 17.04. Effective Date of Amendments. All amendments shall become effective on the date established by the Board. No amendments shall deprive any Participant of
any of the benefits to which the Participant is entitled under this Plan with respect to amounts credited prior to the effective date of the amendment.

ARTICLE XVIII.
TERMINATION OF THE PLAN

The Board may terminate the Plan at any time. In such an event, the Employer shall be responsible for directing distribution of all assets of the Trust to Participants, Beneficiaries or to a successor plan, as soon as administratively practicable after the termination of the Plan.

ARTICLE XIX.
MISCELLANEOUS

Section 19.01. Non-Assignability.

(a) Except as provided in Article XIII, a Participant's Account under the Plan shall not be liable for any debt, liability, contract, engagement, or tort of the Participant or his or her Beneficiary, nor subject to anticipation, sale, assignment, transfer, encumbrance, pledge, charge, attachment, garnishment, execution, alienation, or any other voluntarily or involuntarily alienation or other legal or equitable process, nor transferable by operation of law.

(b) Notwithstanding subsection (a), the Plan shall offset from the benefit otherwise payable to a Participant or his or her Beneficiary such amounts as are permitted to be offset under a court order, civil judgment, or settlement agreement in accordance with Code Section 401(a)(13)(C).

Section 19.02. Military Service.

(a) Notwithstanding any provisions of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service shall be provided in accordance with USERRA, HEART, Code Section 414(u), and Code Section 401(a)(37). For purposes of this Section, "qualified military service" means any service in the uniformed services as defined in USERRA by any individual if such individual is entitled to reemployment rights under USERRA with respect to such service.

(b) A Participant whose employment is interrupted by qualified military service or who is on a leave of absence for qualified military service may elect to make Annual Deferrals upon resumption of employment with the Employer up to the maximum Annual Deferrals that the Participant could have elected during that period if the Participant's employment with the Employer had continued (at the same level of Compensation) without the interruption or leave, reduced by the Annual Deferrals, if any, actually made for the Participant during the period of the interruption or leave. Except to the extent provided under Code Section 414(u), this right applies for the lesser of (i) five years following the resumption of employment or (ii) a period equal to three times the period of the interruption or leave. Such Annual Deferrals by the Participant may only be made during such period and while the Participant is reemployed by the Employer.

(c) Effective January 1, 2007, to the extent provided under Code Section 401(a)(37), in the case of a Participant whose employment is interrupted by qualified military service and who dies while performing qualified military service, the survivor of such Participant shall be
entitled to any additional benefit (other than benefit accruals) provided under the Plan as if the Participant timely resumed employment in accordance with USERRA and then, on the next day, terminated employment on account of death.

(d) Effective January 1, 2009, differential wage payments within the meaning of Code Section 414(u)(12)(D) shall be treated as Compensation and Includible Compensation under the Plan.

Section 19.03. Limitation of Rights and Obligations. Neither the establishment nor maintenance of the Plan, nor any amendment thereof nor any act or omission under the Plan or resulting from the operation of the Plan shall be construed:

(a) as conferring upon any Participant, Beneficiary or any other person a right or claim against the Administrator or Employer, except to the extent that such right or claim shall be specifically expressed and provided in the Plan;

(b) as creating any responsibility or liability of the Board, the Employer, or the Administrator for the validity or effect of the Plan;

(c) as a contract or agreement between the Board, Employer, or the Administrator and any Participant or other person;

(d) as an agreement, consideration, or inducement of employment or as effecting in any manner or to any extent whatsoever the rights or obligations of the Employer or any Employee to continue or terminate the employment relationship at any time, except as otherwise provided under any applicable collective bargaining agreement; or

(e) as giving any Participant the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or other person at any time; provided, however, that the foregoing will not be deemed to modify the provisions of any collective bargaining agreements which may have been entered into by the Employer with the bargaining representatives of any Participant.

Section 19.04. Federal and State Taxes. It is intended that Annual Deferrals other than Roth Contributions under this Plan, plus any earnings thereunder, are excludable from gross income for federal and state income tax purposes until paid to Participants or Beneficiaries, and that Roth Contributions and earnings thereunder are excludable from gross income for federal and state income tax purposes when paid to Participants or Beneficiaries to the extent that they are Qualified Distributions. However, the Administrator does not guarantee that any particular federal or state income, payroll, or other tax consequence will occur as a result of participation in this Plan.

Section 19.05. Erroneous Payments. If the Administrator or Vendor makes any payment that, according to the terms of the Plan and the benefits provided hereunder, should not have been made, the Administrator or Vendor may recover that incorrect payment, by whatever means necessary, whether or not it was made due to the error of the Administrator or Vendor, from the person to whom it was made, or from any other appropriate party. For example, if any such incorrect payment is made directly to a Participant, the Administrator or Vendor may deduct it when making any future payments directly to that Participant.
Section 19.06. Benefit Payment Issue Resolution. The Administrator, or its designee, if in doubt regarding the correctness of its action with respect to a benefit payment, may direct suspension of payment until satisfied as to the correctness of the payment or the person to receive the payment. Alternatively, the Administrator, or its designee, may file, in any state court of competent jurisdiction, a suit, in the form it deems appropriate, for legal determination of the benefits to be paid and the persons to receive them. The Administrator, or its designee, may also bring a suit, or take other action as it deems appropriate, to resolve questions involving investment directions. The Administrator shall comply with the final order of the court in any such suit, and Participants and the Administrator shall be bound by such an order, insofar as it affects the benefits payable under this Plan, or the method or manner of payment.

Section 19.07. Release. Any payments to any Participant shall, to the extent thereof, be in full satisfaction of the claim of such Participant being paid thereby and the Trustees or Administrator may condition payment thereof on the delivery by the Participant of the duly executed receipt and release in such form as may be determined by the Trustees or Administrator.

Section 19.08. Liability. The Administrator shall not incur any liability in acting upon any notice, request, signed letter, telegram or other paper or document or electronic transmission believed by the Administrator to be genuine or to be executed or sent by an authorized person.

Section 19.09. Information Provided by the Participant. Each Participant should provide to the Administrator at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the Administrator to administer the Plan.

Section 19.10. Family Medical Leave Act. Notwithstanding any provisions of this Plan to the contrary, Contributions and benefits with respect to qualified leave will be provided in accordance with the Family Medical Leave Act of 1993, 29 U.S.C. Section 2601 et. seq.

Section 19.11. Payments to Minors or Incompetents. If a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is determined to be legally incapable of giving valid receipt and discharge for such benefits by a court or by the Administrator, benefits shall be paid to such person as the Administrator may designate for the benefit of such Participant or Beneficiary. Such payments shall be considered a payment to the Participant or Beneficiary and shall, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.

Section 19.12. Missing or Lost Participants. In the event that the Administrator does not have current contact information for or is unable to identify a Participant or Beneficiary under the Plan, the Administrator shall make reasonable attempts to determine the address and identity of the Participant or Beneficiary entitled to benefits under the Plan. A reasonable attempt to locate a missing or lost Participant or Beneficiary shall include (i) providing notice to the Participant at the Participant's last known address via certified mail; (ii) determining whether the Employer's records or the records of another plan maintained by the Employer has a more current address for the Participant; (iii) attempting to contact any named Beneficiary of the Participant; and (iv) searching for the missing Participant via free electronic search tools, such as Internet search engines, public record databases, obituaries, and social media. If such search methods are unsuccessful, based on the facts and circumstances, the Administrator may use other
search methods, including using Internet search tools, commercial locator services, credit reporting agencies, information brokers, investigation databases, and analogous services that may involve charges. The Administrator may charge missing Participants and Beneficiaries reasonable expenses for efforts to find them.

**Section 19.13. Indemnification.** The Employer shall satisfy any liability actually and reasonably incurred by any members of the Board or any person to whom any power, authority or responsibility of the Administrator is delegated pursuant to Section 15.03, except a Vendor or other service provider. These liabilities include expenses, attorney's fees, judgments, fines, and amounts paid in connection with any threatened, pending or completed action, suit or proceeding related to the exercise (or failure to exercise) of this authority. This is in addition to whatever rights of indemnification exist under the regulations or by-laws of the Employer, under any provision of law, or under any other agreement; provided, however, that the Employer will not satisfy any such liability to the extent that the person did not act in good faith.

**Section 19.14. No Reversion.** Under no circumstances or conditions will any Annual Deferrals revert to, be paid to, or inure to the benefit of, directly or indirectly, the Employer, but shall be held for the exclusive purpose of providing benefits to Participants and their Beneficiaries and defraying the reasonable expenses of administering the Plan. However, if Annual Deferrals are made by the Employer by a good faith mistake of fact, such amount may be returned to the Employer within one year of the date that they were made to the Plan.

**Section 19.15. Finality of Determination.** All determinations with respect to crediting of service under the Plan are made on the basis of the records of the Employer, and all determinations made are final and conclusive upon Employees, former Employees, and all other persons claiming a benefit under the Plan.

**Section 19.16. Counterparts.** The Plan may be executed in any number of counterparts, each of which shall be deemed to be an original. All counterparts shall constitute but one and the same instrument and shall be evidenced by any one counterpart.
IN WITNESS WHEREOF, the Board has caused this amended and restated Plan to be executed by its duly authorized representative as of the date written below, but effective as of January 1, 2020.

UNIVERSITY SYSTEM OF MARYLAND
BOARD OF REGENTS

__________________________________________
Signature

__________________________________________
Printed

__________________________________________
Title

__________________________________________
Date
APPENDIX A

APPROVED VENDORS

The current selection of Vendor(s) is not intended to limit future additions or deletions of Vendor(s). The Administrator from time to time may add or delete Vendor(s) which shall be effective on the date adopted by the Administrator and shall be reflected in a revised Appendix A.

1.1 Approved Vendors

As of January 1, 2020, the Board has approved the following Vendors under the Plan:

- TIAA
- Fidelity Investments

1.2 Former Vendors

As of January 1, 2008, the Former Vendor under the Plan is AIG VALIC.
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UNIVERSITY SYSTEM OF MARYLAND
SUPPLEMENTAL 403(b) RETIREMENT PLAN

ARTICLE I.

PLAN ESTABLISHMENT AND RESTATEMENT OF PLAN

Section 1.01. Plan Establishment and History.

(a) The University System of Maryland is a public university system established under Maryland law and an educational organization described in Section 170(b)(1)(A)(ii) of the Internal Revenue Code of 1986, as amended ("Code"). The Board of Regents of the University System of Maryland ("Board") established a supplemental retirement plan the University System of Maryland Supplemental 403(b) Retirement Plan ("Plan") pursuant to Code Section 403(b) and Sections 30-210 et seq. of the State Personnel and Pensions Article of the Annotated Code of Maryland (1978, 2004 Repl. Vol.), to provide eligible employees the opportunity to supplement their retirement benefits through voluntary contributions.

(b) The Plan is, and is intended to remain, a defined contribution plan under Code Section 403(b) plan and). The Plan is a governmental plan within the meaning of Code Section 414(d) and Section 3(32) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). As a governmental plan, ERISA does not apply.

(c) The Plan was most recently amended and restated effective June 17, 2011.

Section 1.02. Plan Restatement.

(a) The Plan is now desires to reduce the terms of the plan to writing being amended and restated effective January 1, 2020, except as otherwise specifically provided herein, to incorporate the prior amendments to the Plan and to comply with all applicable provisions of the Code and Maryland statutes, including the final regulations under Code Section 403(b). make certain discretionary changes.

(b) Except as otherwise specifically provided herein, the University System of Maryland Supplemental 403(b) Retirement Plan ("Plan") as hereinafter set forth establishes the rights and obligations with respect to individuals who are Employees on and after January 1, 2020 and transactions under the Plan on and after January 1, 2020. The rights and benefits, if any, of individuals who are not Employees on or after January 1, 2020, shall be determined in accordance with the terms and provisions of the Plan that were in effect on the date of their Severance from Employment, except as otherwise specifically provided herein or in a subsequent amendment.

Section 1.03. Plan Funding. The Plan is funded exclusively through the purchase of Funding Vehicles from the Vendors described Investment Arrangements in Appendix A attached hereto, as that Appendix may be amended from time to time. accordance with the requirements of the Code. The terms and conditions of such Funding Vehicles the Investment

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Arrangements shall be considered part of, and shall be construed as having been incorporated into, this Plan, except: provided, however, that to the extent that there are any provisions that conflict with the Plan. To the extent that there is any conflict between the terms of such Funding Vehicle/the Investment Arrangements and the terms of the Plan as provided herein, the terms of the Plan shall govern, except as otherwise expressly specifically provided herein.

ARTICLE II.

DEFINITIONRULES OF TERMS USEDCONSTRUCTION AND DEFINITIONS

Section 2.01. The following words Rules of Construction and terms Governing Law.

(a) This Plan shall be interpreted, enforced, and administered in accordance with the Code and, when used in the Plan, have the not inconsistent with the Code, or expressly provided otherwise herein, the laws of the State of Maryland without regard to conflict of law principles.

(b) Words used herein in the masculine gender shall be construed to include the feminine gender where appropriate, and vice versa, and words used herein in the singular or plural shall be construed as being in the plural or singular, where appropriate, and vice versa.

(c) The headings and subheadings in the Plan are inserted for convenience of reference only and are not to be considered in the construction of any provision of the Plan.

(d) If any provision of the Plan shall be held to violate the Code or be illegal or invalid for any other reason, that provision shall be deemed to be null and void, but the invalidation of that provision shall not otherwise impair or affect the Plan.

(e) In resolving any conflict between provisions of the Plan and in resolving any other uncertainty as to the meaning set forth below or intention of any provision of the Plan, the interpretation that causes the Plan to (i) constitute a defined contribution plan under the provisions of Code Section 403(b), (ii) be a governmental plan as defined in ERISA Section 3(32) and Code Section 414(d), and (iii) comply with all applicable requirements of the Code, shall prevail over any different interpretation.

Section 2.02. Definitions. When the initial letter of a word or phrase is capitalized herein, the meaning of such word or phrase shall be as follows:

Section 1.01. "Account. The account(s)" means the separate accounts maintained for the benefit of any each Participant and Beneficiary under an Annuity Contract or a Custodial Account reflecting his or her interest in such Annuity Contract or Custodial Account as follows:

(a) "Elective Deferral Account" means the account maintained to reflect the interest of the Plan. The following Accounts shall be established for a Participant in the Funding Vehicle or Beneficiary, if applicable:

(a)(1) A Pre-Tax Contribution Account to reflect the Participant's or Beneficiary's interest under the Plan attributable to Elective Deferrals made in the Plan on
Section 1.02. Account Balance. The balance in all Accounts maintained for each Participant which reflects the aggregate amount credited to or debited from the Participant's Accounts, including Elective Deferrals, Rollover Contributions, the earnings or losses of each Annuity Contract or Custodial Account (net of expenses) allocable to the Participant, any transfers for the Participant's benefit, and any distribution made to the Participant or the Participant's Beneficiary. If a Participant has more than one Beneficiary at the time of the Participant's death, then a separate Account Balance will be maintained for each Beneficiary after a Participant's death. A separate Account Balance will be established for an alternate payee (as defined in Code Section 414(p)(8)).

Section 1.03. Administrator. The Board; provided, however, to the extent that the Board has delegated any of its responsibilities as Administrator to any other person or persons, the term "Administrator" will be deemed to refer to that person or persons. For purposes of this definition, "person" may include an entity such as a corporation, partnership or committee.

(3) Annuity Contract. A "Post-Severance Employer Contribution Account" means the account maintained to reflect the Participant's or Beneficiary's interest under the Plan attributable to the Participant's or Beneficiary's Post-Severance Employer Contributions, if any, pursuant to Section 4.02.

(4) A Rollover Contribution Account to reflect the Participant's or Beneficiary's interest under the Plan attributable to Rollover Contributions pursuant to Section 4.03.

(b) "Administrator" means the Administrative Committee as designated by the Board, or such other person, persons, or entity designated by the Board, to perform the administrative duties and functions under the Plan.

(c) "Allocable Income" means the sum of the allocable gain or loss for the year or partial year determined in accordance with Code Section 402(g) and the regulations promulgated thereunder.

(d) "Annual Addition" means annual addition as defined in Code Section 415(c) and as modified in Code Sections 415(l)(1) and 419A(d)(2). In general, Code Section 415(c) defines annual addition as the sum of the following amounts credited to a Participant's Account for the Limitation Year under this Plan and to a Participant's account under any other Code Section

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401(a) defined contribution plan maintained by the Employer (or, if required by Code Section 415 and the regulations thereunder, to any other defined contribution plan):

(1) employee contributions;
(2) employer contributions;
(3) forfeitures;
(4) allocations under a simplified employee pension;
(5) amounts allocated to an individual medical account, as defined in Code Section 415(l)(2), which is part of a pension or annuity plan maintained by the University or a Related Employer, or both, as applicable; and
(6) mandatory employee contributions to a defined benefit plan maintained by the University, unless the contributions are picked up by the University pursuant to Code Section 414(h)(2).

Annual Additions shall not include (i) elective deferrals made by a Participant who is age 50 or older in accordance with Code Section 414(v), (ii) excess elective deferrals distributed in accordance with Treasury Regulation Section 1.402(g)-1(e)(2), (iii) rollover contributions, or (iv) transfer contributions.

Section 2.04.(e) "Annuity Contract" means a nontransferable contract as defined in Code Sections 403(b)(1) and 401(g), established for Participants by the BoardEmployer, or by each Participant individually, that is issued by a Vendor whichwho is a company licensed as an insurance company in a state and qualified to issue annuities in the State of Maryland and that includes payment in the form of an annuity.

(f) Beneficiary. The designated person or persons, institution "Applicable Form" means the appropriate form as designated and furnished by the Administrator or Vendor to make an election or provide a notice as required by the Plan. If a written election or consent is not specifically required by the Code, the Administrator or Vendor may prescribe a verbal, electronic, or telephonic instruction in lieu of or in addition to a written form.

Section 2.05.(g) "Beneficiary" means the person, company, trustee, or estate entitled designated by the Participant on the Applicable Form to receive any benefits under the Plan after the death of a Participant, provided, however, unless otherwise provided in the Individual Agreements, that payable under the Plan in the event of the Participant's death. A designation of an individual as a Beneficiary shall remain in effect until affirmatively revoked by the Participant on a subsequent Applicable Form. Unless otherwise provided in the Investment Arrangement, if the designated Beneficiary does not survive the Participant or there is no designated Beneficiary, the Participant's Spouse shall be the Beneficiary, or, if none, the Participant's estate shall be the Beneficiary. Beneficiary also means an alternate payee within the meaning of Code Section 414(p)(8).
Section 2.06.(h)  "Board" means the Board of Regents of the University System of Maryland.

Section 2.07.(i)  "Code" means the Internal Revenue Code of 1986, as now in effect or as hereafter amended. All citations to sections of the Code are to such sections as these may from time to time be amended or renumbered.

Section 2.08.(j)  "Compensation" means all cash compensation for services to the Employer, including salary, wages, fees, commissions, bonuses, and overtime pay, which is includible in the Employee's gross income for the calendar year, plus amounts that would be cash compensation for services to the Employer includible in the Employee's gross income for the calendar year but for a compensation reduction election under Code Section 125, 132(f), 401(k), 403(b), or 457(b) (including an election made to reduce compensation in order to have Elective Deferrals under the Plan). Compensation does not include amounts "picked up" by the Employer within the meaning of Code Section 414(h). Compensation includes any compensation described in paragraphs (a1) or (b2), provided it is paid by the later of 2½ months after the Employee's Severance from Employment with the Employer or the end of the calendar year in which the Employee has a Severance from Employment with the Employer:

(a)(1) any payment that would have been paid to the Employee prior to a Severance from Employment if the Employee continued in employment with the Employer and that is regular compensation for services during the Employee's regular working hours, compensation for services outside the Employee's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and

(b)(2) a payment for unused accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if employment had continued and the payment would be Compensation if paid prior to the Employee's Severance from Employment, and only if the Employee separately elects for such payment to be reduced on his or her Salary Reduction Agreement pursuant to Section 3.024.01.

Notwithstanding the above, to the extent applicable, Compensation shall not exceed the limits under Code Section 401(a)(17), as increased for the Cost of Living Adjustment for the Plan Year.

(k) "Contributions" mean Pre-Tax Contributions, Roth Contributions, Post-Severance Employer Contributions, and Rollover Contributions.

(l) "Cost of Living Adjustment" means the cost of living adjustment prescribed by the Secretary of the Treasury under Code Section 401(a)(17), 402(g), 414(v), or 415(d) for any applicable year.

Section 2.09.(m) "Custodial Account" means the group or individual custodial account or accounts, as defined in Code Section 403(b)(7), established for each Participant by the Board Administrator, or by each Participant individually, with a Vendor to hold assets of the Plan.
Section 2.10.(n) "Disabled." The definition of " or "Disability" means disability provided in the applicable Individual Agreement that satisfies within the meaning of Code Section 72(m)(7).

Section 1.04. Elective Deferral. The Employer contributions made to the Plan at the election of the Participant in lieu of receiving cash Compensation. Elective Deferrals are limited to pre-tax salary deferral contributions.

(o) "Elective Deferral" means Pre-Tax Contributions, Roth Contributions, and any other elective deferral as defined by Code Section 402(g)(3).

Section 2.12.(p) "Employee." Each individual who is" means a common law employee of the Employer, other than non-resident aliens with no U.S. source income or students performing services described in Code Section 3121(b)(10). This definition is Employee shall not applicable include an employee unless the employee's his or her Compensation for performing services is paid by the Employer.

(q) "Employer. One" means one of the following Public Schools:

(1) the University System of Maryland Office;
(2) Bowie State University;
(3) Coppin State University;
(4) Frostburg State University;
(5) Salisbury University;
(6) Towson University;
(7) University of Baltimore;
(8) University of Maryland, Baltimore;
(9) University of Maryland, Baltimore County;
(10) University of Maryland, College Park;
(11) University of Maryland, Eastern Shore;
(12) University of Maryland University College;
(13) University of Maryland Biotechnology Institute;
(14) University System of Maryland Center for Environmental Science; and
Section 2.13. The any other center, component, or institute established and operated by the University System of Maryland in accordance with its mission pursuant to Section 12-101 of the Annotated Code of Maryland (1978, 2006 Repl. Vol.).

(r) "Excess Annual Additions" mean, except as provided in Code Section 414(v), that portion of a Participant's Contributions to the Plan and contributions to another qualified defined contribution plan sponsored by the Employer (or, if required by Code Section 415 and the regulations thereunder, to any other defined contribution plan) for a Limitation Year which exceeds the limits of Code Section 415.

(s) "Excess Elective Deferrals" mean, except as provided in Code Section 414(v), that portion of a Participant's Pre-Tax Contributions and/or Roth Contributions to the Plan and Elective Deferrals to any other 403(b) or 401(k) plan maintained by the Employer or a Related Employer for a Plan Year which exceeds the limits of Code Section 402(g).

Section 2.14. "Former Vendor. The" means a service provider of an Annuity Contract or Custodial Account approved Vendor under the Plan, but that ceases to be eligible to receive new contributions an approved Vendor under the Plan; provided, however, that continues to hold Plan assets. Notwithstanding the preceding, a Former Vendor shall not include any vendor service provider that ceased to be eligible to receive new contributions under the Plan prior to January 1, 2005. A list of Former Vendors is hereby incorporated as part of this Plan and set forth in Appendix B. The Administrator may amend the list of Former Vendors to reflect changes in the providers who cease to be eligible to receive new contributions under the Plan.

Section 1.05. Funding Vehicles. The Annuity Contracts or Custodial Accounts issued for funding amounts held under the Plan and specifically approved by the Board for use under the Plan.

(u) "HEART" means the Heroes Earnings Assistance and Relief Tax Act of 2008, as amended from time to time.

Section 2.16. "Includible Compensation. An Employee's" means all compensation received by an Employee from the Employer that is includible in the Employee's gross income for Federal income tax purposes (computed without regard to Code Section 911) for the most recent period that is a Year of Service, which precedes the taxable year by no more than five years within the meaning of Code Section 403(b)(3). Includible Compensation also includes any amounts excludable from taxable income because of an election (including Elective Deferrals under the Plan) under Code Section 403(b), 457(b), 125, or 401(k)), or 132(f) (including Elective Deferrals under this Plan). The amount of Includible Compensation is determined without regard to any community property laws. Includible Compensation does not include any amounts “picked-up” by the Employer within the meaning of Code Section 414(h)). Includible Compensation includes any compensation described in paragraphs (a) or (b), provided the compensation is paid by the later of 2½ months after the Employee's Severance from Employment with the Employer or the end of the calendar year in which the Employee has a date of the Employee's Severance from Employment with the Employer, if:
(a)(1) any payment that the payment is regular compensation for services during the Employee's regular working hours, or compensation for services outside the Employee's regular working hours (e.g., overtime or shift differential), commissions, bonuses, or other similar payments and the payment would have been paid to the Employee prior to a Severance from Employment if the Employee had continued in employment with the Employer and that is regular compensation for services during the Employee's regular working hours, compensation for services outside the Employee's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and

(2) the payment is for unused accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if employment had continued and the payment would have been included in the definition of employment.

(b) Includible Compensation if paid prior does not include any amounts "picked up" by the Employer within the meaning of Code Section 414(h). Includible Compensation is determined without regard to the Employee’s Severance from Employment any community property laws. To the extent applicable, Includible Compensation shall not exceed the limits under Code Section 401(a)(17), as increased for the Cost of Living Adjustment for the Plan Year.

Section 1.06. Individual Agreement. The agreement between a Vendor and the Board or a Participant that constitutes or governs a Custodial Account or "Investment Arrangement" means an Annuity Contract.

Section 2.18.(w) Investment Options. The mutual funds and other investment options available for investing in Custodial Account that satisfies the requirements of Treasury Regulation Section 1.403(b)-3 and that is issued or established for funding amounts held in Funding Vehicles under the Plan and specifically approved by the Board Administrator for use under the Plan.

(x) "Investment Options" mean the investment funds available under the Investment Arrangements provided by the Vendor(s) and specifically approved by the Administrator, in its sole and absolute discretion, for use under this Plan.

(y) "Limitation Year" means the Plan Year; provided, however, that if the Participant is in control of an employer within the meaning of Treasury Regulation Section 1.415(a)-1(f), the Limitation Year is the limitation year of that employer.

Section 2.19.(z) "Participant. An individual" means any Employee who is or may become eligible to receive a benefit of any type under the Plan, and _ _ A Participant shall also mean, when appropriate to the context, a former Employee who has not received a distribution of his or her entire Account is eligible to receive a benefit of any type under the Plan.

Section 2.20.(aa) "Plan. The" means the University System of Maryland Supplemental 403(b) Retirement Plan, as amended from time to time.

Section 2.21.(bb) "Plan Year. The" means the calendar year.
(cc) "Post-Severance Employer Contribution" means Employer contributions made to the Plan on behalf of a Participant in connection with the Participant's Severance from Employment as determined in the sole and absolute discretion of the Board or its delegate pursuant to Section 4.02.

(dd) "Pre-Tax Contribution" means a contribution made to the Plan by the Employer at the election of a Participant pursuant to a Salary Reduction Agreement in accordance with Section 4.01.

Section 2.22.(ee) "Public School A" means a state sponsored educational organization described in Code Section 170(b)(1)(A)(ii).

(ff) "Qualified Distribution" means a distribution from a Roth Contribution Account after the Participant has satisfied a five year tax holding period and has attained age 59 1/2, died, or become Disabled, in accordance with Code Section 402A(d). The five year tax holding period is the period of five consecutive taxable years that begins with the first day of the first taxable year in which the Participant makes a designated Roth Contribution under the Plan or to another retirement plan which amount was directly rolled over to the Plan, and ends when five consecutive taxable years have been completed.

Section 2.23.(gg) "Related Employer" means any other entity which is under common control with the Employer under Code Section 414(b), (c)(1), (m), or (m). For this purpose, 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, 1989-1 C.B. 654.

Section 2.24.(hh) "Rollover Contribution" means an amount contributed to the Plan pursuant to Section 3.04.

(ii) "Roth Contribution" means a contribution made to the Plan by the Employer at the election of a Participant pursuant to a Salary Reduction Agreement. "A" means an amount contributed to the Plan pursuant to Section 3.04.

Section 2.25.(jj) "Salary Reduction Agreement" means an agreement entered into between an Employee and the Employer pursuant to Section 3.02, which 4.01. Such agreement shall be effective only with respect to Compensation earned on or after the effective date of such agreement and which shall be binding on the parties and irrevocable with respect to Compensation earned while it is in effect.

(kk) "Section" means, when not preceded by the word Code or ERISA, a section of the Plan.
Section 2.26.(ll) "Severance from Employment. — For purposes of the Plan, Severance from Employment means severance from" means the complete termination of the employment relationship between the Employee and the Employer and any Related Employer. However, a Severance from Employment also occurs on any date on which an Employee ceases to be an employee of an Employer or Related Employer that is a Public School, even though the Employee may continue to be employed by a Related Employer that is another unit of the State or local government that is not a Public School or in a capacity that is not employment with a Public School (e.g., ceasing to be an employee performing services for a Public School but continuing to work for the same State or local government employer). Notwithstanding the preceding, effective January 1, 2009, and for purposes of Section 7.01 only, a Participant will be treated as having had a Severance from Employment during any period the Participant is performing service in the uniformed services described in Code Section 3401(h)(2)(A).

(mm) "Spouse" means the person to whom an Eligible Employee is legally married under the law of any state.

(nn) "USERRA" means the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended from time to time.

Section 2.27.(oo) "Vendor. — The" means the service provider of an Annuity Contract or Custodial Account, as selected that has been approved by the Board and Administrator to serve as third party administrator and/or recordkeeper for the Plan and/or to offer Investment Options to Participants under the Plan. The Vendor(s) are listed in Appendix A, as amended from time to time in the Board’s Administrator’s sole and absolute discretion, from the designated companies eligible under Maryland law. A modification of Appendix A is not an amendment of the Plan.

Section 2.28.(pp) "Vest" or "Vested. — The" means the interest of the Participant or Beneficiary in his or her Account that is unconditional, legally enforceable, and nonforfeitable.

Section 1.07. — Valuation Date. — Each business day that the NYSE is open.

Section 2.30.(qq) "Year of Service. — Each" means each year during which the Employee is a full-time Employee of the Employer for the entire work period, and a fraction of a year for each part of a work period during which the Employee is a full-time or part-time Employee of the Employer, determined in accordance with the rules under Treasury Regulation Section 1.403(b)-4(e).
ARTICLE II.

ELIGIBILITY AND CONTRIBUTIONS

ARTICLE III. Eligibility

PARTICIPATION

Section 3.01. Participation. An Employee may become a Participant in the Plan for purposes of Elective Deferrals or Rollover Contributions immediately after commencement of employment with the Employer. Participation in the Plan is voluntary.

Section 3.02. Notice and Enrollment.

Section 3.01.(a) The Employer shall notify an Employee when he or she is eligible to participate in the Plan and elect to have for purposes of Elective Deferrals made on his or her behalf to the Plan immediately upon becoming employed by the Employer.

Section 2.01. Elective Deferral Contributions.

(a) General Rule. An Employee becomes a Participant by executing an election to reduce or redirect his or her Compensation in any flat dollar amount (and have that amount contributed to the Plan as an Elective Deferral on his or her behalf) and filing it with his or her Employer. This election will be made on the Salary Reduction Agreement provided by the Employer under which the Employee agrees to be bound by all the terms and conditions of the Plan. The Administrator may establish an annual minimum deferral amount no higher than $20,000, and may change such minimum to a lower amount from time to time. The Employee must also execute an agreement provided by the Vendor designating the Investment Options under the Funding Vehicles to which Elective Deferrals are to be made and designating a Beneficiary, and file it with the Vendor. Any such elections or designations will remain in effect until a new election is filed with the Administrator or Vendor, as applicable, and such election takes effect. From time to time, changes in the Investment Options and Vendors may also necessitate changes in a Participant’s elections because an Investment Option selected by an Employee is no longer available under the Plan. Each Employee will become a Participant in accordance with the terms and conditions of the Individual Agreements. All Elective Deferrals will be made on a pre-tax basis. An Employee will become a Participant as soon as administratively practicable following the date applicable under the Employee's election.

(b) Information Provided by the Employee. Each Employee enrolling in the Plan should provide to the Administrator at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the Administrator to administer the Plan, including any information required under the Individual Agreements.

(b) Change in Elective Deferral Election. Subject to the provisions of the applicable Individual Agreements, an Employee may at any time revise his or her participation elections, including a change of the amount. An Employee must complete the enrollment process
and make investment elections with the Vendor on the Applicable Form, including a Salary Reduction Agreement for purposes of Elective Deferrals, to become a Participant in the Plan. An Employee who fails to complete the enrollment process and make investment elections with the Vendor on the Applicable Form shall be deemed to have waived all of his or her rights under the Plan, provided that such Employee may become a Participant in the Plan at any time thereafter by completing the enrollment process and making investment elections with the Vendor on the Applicable Form.

**Section 3.03. Cessation of Contributions.** A Participant shall cease to be eligible for Elective Deferrals under the Plan when he or she is no longer an Employee.

**Section 3.04. Cessation of Participation.** A Participant shall cease to be a Participant on the distribution of his or her entire interest in the Plan.

**Section 3.05. Reemployment.** A former Participant who is reemployed by the Employer shall immediately become a Participant in this Plan as of his or her date of rehire as an Employee.

**ARTICLE IV. CONTRIBUTIONS**

**Section 4.01. Elective Deferrals.** his or her investment direction, and his or her designated Beneficiary. A change in the Elective Deferral amount, investment direction or Beneficiary designation will take effect.

(a) Subject to the limitations under Article V, an Employee who has satisfied the participation requirements under Section 3.01 may enter into a written Salary Reduction Agreement with the Employer agreeing to contribute each pay period Pre-Tax Contributions and/or Roth Contributions to the Plan in any flat dollar amount.

(b) Pre-Tax Contributions and Roth Contributions shall begin as soon as administratively practicable following the date applicable under the Employee’s change in participation elections and will be on an uniform basis specified in the Salary Reduction Agreement, or, if later or if no date is specified, as soon as administratively practicable after the Salary Reduction Agreement is filed with the Administrator or the Vendor, as applicable.

(c) Pre-Tax Contributions and/or Roth Contributions shall reduce the Compensation otherwise payable to a Participant and shall be paid in cash to the Vendor by the Employer, on a basis consistent with its payroll practices, as is practicable for all Employees.

(d) **Contributions Made Promptly.** Elective Deferrals under the Plan will be transferred to the applicable Funding Vehicle within as soon as administratively feasible after being withheld from the Compensation of a Participant, but no later than 15 business days following the end of the month in which the amount would otherwise have been paid to the Participant.
(e) **Leave of Absence.** Unless an election is otherwise revised, if an Employee is absent from work by leave of absence, Elective Deferrals under the Plan will continue to the extent that Compensation continues.

(f) **Default Investment Option.** In the event that an Employee fails to designate the Investment Options under the Funding Vehicles to which Elective Deferrals are to be made, the Elective Deferrals will be invested in a default fund selected by the Administrator in its sole discretion. In the event that an Investment Option designated by an Employee is no longer available under the Plan, due either to change in Investment Options or change in Vendors, the Elective Deferrals may be invested in a default fund selected by the Administrator in its sole discretion.

Section 2.02. **Protection of Persons Who Serve in a Uniformed Service.** Notwithstanding any provisions of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended; effective January 1, 2009, the Heroes Earnings Assistance and Relief Tax Act of 2008; and Code Section 414(u). For this purpose, an Employee whose employment is interrupted by qualified military service under Code Section 414(u) or who is on a leave of absence for qualified military service under Code Section 414(u) may elect to make additional Elective Deferrals upon resumption of employment with the Employer up to the maximum Elective Deferrals that the Employee could have elected during that period if the Employee's employment with the Employer had continued (at the same level of the Compensation) without the interruption or leave, reduced by the Elective Deferrals, if any, actually made for the Employee during the period of the interruption or leave. Except to the extent provided under Code Section 414(u), this right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption or leave). Effective January 1, 2009, an Employee whose employment is interrupted by qualified military service under Code Section 414(u) or who is on a leave of absence for qualified military service under Code Section 414(u), and who receives a differential wage payment within the meaning of Code Section 414(u)(12)(D) from the Employer, will be treated as an Employee of the Employer and the differential wage payment will be treated as Compensation and Includible Compensation.

Section 2.03. **Eligible Rollover Contributions to the Plan.**

(a) **Eligible Rollover Contributions.** To the extent provided in the Individual Agreements, an Employee who is a Participant who is entitled to receive an eligible rollover distribution from another eligible retirement plan may request to have all or a portion of the eligible rollover distribution paid to the Plan. Such Rollover Contributions will be made in the form of cash only, not in-kind. The Vendor may require such documentation from the distributing plan as it deems necessary to effectuate the rollover in accordance with Code Section 402 and to confirm that such plan is an eligible retirement plan within the meaning of Code Section 402(c)(8)(B). However, in no event does the Plan accept a Rollover Contribution from a Roth elective deferral account under an applicable retirement plan described in Code Section 402A(e)(1) or a Roth IRA described in Code Section 408A.
(b) **Eligible Rollover Distribution.** For purposes of Section 3.04(a), an eligible rollover distribution means any distribution of all or any portion of a Participant's benefit under another eligible retirement plan, except that an eligible rollover distribution does not include (i) any installment payment for a period of 10 years or more, (ii) any distribution made as a result of an unforeseeable emergency or other distribution which is made upon hardship of the employee, or (iii) any other distribution, the portion, if any, of the distribution that is a required minimum distribution under Code Section 401(a)(9). An eligible retirement plan means an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), a qualified trust described in Code Section 401(a), an annuity plan described in Code Section 403(a) or 403(b), or an eligible governmental plan described in Code Section 457(b), that accepts the eligible rollover distribution.

(c) **Separate Accounts.** The Vendor will establish and maintain for the Participant a separate Rollover Contribution Account for any eligible rollover distribution paid to the Plan.

**ARTICLE IV. LIMITATIONS ON CONTRIBUTIONS**

*Section 2.04. Basic Annual Limitation for Elective Deferrals.* Except as provided in Sections 4.02 and 4.03, the maximum amount of Elective Deferrals contributed to the Plan for any calendar year will not exceed the applicable dollar amount for the calendar year. The applicable dollar amount is the amount established under Code Section 402(g)(1)(B), as adjusted for cost-of-living after 2008 to the extent provided under Code Section 402(g).

*Section 2.05. Age 50 Catch-up Elective Deferrals.* A Participant who will attain age 50 or more by the end of the calendar year is permitted to elect an additional amount of Elective Deferrals, up to the maximum age 50 catch-up Elective Deferrals for the year. The maximum dollar amount of the age 50 catch-up Elective Deferrals is $5,000 for 2008, and is adjusted for cost-of-living after 2008 to the extent provided under Code Section 414(v).

*Section 2.06. Elective Deferral Catch-Up Provision Coordination.* Elective Deferrals in excess of the limitation set forth in Section 4.01 shall be allowed only up to an amount equal to the age 50 catch-up contribution limit under Section 4.02 and only for a Participant eligible under Section 4.02, and the special catch-up provided for under Code Section 4.02(g)(7) shall not apply.

*Section 4.04.(c) Special Rule for a Participant Covered by Another Defined Contribution Plan.* For purposes of this Article IV, if the Participant is or has been a participant in one or more other plans under Code Section 403(b) (and any other plan that permits elective deferrals under Code Section 402(g)), then this Plan and all such other plans will be considered as one plan for purposes of applying the foregoing limitations of this Article IV. For this purpose, the Administrator will take into account any other such plan maintained by any Related Employer and will also take into account any other such plan for which the Administrator receives from the Participant sufficient information concerning his or her participation in such
other plan. Notwithstanding the foregoing, another plan maintained by a Related Employer will be taken into account for purposes of Section 4.02 only if the other plan is a Section 403(b) plan.

(d) **Correction of Excess Elective Deferrals.** If the Elective Deferral on behalf of a Participant for any calendar year exceeds the limitations described above, or the Elective Deferral on behalf of a Participant for any calendar year exceeds these limitations when combined with other amounts deferred by will be deemed to have designated his or her Elective Deferrals as Pre-Tax Contributions. Pre-Tax Contributions shall be allocated to the Pre-Tax Contribution Account of the Participant under another plan as of the date of contribution. Roth Contributions shall be allocated to the Roth Contribution Account of the Employer under Code Section 403(b) (and any other plan that permits elective deferrals under Code Section 402(g) for which the Participant provides information that is accepted by) as of the date of contribution.

(e) **A Salary Reduction Agreement shall remain in effect until superseded by another election or until the Administrator requires a Participant to complete a new Salary Reduction Agreement on a uniform and nondiscriminatory basis.**

(1) A Participant may change his or her election to make Pre-Tax Contributions and/or Roth Contributions at any time by filing a new Salary Reduction Agreement with the Administrator or the Vendor, as applicable, limitations (adjusted for any income or loss. Any such changes shall be effective as soon as administratively practicable following the date specified in the new Salary Reduction Agreement, or, if any, allocable thereto), will be later, as soon as administratively practicable after the Salary Reduction Agreement is filed.

(2) A Participant may terminate his or her election to make Pre-Tax Contributions and/or Roth Contributions at any time by filing the Applicable Form with the Administrator or the Vendor, as applicable, which shall be effective as soon as administratively practicable after the Applicable Form is filed.

(f) An election to make Pre-Tax Contributions and/or Roth Contributions shall not be valid with respect to any period during which the Participant is not an Employee. No election to make, change, or discontinue Pre-Tax Contributions and/or Roth Contributions shall be given retroactive effect.

(g) The Administrator may establish additional nondiscriminatory rules and procedures governing the manner and timing of elections by Participants to make, change, or discontinue Pre-Tax Contributions and/or Roth Contributions.

**Section 4.02. Post-Severance Employer Contributions.** The Employer may make Post-Severance Employer Contributions to the Plan in an amount and for such Employee or Employees as determined by the Board or its delegate in its sole and absolute discretion each Plan Year. Post-Severance Employer Contributions shall be allocated to the Post-Severance
Employer Contribution Account of the Participant as of the date of the contribution, and shall be made in accordance with Code Section 403(b)(3) and Treasury Regulation Section 1.403(b)-4(d).

Section 4.03. Rollover Contributions to the Plan.

Subject to the Investment Arrangements, Participants who are Employees may transfer to the Plan as a Rollover Contribution a distribution from a Code Section 401(a) (including 401(k)) or 403(a) qualified plan (excluding after-tax contributions), a Code Section 403(b) plan (excluding after-tax contributions), a Code Section 408 individual retirement account or annuity, or a Code Section 457(b) eligible deferred compensation plan which is maintained by an eligible employer described in Code Section 457(e)(1)(A). Any Rollover Contribution (i) shall be subject to the Vendor's determination, in its discretion, that the Rollover Contribution satisfies all applicable requirements of the Code and (ii) shall be made directly from such prior plan, or if such amount was distributed to the Participant. Such Rollover Contribution shall be made within 60 days after the Participant receives the rollover amount.

(b) The Plan shall accept a Rollover Contribution to a Roth Contribution Account only if it is a direct rollover from another Roth elective deferral account under an applicable retirement plan described in Code Section 402A(e)(1) and only to the extent the rollover is permitted under the rules of Code Section 402(c).

(c) A Rollover Contribution shall be allocated to the Rollover Contribution Account of the Participant as of the date of the contribution. Before a Rollover Contribution is made, the Participant shall designate on the Applicable Form the Investment Options in which the Vendor should invest the Participant's Rollover Contribution.

Section 4.04. In-Plan Roth Rollovers.

(a) Any portion or all of a Participant's Vested Account (other than a Roth Contribution Account) is eligible for direct rollover to the Participant's Roth Contribution Account under the Plan, even if the Vested Account is not otherwise distributable (pursuant to Code Section 402A(c)(4)(E)) under Article VIII of the Plan, and the transfer shall be treated as a qualified rollover contribution (within the meaning of Code Section 408A(e)) to the Participant's Roth Contribution Account.

(b) A Participant's election under this Section 4.04 shall be subject to the reasonable administrative procedures established by the Administrator, Code Section 402A(c)(4) and the regulations thereunder, and subsequent guidance from the Internal Revenue Service.

(c) The taxable portion of the Participant's Account directly rolled over to a Roth Contribution Account under this Section 4.04 shall be included in the Participant's gross income in the tax year in which the transfer occurs.

(d) To the extent required by Code Section 402(f), the Administrator shall provide written information regarding in-Plan Roth rollovers under this Section 4.04, for amounts that are otherwise distributable under Article VIII.
Section 4.05. Leave of Absence. During a paid leave of absence, Pre-Tax Contributions and/or Roth Contributions shall continue to be made for a Participant on the basis of Compensation paid by the Employer during the leave. No Contributions shall be made during an unpaid leave of absence.

Section 4.06. Expenses of Plan. All reasonable expenses of administering the Plan shall be charged against and paid from the Participant's Accounts, subject to the terms of the applicable Investment Arrangements, unless paid by the Employer. The Administrator shall have the right to allocate expenses associated with maintaining the Accounts of terminated Employees to such Accounts, even if no expenses are allocated to the Accounts of active Employees, in accordance with rules promulgated by the Internal Revenue Service.

ARTICLE V.
LIMITATIONS ON CONTRIBUTIONS

Section 5.01. Elective Deferral Limits.

(a) The maximum amount of Elective Deferrals to the Plan for any calendar year shall be limited to the applicable dollar amount as provided in Code Section 402(g)(B)(1). The applicable dollar amount is $19,500 for 2020, increased thereafter by the Cost of Living Adjustment.

(b) A Participant who attains age 50 or more by the end of the calendar year, and who is contributing up to the applicable dollar amount under paragraph (a), may make additional Elective Deferrals under Code Section 414(v) of up to $6,500 for 2020, increased thereafter by the Cost of Living Adjustment.

(c) The special catch-up under Code Section 402(g)(7) shall not apply.

Section 5.02. Excess Elective Deferrals. Annual Additions Limitation.

Excess Elective Deferrals resulting from Elective Deferrals made on behalf of the Participant to this Plan and to any other 403(b) or 401(k) plan maintained by the Employer or a Related Employer (or, to the extent timely requested by the Participant, to any other 403(b) or 401(k) plan maintained by any other employer) shall be distributed along with Allocable Income to the Participant no later than the April 15th following the calendar year in which the Excess Elective Deferral was made. Such distributions shall be made in accordance with the rules under Code Section 402(g) and the regulations thereunder.

Section 5.03. Code Section 415 Limits.

(a) Notwithstanding any provision of the Plan to the contrary, annual additions to the Plan and to any other Code Section 403(b) plan maintained by the Employer or a Related Employer (or, if required by Code Section 415 and the Treasury Regulations thereunder, to any other defined contribution plan) for a Participant within a Limitation Year shall not exceed the limitations set forth in Code Section 415(c), except to the extent permitted under Code Section 414(v).
(b) The limitation on annual additions set forth in Code Section 415(c) Limitation Year is the lesser of:

1. $4057,000, adjusted for cost-of-living to 2020, increased thereafter by the extent provided under section 415(d) of the Code Cost of Living Adjustment; or

2. 100% of the Participant's Includible Compensation.

(a) For purposes of this Section, "annual addition" has the meaning provided in Code Section 415(c), as modified by Code Sections 415(l)(1) and 419A(d)(2). In general, Code Section 415(c) defines the annual addition as the sum of the following amounts credited to a Participant's Accounts for any calendar year under this Plan and to any Section 403(b) plan (or, if required by Code Section 415 and the Treasury Regulations thereunder, to any other defined contribution plan): (i) Employer contributions; (ii) employee contributions; and (iii) forfeitures. Annual additions will not include: (i) any Elective Deferrals made by a Participant who is age 50 or older in accordance with, and subject to, Code Section 414(v); (ii) excess Elective Deferrals distributed in accordance with Treasury Regulation Section 1.402(g)-1(e)(2); or (iii) Rollover Contributions. Annual additions will include:

1. amounts allocated to an individual medical account, as defined in Code Section 415(l)(2), which is part of a pension or annuity plan maintained by the Employer or a Related Employer, or both (as applicable); and

2. mandatory employee contributions to a defined benefit plan maintained by the Employer, unless the contributions are "picked-up" by the Employer pursuant to Code Section 414(h)(2).

Section 2.08. Excess Annual Additions. Excess annual additions will be allocated to an excess annual additions Account under the Annuity Contract or Custodial Account in accordance with Treasury Regulation Sections 1.403(b)-3(b)(2) and 1.403(b)-4(f)(2) for the year of excess and each year thereafter.

Section 5.04. Excess Annual Additions.

ARTICLE V: ARTICLE I. If as of the end of the Plan Year, the Annual Additions allocated to any Participant's Account exceed the limitations of this Article V, the Excess Annual Additions will be corrected as

VESTING

A Participant (or in the event of the Participant's death, the Beneficiary) will always be 100% Vested in his or her Account at all times.

ARTICLE VI: ARTICLE I.

LOANS
Section 2.09. Loans. Loans will be permitted under the Plan in accordance with Code Section 72(p) to the extent permitted by the Individual Agreements controlling the Account assets from which the loan is made and by which the loan will be secured. Loans shall be subject to separate loan procedures issued by the Vendor under the Plan; provided, however, that (a) no loans are permitted for former Employees who have had a Severance from Employment with the Employer, (b) a Participant who has defaulted on a loan shall not be entitled to a future loan under the Plan, (c) only one loan is permitted at one time, and (d) no loans are permitted from Former Vendors. Participants may be charged a reasonable processing fee per loan.

(a) Information Coordination Concerning Loans. Each Vendor is responsible for all information reporting and tax withholding required by applicable Federal and State law in connection with permitted under the Employee Plans Compliance Resolution System (or similar Internal Revenue Service correction program).

(b) In any Plan Year, in the event Contributions would exceed the Code Section 415(c) limitations, an adjustment to comply with this Article shall be made as soon as administratively practicable, but no later than the time permitted under Internal Revenue Service to any plan maintained by the Participant or another employer that is required to be aggregated under Code Section 415(c) with the Plan.

ARTICLE VI.
ACCOUNTING

Section 6.01. Participant Accounts. The Vendor(s) shall establish and maintain adequate records to reflect the Accounts of each Participant and Beneficiary. Credits and charges shall be made to such Accounts to reflect additions, distributions and loans. To minimize the instances in which Participants have taxable income as a result, and withdrawals, and to reflect gains or losses pursuant to the terms of each Investment Arrangement. The maintenance of loans from the Plan, individual Accounts is for accounting purposes only, and a segregation of Plan assets to each Account shall not be required.

Section 6.02. Participant Statements. The Vendor(s) shall provide to each Participant a quarterly statement reflecting the value of the Participant's Account as of the end of each quarter, and shall provide similar information to the Administrator upon its request.

Section 6.03. Value of Account. The value of the Account of a Participant as of any valuation date is the value of the Account balance as determined by the Vendor. The valuation date shall be the last day of the Plan Year and each other date designated by the Administrator or Vendor in a uniform and nondiscriminatory manner. All transactions and Account records shall be based on fair market value.

ARTICLE VII.
INVESTMENT OF CONTRIBUTIONS

Section 7.01. Vendors and Investment Options.

(a) All Contributions under the Plan shall be transferred to the Vendor(s) to be held, managed, invested and distributed in accordance with the provisions of the Plan and the
Investment Arrangements as applicable. All benefits under the Plan shall be distributed solely from the Investment Arrangements, and the Employer shall have no liability for any such benefits other than the obligation to make Contributions as provided in the Plan.

(b) Participants' Accounts shall be invested in one or more of the Investment Options available to Participants from a Vendor(s) approved under this Plan, as selected by the Administrator and communicated to Participants. The current Vendor(s) are listed in Appendix A. The Administrator's current selection of Vendor(s) and Investment Options is not intended to limit future additions or deletions of Vendor(s) or Investment Options.

(c) A Participant shall have the right to direct the investment of his or her Accounts by filing the Applicable Form with the Vendor(s). A Participant may change his or her investment election as often as determined by the Vendor(s). A Participant may elect to transfer all or any portion of his or her Accounts invested in any one Investment Option to another Investment Option, regardless of whether offered by the same or a different Vendor, subject to the limitations of the Investment Arrangements, by filing a request on the Applicable Form with the Vendor(s) or by such other means that may be provided for by the Vendor(s). A Participant may also elect to transfer all or any portion of his or her Accounts invested with a Former Vendor to an Investment Option with a Vendor, subject to the terms of the Investment Arrangements. In no event, however, may a Participant transfer any portion of his or her Accounts invested in an Investment Option with a Vendor to an investment with a Former Vendor or any other vendor that is not eligible to receive Contributions under the Plan.

Section 7.02. Exclusive Benefit. Each Custodial Account shall provide for it to be impossible, prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries, for any part of the assets and income of the Custodial Account to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and Beneficiaries.

Section 7.03. Default Investments. If a Participant does not have a valid and complete investment direction on file with the Vendor on the Applicable Form, Contributions will be invested in a default Investment Option selected by the Administrator in its sole and absolute discretion, until the Participant makes an affirmative election regarding the investment of his or her Account.

ARTICLE VIII.
DISTRIBUTIONS

Section 8.01. Commencement of Distributions.

(a) A Participant or, if applicable, a Beneficiary, shall be eligible to receive a distribution of his or her Vested Account under the Plan upon the Participant's:

(1) Severance from Employment;

(2) death;

(3) Disability;
(4) attainment of age 59½; or

(5) financial hardship, as described in Section 8.03.

(b) The distribution restrictions in paragraph (a) do not apply to Pre-Tax Contributions to the Plan prior to January 1, 1989 (not including earnings thereon), provided such Pre-Tax Contributions are separately accounted for under the Plan.

(c) Subject to the terms of the Investment Arrangements, Participants may elect to have either Pre-Tax Contributions or Roth Contributions distributed from the Plan first. Unless provided otherwise under the terms of the applicable Investment Arrangement, if the Participant fails to make an election, Pre-Tax Contributions will be distributed from the Plan first.

(d) Subject to the terms of the Investment Arrangements, a Rollover Contribution Account may be distributed to a Participant at any time, to the extent that Rollover Contributions have been separately accounted for by the Vendor.

(e) A Participant or Beneficiary may submit a request for a distribution to the Vendor on the Applicable Form. The Employer shall certify that the Participant has had a Severance from Employment or is Disabled.

Section 8.02. Form of Distribution.

(a) A Participant may elect to receive his or her Vested Account under any payment option available under the Investment Arrangement. Subject to the terms of the Investment Arrangement, these may include, but are not necessarily limited to, a single lump sum, annuity payments, and installment payments. All forms of payment shall be subject to the limitations of the Investment Arrangement.

(b) To the extent permitted by the Investment Arrangement, a lump sum payment of a Vested Account may be made without the consent of the Participant or Beneficiary if his or her Account balance does not exceed $1,000 (determined without regard to his or her Rollover Contribution Account), unless the Participant elects to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly in a lump sum.

Section 8.03. Hardship Distributions.

(a) To the extent (i) a Vendor has been approved by the Administrator to allow hardship withdrawals under the Plan and (ii) a hardship withdrawal is permitted by the terms governing the applicable Investment Arrangement, distribution of Elective Deferrals (excluding any earnings on such Elective Deferrals after December 31, 1988) may be made to a Participant who is an Employee in the event of hardship. A hardship distribution may only be made on account of an immediate and heavy financial need of the Participant and where the distribution is necessary to satisfy the immediate and heavy financial need. Participants may be charged a reasonable processing fee per hardship withdrawal.

(b) The following are the only financial needs considered immediate and heavy:
(1) expenses incurred or necessary for medical care described in Code Section 213(d) (without regard to whether the expenses exceed 7.5% of adjusted gross income) of the Participant, the Participant's Spouse or dependents (as defined in Code Section 152, but without regard to Code Sections 152(b)(1), (b)(2), and (d)(1)(B));

(2) the purchase (excluding mortgage payments) of a principal residence for the Participant;

(3) payment of tuition and related educational fees and room and board expenses for the next 12 months of post-secondary education for the Participant, the Participant's Spouse or dependents (as defined in Code Section 152, but without regard to Code Sections 152(b)(1), (b)(2), and (d)(1)(B));

(4) payments necessary to prevent the eviction of the Participant from, or a foreclosure on the mortgage of, the Participant's principal residence;

(5) payments for funeral or burial expenses for the Participant's deceased parent, Spouse, any dependent (as defined in Code Section 152, but without regard to Code Sections 152(b)(1), (b)(2), and (d)(1)(B));

(6) expenses to repair damage to the Participant's principal residence that would qualify for a casualty loss deduction under Code Section 165 (determined without regard to whether the loss exceeds 10% of adjusted gross income);

(7) expenses and losses (including loss of income) incurred by the Participant on account of a disaster declared by the Federal Emergency Management Agency (FEMA) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 100-707, provided that the Participant's principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster; and

(8) such other circumstances as the Commissioner of Internal Revenue determines constitute financial hardship under Code Section 401(k) or the Treasury Regulations thereunder.

(c) A distribution will be considered necessary to satisfy an immediate and heavy financial need of the Participant only if:

(1) The distribution is not in excess of the amount of the immediate and heavy financial need (including amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution);

(2) The Participant has obtained all distributions currently available under the Plan or any other plans maintained by the Employer, other than hardship distributions and non-taxable loans;

(3) For distributions on or before December 31, 2019, all plans maintained by the Employer provide that the Participant's Elective Deferrals will be suspended until the
earlier of (i) six months after the receipt of the hardship distribution or (ii) January 1, 2020;

(4) For distributions made on or after January 1, 2020, the Participant represents that he or she has insufficient cash or other liquid assets reasonably available to satisfy the need; and

(5) The Participant has met any such additional or alternative requirements as may be prescribed in Treasury Regulation Section 1.401(k)-1(d)(3)(iv)(E) or subsequent promulgations.

(d) A Participant must provide substantiation of the reason for and the amount of the immediate and heavy financial need to the Vendor. The Vendor shall approve all hardship distributions under this Section 8.03.

(e) The Administrator shall take such steps as may be appropriate to coordinate the limitations on loans set forth in Section 6.03 hardship distribution rules, including the collection of information from Vendors and Former Vendors, and transmission of information requested by any Vendor or Former Vendor, concerning the outstanding balance of any loans made to a Participant under the Plan or any other plan of the Employer. The Administrator will also take such steps as may be appropriate to collect information from Vendors and/or Former Vendors, and to transmit any information to any Vendor or Former Vendor, concerning any failure by a Participant to timely repay any loans made to a Participant under the Plan or any other plan of the Employer. The Administrator may delegate this responsibility to a Vendor or to another service provider pursuant to Article XII of the Plan.

Section 8.04. Reemployment. If a Participant who is a former Employee subsequently becomes an Employee again, the Participant cannot request a distribution of his or her Vested Accounts until he or she is again entitled to a distribution under Section 8.01.

Section 6.02. Section 8.05. Death Benefits. If a Participant dies before the distribution of his or her entire Account, his or her remaining Account shall be distributed to his or her Beneficiary(ies) as soon as administratively practicable after the Participant's death, unless the Beneficiary elects a later payment date on the Applicable Form, subject to Code Section 401(a)(9). A Beneficiary may elect to receive the Participant's Account under any distribution option available under the Section 8.02 of the Plan, subject to Code Section 401(a)(9).

Section 8.06. Maximum—Required Distribution Rules. The provisions of this Section 8.06 take precedence over any inconsistent provisions of the Plan or of any Investment Arrangement. All distributions under this Plan shall be made in accordance with Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and shall comply with the following rules.

(a) Distributions may only be made over one of the following periods (or a combination thereof):

(1) The life of the Participant,
(2) The life of the Participant and a designated Beneficiary;
(3) A period certain not extending beyond the life expectancy of the Participant; or
(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and designated Beneficiary.

(b) A Participant's Accounts shall be distributed to the Participant beginning no later than April 1 of the calendar year following the calendar year in which the Participant attains age 70½ or, if later, April 1 of the calendar year following the calendar year that the Participant has a Severance from Employment.

(c) Notwithstanding anything to the contrary in this Section 8.06, if the Vendor(s) separately accounts for Contributions made prior to January 1, 1987, then distribution of such Contributions (but not any interest accumulated with respect thereto) need not commence until April 1 of the calendar year following the calendar year in which the Participant attains age 75.

(d) Upon the death of the Participant, the following distribution provisions shall take effect:

(1) If the Participant dies after distribution of his or her Account(s) begins, any remaining portion of the Account(s) shall continue to be distributed at least as rapidly as under the method of distribution in effect at the time of the Participant's death.

(2) If the Participant dies before distributions of his or her Account(s) begins and the Participant has no designated Beneficiary(ies), the Participant's Account(s) under the Plan shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(3) If the Participant dies before distributions of his or her Account(s) begins and any portion of his or her Account(s) are payable to a designated Beneficiary, the designated Beneficiary may elect for the Participant's Account(s) to be distributed (i) by December 31 of the calendar year containing the fifth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the designated Beneficiary or over a period not exceeding the life expectancy of the designated Beneficiary. If the designated Beneficiary is the surviving Spouse, the Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained age 70½. If the designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account(s) shall be distributed in accordance with item (i).

(4) Any distribution required under the incidental death benefit requirements of Code Section 401(a) shall be treated as distributions required under this Section 8.06(d).
(e) Each Vendor shall be separately and solely responsible for complying with the provisions of this Section 8.06 with respect to its Investment Arrangements under the Plan. The Vendor(s) shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions at least 60 days prior to the date distributions must begin.

Section 8.07. Transfer to Defined Benefit Governmental Plan.

(a) If a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in Code Section 414(d)) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant may elect to have any portion of the Participant’s Account transferred to the defined benefit governmental plan, subject to the terms of the Investment Arrangement. A transfer under this Section may be made before the Participant has had a Severance from Employment.

(b) A transfer may be made under this Section only if the transfer is either for the purchase of permissive service credit (as defined in Code Section 415(n)(3)(A)) under the receiving defined benefit governmental plan or a repayment to which Code Section 415 does not apply by reason of Code Section 415(k)(3).

Section 8.08. Additional Tax on Early Withdrawals.

(a) Generally, and except as described in paragraph (b), if a Participant receives any amount under the Plan, his or her tax for the taxable year in which such amount is received is increased by an amount equal to 10% of the portion of such amount which is includible in gross income. Such amount shall be included in gross income to the extent allocable to income on the Investment Arrangement and shall not be included in gross income to the extent allocable to the investment in the Investment Arrangement as provided in Code Section 72(e)(2)(b).

(b) The penalty described in paragraph (a) generally does not apply to any distribution (i) made on or after the date on which the Participant attains age 59½, (ii) made on or after the death of the Participant, (iii) attributable to the Participant becoming Disabled, (iv) which is part of a series of substantially equal periodic payments made (not less frequently than annually) for the life or life expectancy of the Participant or the joint lives (or joint life expectancies) of such Participant and his or her designated Beneficiary, (v) made to a Participant after Severance from Employment following the attainment of age 55, (vi) which is a qualified reservist distribution within the meaning of Code Section 72(t)(2)(G)(iii), or (vii) any other circumstance permitted by the Code or the Internal Revenue Service.

ARTICLE IX.
LOANS

Section 9.01. Loans Generally.

(a) To the extent (i) a Vendor has been approved by the Administrator to allow loans under the Plan and (ii) loans are permitted by the terms governing the applicable Investment Arrangement, loans shall be available to a Participant who is an Employee from his or her
Vested Account. No loans shall be permitted from Investment Arrangements held by Former Vendors.

(b) Loans shall be subject to all applicable requirements and restrictions of the Code, including the provisions of Code Section 72(p) and the regulations thereunder. A Participant who has defaulted on a loan shall not be entitled to a future loan under the Plan until it has been fully repaid to the Plan.

(c) All loans shall be subject to the approval of the Vendor. The Vendor may charge a reasonable processing fee with respect to any loan.

Section 9.02. Loan Procedures. The Vendor shall establish written procedures to govern Participant loans under the Plan, which may be amended from time to time. All loans shall comply with such procedures, and shall be administered subject to the terms of the applicable Investment Arrangement.

Section 9.03. Loan Limits.

(a) No loan to a Participant under the Plan may exceed the lesser of:

Section 6.03. Loan Amount. No loan to a Participant under the Plan may exceed the lesser of:

(a)(1) $50,000, reduced by the greater of (i) the outstanding balance on any loan from the Plan to the Participant on the date the loan is made or (ii) the highest outstanding balance on loans from the Plan to the Participant during the one-year period ending on the day before the date the loan is approved by the Administrator (not taking into account any payments made during such one-year period); or

(b)(2) one-half of the value of the Participant's Vested Account Balance (as of the valuation date immediately preceding the date on which such loan is approved by the Administrator), or any lesser amount in accordance with the Individual Agreements.

(b) For purposes of this Section 6.03, any loan from any other Section 403(b) plan maintained by the Employer will and any Related Employer shall be treated as if it were a loan made from the Plan, and the Participant's vested interest under any such other plan will be considered a Vested interest under this Plan; provided, however, that the provisions of this paragraph will not be applied so as to allow the amount of a loan to exceed the amount that would otherwise be permitted in the absence of this paragraph.

ARTICLE III.

BENEFIT DISTRIBUTIONS

Section 3.01. Distribution of Elective Deferrals.
(a) A Participant may request a distribution from the Plan on the earliest of the date on which the Participant has a Severance from Employment, dies, becomes Disabled, has a financial hardship, or attains age 59½.

(b) The distribution restrictions in paragraph (a) do not apply to Elective Deferrals to the Plan prior to January 1, 1989 (not Administrator shall take such steps as appropriate to coordinate the limitations on loans, including earnings thereon) provided such Elective Deferrals are separately accounted for under the Plan.

(e) Notwithstanding paragraph (a), to the extent permitted by the applicable Individual Agreement, a Participant may at any time elect to receive a distribution of all or any portion of the amount held in the Rollover Account.

(d) Effective January 1, 2009, if a Participant experiences a Severance from Employment solely because he or she is performing service in the uniformed services as described in section 3401(h)(2)(A) of the Code, and the Participant receives a distribution from this Plan because of that service, the Participant may not make Elective Deferrals to this Plan for the six month period beginning on the date of the distribution.

(e) Distributions will otherwise be made in accordance with the terms of the Individual Agreements.

Section 3.02. Forms of Payment. A Participant may elect to receive his or her Account under any payment option available under and subject to the other provisions of this Article and the terms and conditions of the Individual Agreements.

Section 3.03. Small Account Balances. The terms of the Individual Agreement may permit distributions to be made in the form of a lump sum payment, without the consent of the Participant or Beneficiary, but no such payment may be made without the consent of the Participant or Beneficiary unless the Account Balance does not exceed $1,000 (determined without regard to any separate Account that holds Rollover Contributions).

Section 3.04. Minimum Distributions. For purposes of applying the distribution rules of Code Section 401(a)(9), each Individual Agreement is treated as an individual retirement account (IRA) and distributions will be made in accordance with the provisions of Treasury Regulation Section 1.408-8, except as provided in Treasury Regulation Section 1.403(b)-6(e). Notwithstanding the preceding sentence, each Vendor will separately comply with the minimum distribution requirements under Code Section 401(a)(9) and the regulations thereunder with respect to its Funding Vehicles under the Plan.

Section 3.05. Hardship Withdrawals.

(a) Hardship withdrawals of Elective Deferrals (excluding any earnings on such Elective Deferrals after December 31, 1988) will be permitted under the Plan for financial hardship incurred by a Participant who at the time of the hardship withdrawal is an Employee, the Participant's spouse, or the Participant's tax code dependent in accordance with the safe harbor rules under Treasury Regulation Sections 1.401(k)-1(d)(3)(ii)(B) and 1.401(k)-1(d)(3)(iv)(E), but only to the extent permitted by the
Individual Agreements controlling the Account assets to be withdrawn to satisfy the hardship. No Elective Deferrals will be allowed under the Plan during the six month period beginning on the date the Participant receives a distribution on account of hardship. Participants are required to complete a new Salary Reduction Agreement in accordance with Section 3.02 following the end of the six month suspension.

(c) (b) The Individual Agreements will provide for the exchange collection of information among the Employer and the Vendors and/or the Former Vendors to the extent necessary to comply with the hardship rules, including the Vendor and/or Former Vendor notifying the Employer of the withdrawal in order for the Employer to implement the resulting six month suspension of the Participant's right to make Elective Deferrals under the Plan, and transmission of information requested by any Vendor. The Administrator may delegate this responsibility to a Vendor or to another service provider pursuant to Section 9.02 Article XII of the Plan.

ARTICLE X.
VESTING

(c) Participants may be charged a reasonable processing fee per hardship withdrawal.

A Participant or, in the event of the Participant's death, the Beneficiary, shall be 100% Vested in his or her Account at all times.

ARTICLE XI.
ROLLOVERS FROM THIS PLAN

Section 11.01. Definitions for this Article. For purposes of this Article, the following definitions shall apply.

(a) "Direct Rollover" means an Eligible Rollover Distribution that is paid directly to an Eligible Retirement Plan for the benefit of the Distributee.

(b) "Distributee" means a Participant, the Spouse of the Participant, the Participant's former Spouse who is an alternate payee within the meaning of Code Section 414(p)(8), and, effective January 1, 2008, a Participant's non-Spouse Beneficiary, any of whom is eligible to receive a distribution from the Plan.

(c) "Eligible Retirement Plan," as defined under Code Section 402(c)(8)(B), means:

(1) an individual retirement account described in Code Section 408(a);

(2) an individual retirement annuity (other than an endowment contract) described in Code Section 408(b);

(3) a simple retirement account described in Code Section 408(p)(1) following the two year period described in Code Section 72(t)(6);
(4) any annuity plan described in Code Section 403(a);

(5) a plan described in Code Section 403(b);

(6) a qualified plan described in Code Section 401(a);

(7) a Code Section 457(b) eligible deferred compensation plan which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state; and

(8) effective January 1, 2008, a Roth individual retirement account described in Code Section 408A(e), provided the Distributee's adjusted gross income does not exceed any limit applicable under federal law for the tax year in which the distribution occurs.

Effective January 1, 2008, in the case of a distribution to a Participant's non-Spouse Beneficiary, an Eligible Retirement Plan shall mean the plans described in subparagraphs (1) and (2) only, to the extent consistent with the provisions of Code Section 402(c)(11) and any successor provisions thereto or additional guidance issued thereunder.

(d) "Eligible Rollover Distribution," as defined in Code Section 402(f)(2)(A), means any distribution of all or any portion of the balance to the credit of the Distributee under this Plan, except that an Eligible Rollover Distribution does not include:

(1) 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 period of ten years or more;

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

(3) the portion of any distribution that is not includible in gross income; provided, however, a portion of a distribution shall not fail to be an Eligible Rollover Distribution merely because the portion consists of after-tax employee contributions that are not includible in gross income. However, such portion may be transferred only:

(i) to an individual retirement account or annuity described in Code Section 408(a) or 408(b), respectively, or to a qualified defined contribution plan described in Code Section 401(a) that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of such distribution which is not so includible;

(ii) to a qualified defined benefit plan described in Code Section 401(a) or to an annuity contract described in Code Section 403(b), that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income;
income and the portion of the distribution that is not so includible; or

(iii) to a Roth IRA described in Code Section 408A;

(4) any distribution which is made upon the financial hardship of the Participant; and

(5) other items designated by regulations, or by the Commissioner in revenue rulings, notices, or other guidance, as items that do not constitute an eligible rollover distribution.

Section 11.02. Direct Transfer of Eligible Rollover Distribution. A Distributee may elect on an Applicable Form to have an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan as specified by the Distributee in a Direct Rollover, at the time and in the manner prescribed by the Vendor. An Eligible Rollover Distribution that is paid to an Eligible Retirement Plan in a Direct Rollover is excludable from the Distributee's gross income under Code Section 402; provided, however, if any portion of such Eligible Rollover Distribution is subsequently distributed from the Eligible Retirement Plan, that portion shall be included in gross income to the extent required under Code Section 402, 403, or 408.

Section 11.03. Mandatory Withholding of Eligible Rollover Distributions.

(a) If the Distributee of an Eligible Rollover Distribution does not elect to have the Eligible Rollover Distribution paid directly from the Plan to an Eligible Retirement Plan in a Direct Rollover pursuant to Code Section 401(a)(31), the Eligible Rollover Distribution shall be subject to a mandatory 20% federal income tax withholding under Code Section 3405(c). Only that portion of the Eligible Rollover Distribution that is not paid directly from the Plan to an Eligible Retirement Plan in a Direct Rollover shall be subject to the mandatory withholding requirement under Code Section 3405(e), and only to the extent such amount would otherwise be includible in the Distributee's taxable gross income.

(b) If a Distributee elects to have an Eligible Rollover Distribution paid to the Distributee, the distribution may be excluded from gross income of the Distributee provided that said distribution is contributed to an Eligible Retirement Plan no later than the 60th day following the day on which the Distributee received the distribution.

(c) If the Plan distribution is not an Eligible Rollover Distribution, said distribution shall be subject to the elective withholding provisions of Code Section 3405(a) and (b).

Section 11.04. Explanation of Plan Distribution and Withholding Requirements. Not fewer than 30 days nor more than 180 days before an Eligible Rollover Distribution, the Vendor shall provide each Distributee a written explanation as required under Code Section 402(f), which explains the rules:

(a) under which a Distributee may elect to have an Eligible Rollover Distribution paid in a Direct Rollover to an Eligible Retirement Plan:
(b) that require the withholding of tax on an Eligible Rollover Distribution if it is not paid in a Direct Rollover to an Eligible Retirement Plan;

(c) that provide that a distribution shall not be subject to tax if the distribution is rolled over to an Eligible Retirement Plan within 60 days after the date the Distributee receives the distribution; and

(d) if applicable, certain special rules regarding taxation of the distribution as described in Code Sections 402(d) and (e).

Notwithstanding the above, a distribution may begin fewer than 30 days after the notice discussed in the preceding sentence is given, provided that the Vendor clearly informs the Participant that he or she has a right to a period of at least 30 days after receiving the notice to consider the decision of whether or not to elect a distribution and the Participant, after receiving a notice, affirmatively elects a distribution.

Section 3.06. Death Benefits. If a Participant dies before the entire distribution of his or her Account has been made, his or her remaining Account, if any, will be distributed to his or her Beneficiary as soon as administratively feasible after the Participant's death, unless the Beneficiary elects a later payment date on the appropriate form as designated and furnished by the Vendor, subject to the minimum distribution requirements of Code Section 401(a)(9) and regulations thereunder. A Beneficiary may elect to receive the deceased Participant's Account under any payment option available under and subject to the terms and conditions of the Individual Agreements.

Section 3.07. Rollover Distributions from Plan.

(a) A Participant or the Beneficiary of a deceased Participant (or a Participant's spouse or former spouse who is an alternate payee under a domestic relations order, as defined in Code Section 414(p)) who is entitled to an eligible rollover distribution may elect to have any portion of an eligible rollover distribution (as defined in Code Section 402(c)(4)) from the Plan paid directly to an eligible retirement plan (as defined in Code Section 402(c)(8)(B)) specified by the Participant in a direct rollover. In the case of a distribution to a Beneficiary who at the time of the Participant's death was neither the spouse of the Participant nor the spouse or former spouse of the Participant who is an alternate payee under a domestic relations order, a direct rollover is payable only to an individual retirement account or individual retirement annuity (IRA) that has been established on behalf of the Beneficiary as an inherited IRA (within the meaning of Code Section 408(d)(3)(C)).

(b) Each Vendor will be separately responsible for providing, within a reasonable time period before making an initial eligible rollover distribution, an explanation to the Participant of his or her right to elect a direct rollover and the income tax withholding consequences of not electing a direct rollover.

(c) Subject to the Individual Agreements, a Participant may elect to rollover the Participant's Rollover Account to another eligible retirement plan at any time.
Section 3.08. — Permissive Service Credit Transfers.

(a) If a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in Code Section 414(d)) that provides for the acceptance of plan to plan transfers with respect to the Participant, then the Participant may elect to have any portion of the Participant's Account Balance, subject to the terms of the Funding Vehicles, transferred to the defined benefit governmental plan; provided, however, that no portion of the Participant's Account Balance attributable to Roth Elective Deferrals may be transferred under this Section. A transfer under this Section may be made before the Participant has had a Severance from Employment.

(b) A transfer may be made under this Section only if the transfer is either for the purchase of permissive service credit (as defined in Code Section 415(n)(3)(A)) under the receiving defined benefit governmental plan or a repayment to which Code Section 415 does not apply by reason of Code Section 415(k)(3).

ARTICLE VIII. ARTICLE I.

INVESTMENT OF CONTRIBUTIONS

Section 3.09. — Manner of Investment. All Elective Deferrals, Rollover Contributions or other amounts contributed to the Plan, all property and rights purchased with such amounts under the Funding Vehicles, and all income attributable to such amounts, property, or rights will be held and invested in one or more Annuity Contracts or Custodial Accounts. Each Custodial Account will provide for it to be impossible, prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries, for any part of the assets and income of the Custodial Account to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries.

Section 3.10. — Investment of Contributions. Each Participant or Beneficiary will direct the investment of his or her Account among the Investment Options available under the Annuity Contract or Custodial Account in accordance with the terms of the Individual Agreements. Transfers among Annuity Contracts and Custodial Accounts may be made to the extent provided in the Individual Agreements and permitted under the applicable Treasury Regulations in accordance with Section 8.03.

Section 3.11. — Investment Changes. A Participant or Beneficiary is permitted to change the investment of his or her Account among the Investment Options available under the Plan, subject to the terms of the Individual Agreements. An investment change that includes an investment with a Former Vendor or other vendor that is not eligible to receive contributions under the Plan is not permitted; provided, however, that a Participant or Beneficiary is permitted to change the investment of his or her Account from an Investment Option with a Former Vendor to an Investment Option with a current Vendor. A change of investment of a Participant's Account among the Vendors under the Plan (or from a Former Vendor to a current Vendor under the Plan) must satisfy the conditions of this Section:
(a)—the Participant or Beneficiary has an Account Balance immediately after the exchange that is at least equal to the Account Balance of that Participant or Beneficiary immediately before the exchange (taking into account the Account Balance of that Participant or Beneficiary under both Annuity Contracts or Custodial Accounts immediately before the exchange); and

(b)—the Individual Agreement with the receiving Vendor has distribution restrictions with respect to the Participant that are not less stringent than those imposed on the investment being exchanged.

Section 3.12. Current Vendors. The Administrator will maintain a list of all Vendors under the Plan. Such list is hereby incorporated as part of the Plan and set forth in Appendix A. Each Vendor and the Administrator will exchange such information as may be necessary to satisfy Code Section 403(b) or other requirements of applicable law. The Administrator may amend the list of Vendors contained at Appendix A to reflect the deletion or addition of a Vendor as a designated company, in accordance with Section 30-210 of the State Personnel and Pensions Article of the Annotated Code of Maryland.

Section 3.13. Former Vendors. The Board will make a good faith reasonable effort to enter into an information sharing agreement with each Former Vendor to the extent that any existing agreement with that Former Vendor does not already provide for such information sharing on a continuing basis. The agreement will provide for mutual sharing of the following information:

(a)—Information necessary for the resulting Annuity Contract or Custodial Account, or any other Annuity Contract or Custodial Account to which contributions have been made by the Employer, to satisfy Code Section 403(b), including the following: (i) the Employer providing information as to whether the Participant's employment with the Employer is continuing, and notifying the Former Vendor when the Participant has had a Severance from Employment (for purposes of the Plan benefit distribution restrictions); (ii) the Former Vendor notifying the Employer of any hardship withdrawal if the withdrawal results in a six month suspension of the Participant's right to make Elective Deferrals under the Plan; and (iii) the Former Vendor providing information to the Employer or other Vendors or Former Vendors concerning the Participant's or Beneficiary's Annuity Contracts or Custodial Accounts (to enable a Vendor or Former Vendor to determine the amount of any plan loans and any rollover accounts that are available to the Participant under the Plan in order to satisfy the financial need under the Plan's hardship withdrawal rules); and

(b)—Information necessary in order for the resulting Annuity Contract or Custodial Account and any other Annuity Contract or Custodial Account to which contributions have been made for the Participant by the Employer to satisfy other tax requirements, including the following: (i) the amount of any Plan loan that is outstanding to the Participant in order for a Vendor or Former Vendor to determine whether an additional Plan loan satisfies the applicable loan limitations, so that any such additional loan is not a deemed distribution under Code Section 72(p)(1); and (ii) information concerning the Participant's or Beneficiary's after-tax employee contributions in order for
a Vendor or Former Vendor to determine the extent to which a distribution is includible in gross income.

**ARTICLE IX. ARTICLE XII.
PLAN ADMINISTRATION**

**Section 3.14. Authority of the Administrator.**

(a) The Administrator will have the authority to control and manage the operation and administration of the Plan and will be the named fiduciary of the Plan. The Administrator is authorized to accept service of legal process.

(b) The Administrator will have power and authority (including discretion with regard to the exercise of that power and authority) as may be necessary, advisable, desirable, necessary or convenient to enable the Administrator to carry out exercise its duties authority under the Plan. By way of illustration and not limitation, the Administrator is empowered and authorized:

1. to make may provide rules and regulations with respect to the Plan, not inconsistent with the Plan or the Code, and provisions hereof, for the operation and management of the Plan, and may from time to time amend or rescind such rules and regulations;

2. to determine, consistently therewith, all questions of law or fact that may arise as to the eligibility, benefits, status, and rights of any person claiming benefits or rights under the Plan, including without limitation, Participants, former Participants, surviving spouses of Participants, Beneficiaries, Employees, and former Employees;

3. to direct the Vendors and Former Vendors to make payments to Participants, their Beneficiaries, and other persons as the Administrator may determine pursuant to the terms of the Plan, subject to the terms and conditions of the Individual Agreements (to the extent that the Individual Agreements are not inconsistent with) to accept service of legal process for the Plan document or instructions of the Administrator communicated to the Vendor prior to the issuance of an Individual Agreement;

4. subject to and consistent with the Code, Powers of the Administrator. The Administrator shall have the power and discretion to construe and interpret the Plan and, including any ambiguities, to determine all questions of fact or law arising hereunder; and

5. to under the Plan, and to resolve any disputes arising under and all questions concerning administration of the Plan. The Administrator may correct any defects, supply any omissions, or reconcile any inconsistencies in the Plan in such manner and to such extent as the Administrator deems expedient.
(e) Any action by the Administrator which is not found to be an abuse of discretion, will be final, conclusive, and binding on all individuals affected thereby. The Administrator may take any such action in such manner and to such extent as the Administrator, in its sole discretion, may deem expedient.

(d) Section 12.02. Benefits and, subject to the Plan's claim procedures, the Administrator shall be the sole and final judge of such expediency. Benefits are payable under the Plan only if the Administrator, in its sole discretion and subject to the terms and conditions of the Individual Agreements (to the extent that the Individual Agreements are not inconsistent with the Plan document or instructions communicated to the Vendor prior to the issuance of an Individual Agreement), and absolute discretion, determines the benefits are payable under the provisions of the Plan.
Section 9.02. Delegation by Administrator.

(a) The Administrator may from time to time delegate in writing to a committee or any duly authorized officer certain of its fiduciary duties or other responsibilities under the Plan. Any such committee or officer delegated fiduciary duties shall be a fiduciary until the Administrator revokes such delegation. A delegation of the Administrator's duties or responsibilities may be revoked without cause or advance notice. To the extent permitted under applicable law, such committee or officer shall have the same power and authority with respect to such delegated fiduciary or other responsibilities as the Administrator has under the Plan. The Administrator shall not be liable for any act or omission of such fiduciary in carrying out such responsibilities.

(b) The Administrator has designated the Vendors to be responsible for providing information to Participants regarding enrollment, investment options, and performance; processing contributions, withdrawal requests, transfers, and changes in investment options; providing record keeping services and such other services as provided for under agreements between the Vendors and the Administrator.

(c) The Administrator may designate one of the Vendors or another service provider to provide for the collection and coordination of information relating to hardship withdrawals, loans, contribution limits, and any other administrative function under the Plan.

Section 12.04. Fiduciary Insurance. Subject to State law, the Board may require the purchase of fiduciary liability insurance for any Plan fiduciary or fiduciaries to cover liability or losses occurring by reason of the act or omission of a fiduciary.

Section 9.03. Employment of Consultants. The Administrator may employ one or more persons to render advice with regard to its responsibilities under the Plan.

ARTICLE XIII. CLAIMS PROCEDURES

Section 9.04. Requests for Information Concerning Eligibility, Participation and Contributions. Requests for information concerning eligibility, participation, contributions, or any other aspects of the operation of the Plan, and service of legal process, should be in writing and directed to the Administrator of the Plan. If a written request is denied, the Administrator shall, within a reasonable period of time, provide a written denial to the Participant. A Participant may request in writing a review of a claim denied by the Administrator and may submit issues and comments in writing to the Administrator. The Administrator shall provide to the Participant a written decision upon such request for review of a denied claim.

Section 9.05. Requests for Information Concerning Annuity Contracts and Custodial Accounts. Requests for information concerning the Annuity Contracts and Custodial Accounts and their terms, conditions, and interpretations thereof, claims thereunder, any requests for review of such claims, and service of legal process, should be in writing and directed to the Vendor. If a written request is denied, the Vendor shall, within a reasonable period of time, provide a written denial to the Participant. A
Participant may request in writing a review of a claim denied by the Vendor and may submit issues and comments in writing to the Vendor. The Vendor shall provide to the Participant a written decision upon such request for review of a denied claim.

Section 3.15. Plan Expenses. All reasonable expenses of administering the individual Accounts in the Plan will be charged against and paid from the Participants’ Accounts, subject to the terms of the Individual Agreements (to the extent that the Individual Agreements are not inconsistent with the Plan document or instructions of the Administrator communicated prior to the issuance of the Individual Agreement).

ARTICLE X. ARTICLE XIV.

AMENDMENT AND PLAN TERMINATION

Section 3.16. Termination of Contributions. The Board has adopted the Plan with the intention and expectation that contributions will be continued indefinitely. However, the Board has no obligation or liability whatsoever to maintain the Plan for any length of time and may discontinue contributions under the Plan at any time without any liability hereunder for any such discontinuance by resolution of the Board.

Section 10.02. Section 14.01. Amendment and Termination of Plan. The Board shall have the authority, in its sole and final discretion, to amend or terminate the Plan at any time and from time to time, to any extent which it may deem advisable.

Section 14.02. Restrictions on Amendments. The Plan may not be amended in a manner that violates any provision of the Code.

Section 10.03. Section 14.03. Distribution upon Termination of the Plan. The Board may provide that, in connection with a termination of the Plan and subject to any restrictions contained in the Individual Agreements, all Accounts will be distributed, provided that the Employer and any Related Employer on the date of the termination does not make contributions to an alternative Code Section 403(b) contract that is not part of the Plan during the period beginning on the date of Plan termination and ending 12 months after the distribution of all assets from the Plan, except as permitted by the Treasury Regulations. For purposes of distributing all accumulated benefits under the Plan in the event of Plan termination, delivery of a fully paid individual insurance annuity contract shall be treated as a distribution.

ARTICLE XI. ARTICLE XV.

MISCELLANEOUS

Section 15.01. Non-Assignability. Except as provided below, Alienation.

(a) A Participant's Account under the Plan shall not be liable for a domestic relation order, any debt, liability, contract, engagement, or IRS levy, the interest of each Participant or his or her Beneficiary under the Plan are not, nor subject to the claim of anticipation, sale, assignment, transfer, encumbrance, pledge, charge, attachment, garnishment, execution,
alienation, or any other voluntarily or involuntarily alienation or other legal or equitable process, nor transferable by operation of law.

Section 11.01. Notwithstanding paragraph (a), the Plan shall comply with any judgment, decree or order ("domestic relations order") which establishes the Participant's or Beneficiary's creditors; and neither the Participant nor any Beneficiary will have any right of an alternate payee within the meaning of Code Section 414(p)(8) to sell, assign, transfer, or otherwise convey the right to receive any payments hereunder or any interest all or a portion of a Participant's benefit under the Plan, which payments and interest are expressly declared to be non-assignable and non-transferable, to the extent that it is a "qualified domestic relations order" ("QDRO") under Code Section 414(p). The Vendor shall establish reasonable written procedures to determine whether a domestic relations order is a QDRO and to administer the distribution of benefits with respect to such orders, which procedures may be amended from time to time, and which shall be provided to Participants upon request. Notwithstanding any other provisions in the Plan, the Plan may make an immediate distribution to the alternate payee pursuant to a QDRO.

Section 3.17. Domestic Relation Orders. Notwithstanding Section 11.01, if a judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a spouse or former spouse, child, or other dependent of a Participant is made pursuant to the domestic relations law of any State ("domestic relations order"), then the amount of the Participant's Account Balance will be paid in the manner and to the person or persons so directed in the domestic relations order to the extent that it is a "qualified domestic relations order" ("QDRO") under Code Section 414(p). Such payment will be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan, but is subject to the terms of the Individual Agreements. The Administrator will establish reasonable procedures for determining the status of any such decree or order as a QDRO and for effectuating distribution pursuant to the QDRO. A participant may be charged a reasonable processing fee per domestic relations order.

Section 3.18. IRS Levy. Notwithstanding Section 11.01, the Administrator may pay from a Participant's or Beneficiary's Account Balance, in accordance with the terms of the Funding Vehicles, the amount that the Administrator finds is lawfully demanded under a levy issued by the Internal Revenue Service with respect to that Participant or Beneficiary or is sought to be collected by the United States Government under a judgment resulting from an unpaid tax assessment against the Participant or Beneficiary.

Section 3.19. Tax Withholding. Contributions to the Plan are subject to applicable employment taxes (including, if applicable, Federal Insurance Contributions Act (FICA) taxes with respect to Elective Deferrals, which constitute wages under Code Section 3121). Any benefit payment made under the Plan is subject to applicable income tax withholding requirements (including Code Section 3401 and the Employment Tax Regulations thereunder). A payee will provide such information as the Administrator may need to satisfy income tax withholding obligations, and any other information that may be required by guidance issued under the Code.

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Section 3.20. Payments to Minors and Incompetents. If a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is adjudged to be legally incapable of giving valid receipt and discharge for such benefits, or is deemed so by the Administrator or the Vendor, benefits will be paid to a court appointed guardian or in accordance with the terms of a court order. Such payments will be considered a payment to such Participant or Beneficiary and will, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.

Section 3.21. Mistaken Contributions. If any contribution (or any portion of a contribution) is made to the Plan by a good faith mistake of fact, then within one year after the payment of the contribution, and upon receipt in good order of a proper request approved by the Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) will be returned directly to the Participant or, to the extent required or permitted by the Administrator, to the Employer.

Section 3.22. Procedure When Distributee Cannot Be Located. The Vendor will make reasonable attempts to determine the identity and address of a Participant or a Participant's Beneficiary entitled to benefits under the Plan. If the Vendor is unable to locate such a person entitled to benefits hereunder, or if there has been no claim made for such benefits, the Funding Vehicle will continue to hold the benefits due such person.

Section 3.23. Incorporation of Individual Agreements. The Plan, together with the Individual Agreements, is intended to satisfy the requirements of Code Section 403(b) and the Treasury Regulations thereunder. Terms and conditions of the Individual Agreements are hereby incorporated by reference into the Plan, excluding those terms that are inconsistent with the Plan or Code Section 403(b).

Section 3.24. Governing Law. The Plan will be construed, administered and enforced according to the Code and, when not inconsistent with the Code, or expressly provided otherwise herein, the laws of the State of Maryland without regard to conflict of law principles.

Section 3.25. Headings. Headings of the Plan have been inserted for convenience of reference only and are to be ignored in any construction of the provisions hereof.

Section 3.26. Gender. Pronouns used in the Plan in the masculine or feminine gender include both genders unless the context clearly indicates otherwise.

Section 11.12. Section 1.01. Federal and State Taxes. It is intended that contributions under this Plan, plus any earnings thereunder, are excludable from gross income for federal and state income tax purposes until paid to Participants or Beneficiaries. However, the Administrator does not guarantee that any particular Federal or state income, payroll, or other tax consequence will occur as a result of participation in this Plan.
Section 3.27. Erroneous Payments. If the Vendor makes any payment that, according to the terms of the Plan and the benefits provided thereunder, should not have been made, the Vendor may recover that incorrect payment by whatever means necessary, whether or not it was made due to the error of the Administrator or the Vendor, from the person to whom it was made, or from any other appropriate party. For example, if any such incorrect payment is made directly to a Participant, the Vendor may deduct it when making any future payments directly to that Participant.

(c) Notwithstanding paragraph (a), the Plan shall offset from the benefit otherwise payable to a Participant or his or her Beneficiary such amounts as are permitted to be offset under a court order, civil judgment, or settlement agreement in accordance with Code Section 401(a)(13)(C).

Section 15.02. Military Service.

(a) Notwithstanding any provisions of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service shall be provided in accordance with USERRA, HEART, Code Section 414(u), and Code Section 401(a)(37). For purposes of this Section, "qualified military service" means any service in the uniformed services as defined in USERRA by any individual if such individual is entitled to reemployment rights under USERRA with respect to such service.

(b) A Participant whose employment is interrupted by qualified military service or who is on a leave of absence for qualified military service may elect to make Elective Deferrals upon resumption of employment with the Employer up to the maximum Elective Deferrals that the Participant could have elected during that period if the Participant's employment with the Employer had continued (at the same level of Compensation) without the interruption or leave, reduced by the Elective Deferrals, if any, actually made for the Participant during the period of the interruption or leave. Except to the extent provided under Code Section 414(u), this right applies for the lesser of (i) five years following the resumption of employment or (ii) a period equal to three times the period of the interruption or leave. Such Elective Deferrals by the Participant may only be made during such period and while the Participant is reemployed by the Employer.

(c) Effective January 1, 2007, to the extent provided under Code Section 401(a)(37), in the case of a Participant whose employment is interrupted by qualified military service and who dies while performing qualified military service, the survivor of such Participant shall be entitled to any additional benefit (other than benefit accruals) provided under the Plan as if the Participant timely resumed employment in accordance with USERRA and then, on the next day, terminated employment on account of death.

(d) Effective January 1, 2009, differential wage payments within the meaning of Code Section 414(u)(12)(D) shall be treated as Compensation and Includible Compensation under the Plan.

Section 15.03. Limitation on Rights and Obligations. Neither the establishment nor maintenance of the Plan nor any amendment thereof, nor the purchase of any
Annuity Contract or Custodial Account, nor any act or omission under the Plan or resulting from the operation of the Plan will shall be construed:

(a) as conferring upon any Participant, Beneficiary, or any other person any a right or claim against the Board, the Employer or the Administrator or Employer, except to the extent that such right or claim will shall be specifically expressed and provided in the Plan;

(b) as creating any responsibility or liability of the Board or, the Employer or the Administrator for the validity or effect of the Plan;

(c) as a contract or agreement between the Board, the Employer—, or the Administrator and any Participant or other person;

(d) as being an agreement, consideration for, or an inducement or condition of, employment of any Participant or other person, or as affecting or restricting affecting in any manner or to any extent whatsoever the rights or obligations of the Employer or any Participant or other person Employee to continue or terminate the employment relationship at any time, except as otherwise provided under any applicable collective bargaining agreement; or

(e) as giving any Participant the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or other person at any time; provided, however, that the foregoing will not be deemed to modify the provisions of any collective bargaining agreements which may have been entered into by the Employer with the bargaining representatives of any Participant.

Section 15.04. Federal and State Taxes. It is intended that Contributions other than Roth Contributions under this Plan, plus any earnings thereunder, are excludable from gross income for federal and state income tax purposes until paid to Participants or Beneficiaries, and that Roth Contributions and earnings thereunder are excludable from gross income for federal and state income tax purposes when paid to Participants or Beneficiaries to the extent that they are Qualified Distributions. However, the Administrator does not guarantee that any particular federal or state income, payroll, or other tax consequence will occur as a result of participation in this Plan.

Section 15.05. Erroneous Payments. If the Administrator or Vendor makes any payment that, according to the terms of the Plan and the benefits provided hereunder, should not have been made, the Administrator or Vendor may recover that incorrect payment, by whatever means necessary, whether or not it was made due to the error of the Administrator or Vendor, from the person to whom it was made, or from any other appropriate party. For example, if any such incorrect payment is made directly to a Participant, the Administrator or Vendor may deduct it when making any future payments directly to that Participant.

Section 15.06. Benefit Payment Issue Resolution. The Administrator, or its designee, if in doubt regarding the correctness of its action with respect to a benefit payment, may direct suspension of payment until satisfied as to the correctness of the payment or the person to receive the payment. Alternatively, the Administrator, or its designee, may file, in any state court of competent jurisdiction, a suit, in the form it deems appropriate, for legal determination of the benefits to be paid and the persons to receive them. The Administrator, or
its designee, may also bring a suit, or take other action as it deems appropriate, to resolve questions involving investment directions. The Administrator shall comply with the final order of the court in any such suit, and Participants and the Administrator shall be bound by such an order, insofar as it affects the benefits payable under this Plan, or the method or manner of payment.

Section 15.07. Release. Any payments to any Participant shall, to the extent thereof, be in full satisfaction of the claim of such Participant being paid thereby and the Administrator may condition payment thereof on the delivery by the Participant of the duly executed receipt and release in such form as may be determined by the Administrator.

Section 15.08. Liability. The Administrator shall not incur any liability in acting upon any notice, request, signed letter, telegram, or other paper or document or electronic transmission believed by the Administrator to be genuine or to be executed or sent by an authorized person.

Section 15.09. Information Provided by the Participant. Each Participant should provide to the Administrator at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the Administrator to administer the Plan.

Section 15.10. Family Medical Leave Act. Notwithstanding any provisions of this Plan to the contrary, Contributions and benefits with respect to qualified leave will be provided in accordance with the Family Medical Leave Act of 1993, 29 U.S.C. Section 2601 et. seq.

Section 15.11. Payments to Minors or Incompetents. If a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is determined to be legally incapable of giving valid receipt and discharge for such benefits by a court or by the Administrator, benefits shall be paid to such person as the Administrator may designate for the benefit of such Participant or Beneficiary. Such payments shall be considered a payment to the Participant or Beneficiary and shall, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.

Section 15.12. Missing or Lost Participants. In the event that the Administrator does not have current contact information for or is unable to identify a Participant or Beneficiary under the Plan, the Administrator shall make reasonable attempts to determine the address and identity of the Participant or Beneficiary entitled to benefits under the Plan. A reasonable attempt to locate a missing or lost Participant or Beneficiary shall include (i) providing notice to the Participant at the Participant's last known address via certified mail; (ii) determining whether the Employer's records or the records of another plan maintained by the Employer has a more current address for the Participant; (iii) attempting to contact any named Beneficiary of the Participant; and (iv) searching for the missing Participant via free electronic search tools, such as Internet search engines, public record databases, obituaries, and social media. If such search methods are unsuccessful, based on the facts and circumstances, the Administrator may use other search methods, including using Internet search tools, commercial locator services, credit reporting agencies, information brokers, investigation databases, and analogous services that may involve charges. The Administrator may charge missing Participants and Beneficiaries reasonable expenses for efforts to find them.
Section 15.13. Indemnification. The Employer shall satisfy any liability actually and reasonably incurred by any members of the Board or any person to whom any power, authority or responsibility of the Administrator is delegated pursuant to Section 12.03, except a Vendor or other service provider. These liabilities include expenses, attorney's fees, judgments, fines, and amounts paid in connection with any threatened, pending or completed action, suit or proceeding related to the exercise (or failure to exercise) of this authority. This is in addition to whatever rights of indemnification exist under the regulations or by-laws of the Employer, under any provision of law, or under any other agreement; provided, however, that the Employer will not satisfy any such liability to the extent that the person did not act in good faith.

Section 15.14. No Reversion. Under no circumstances or conditions will any Contributions revert to, be paid to, or inure to the benefit of, directly or indirectly, the Employer, but shall be held for the exclusive purpose of providing benefits to Participants and their Beneficiaries and defraying the reasonable expenses of administering the Plan. However, if Contributions are made by the Employer by a good faith mistake of fact, such amount may be returned to the Employer within one year of the date that they were made to the Plan.

Section 15.15. Finality of Determination. All determinations with respect to crediting of service under the Plan are made on the basis of the records of the Employer, and all determinations made are final and conclusive upon Employees, former Employees, Eligible Employees, former Eligible Employees, and all other persons claiming a benefit under the Plan.

Section 11.15. Section 15.16. Counterparts. The Plan may be executed in any number of counterparts, each of which will be deemed to be an original. All counterparts will constitute but one and the same instrument and will be evidenced by any one counterpart.
IN WITNESS WHEREOF, the Board has caused this Plan amendment and restatement to be executed by its duly authorized representative as of the date written below, but effective as of January 1, 2009.

UNIVERSITY SYSTEM OF MARYLAND
BOARD OF REGENTS

________________________________________
Signature

________________________________________
Printed

________________________________________
Title

________________________________________
Date
UNIVERSITY SYSTEM OF MARYLAND
SUPPLEMENTAL 403(b) RETIREMENT PLAN

APPENDIX A

CURRENT APPROVED VENDORS

The purpose of this Appendix A is to set forth the approved Vendors under the Plan.

1.1 CURRENT LIST OF APPROVED VENDORS.

APPROVED VENDORS

The Board approves the following Vendors to provide Annuity Contracts and/or Custodial Accounts under the Plan:

TIAA-CREF

Fidelity Investments

Right to Add or Delete Vendors and Investment Options.

The current selection of Vendors is not intended to limit future additions or deletions of Vendors. The Board reserves the right to add or delete Vendors at any time, which shall be effective on the date adopted by the Administrator and shall be reflected in its sole discretion, and to amend this Appendix A to reflect the addition or deletion of Vendors.

UNIVERSITY SYSTEM OF MARYLAND
BOARD OF REGENTS

______________________________
Signature

______________________________
Printed

______________________________
Title

______________________________
Date
APPENDIX B

FORMER VENDORS

The purpose of this Appendix A is to set forth the Former Vendors under the Plan.

List of Former Vendors.

1.1 Approved Vendors

As of January 1, 2009, there are no Former Vendors under the Plan:

TIAA

Fidelity Investments

Right to Add or Delete Vendors and Investment Options.

The current selection of Vendors is not intended to limit future additions or deletions of Vendors. The Board reserves the right to add or delete Vendors at any time, in its sole discretion, and to amend this Appendix B to reflect any change in status from Vendor to Former Vendor.

UNIVERSITY SYSTEM OF MARYLAND
BOARD OF REGENTS

Signature

Printed

Title

- TIAA

- Fidelity Investments
1.2 Former Vendors

As of January 1, 2008, the Former Vendor under the Plan is AIG VALIC.
UNIVERSITY SYSTEM OF MARYLAND
DEFERRED COMPENSATION PLAN AND TRUST

Amended and Restated Effective January 1, 2016

Amended and Restated Effective as of January 1, 2020
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UNIVERSITY SYSTEM OF MARYLAND
DEFERRED COMPENSATION PLAN AND TRUST

ARTICLE I.
ESTABLISHMENT AND RESTATEMENT OF PLAN

Section 1.01. Plan Establishment and History.

(a) The University System of Maryland is a public university system established under Maryland law and an educational organization described in Section 170(b)(1)(A)(ii) of the Internal Revenue Code of 1986, as amended ("Code"). The Board of Regents of the University System of Maryland (hereafter "the Board") hereby amends and restates the University System of Maryland Deferred Compensation Plan and Trust ("Plan") pursuant to Code Section 457(b) and Sections 30-210 et seq. of the State Personnel and Pensions Article of the Annotated Code of Maryland (1978, 2004 Repl. Vol.), to provide eligible employees the opportunity to supplement their retirement benefits through voluntary contributions.

(b) The Plan is, and is intended to remain, a defined contribution plan under Code Section 457(b). The Plan is a governmental plan within the meaning of Code Section 414(d) and Section 3(32) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). As a governmental plan, ERISA does not apply.

(c) The Plan was most recently amended and restated effective January 1, 2006, and has been amended from time to time thereafter.

Section 1.02. Plan Restatement.

(a) The Plan is now being amended and restated effective January 1, 2020, except as otherwise specifically provided herein, to incorporate the prior amendments to the Plan and to make certain discretionary changes.

(b) Except as otherwise specifically provided herein, the Plan as hereinafter referred to as the "Plan"). The Plan consists of the terms set forth establishes the rights and obligations with respect to individuals who are Employees on and after January 1, 2020, and to transactions under the Plan on and after January 1, 2020. The rights and benefits, if any, of individuals who are not Employees on or after January 1, 2020, shall be determined in accordance with the terms and provisions set forth in this document and is applicable to each public employee employed by an eligible employing institution who elects to participate in the Plan. The Plan is effective as to each such public employee upon the date he becomes a "Participant" by signing and filing a Participation Agreement with either the Administrator or such other entity or body designated, from time to time, by the Administrator. The Plan is intended to operate as a Section 457 plan for employees of the State as permitted by Internal Revenue Code Section 457(b) and State Pers. & Pens. Art. Section 30-210; and all funds held by the Plan shall be held by the designated institutions as a separate and distinct fund, either in trust of their Severance from Employment, except as otherwise specifically provided herein or in an annuity contract otherwise satisfying the a subsequent amendment.

Section 1.03. Plan Funding. The Plan is funded through one or more Trusts in accordance with the qualification requirements of the Code.
ARTICLE II.
RULES OF CONSTRUCTION AND DEFINITIONS

Section 2.01. Rules of Construction and Governing Law.

(a) This Plan shall be interpreted, enforced, and administered in accordance with the Code and, when not inconsistent with the Code, or expressly provided otherwise herein, the laws of the State of Maryland without regard to conflict of law principles.

(b) Words used herein in the masculine gender shall be construed to include the feminine gender where appropriate, and vice versa, and words used herein in the singular or plural shall be construed as being in the plural or singular, where appropriate, and vice versa.

(c) The headings and subheadings in the Plan are inserted for convenience of reference only and are not to be considered in the construction of any provision of the Plan.

(d) If any provision of the Plan shall be held to violate the Code or be illegal or invalid for any other reason, that provision shall be deemed to be null and void, but the invalidation of that provision shall not otherwise impair or affect the Plan.

(e) In resolving any conflict between provisions of the Plan and in resolving any other uncertainty as to the meaning or intention of any provision of the Plan, the interpretation that causes the Plan to (i) constitute an eligible plan under the provisions of Code Section 457(g) and Section 401(f) of the Internal Revenue Code, for the exclusive benefit of Participants and their Beneficiaries. Except where an earlier effective date would be necessary to and the Trust to be exempt from tax under Code Section 457, (ii) be a governmental plan as defined in ERISA Section 3(32) and Code Section 414(d), and (iii) comply with federal law, the amendments made by the restated Plan are effective January 1, 2016. all applicable requirements of the Code, shall prevail over any different interpretation.

ARTICLE I.
DEFINITIONS

1.01. Section 2.02. Definitions. The following terms used in this Plan shall have the meanings set forth in this Section of such word or phrase shall be as follows:

(a) "Account Balance" means the bookkeeping account maintained with respect to each Participant which reflects the value of the deferred Compensation credited to the Participant, including the Participant's Annual Deferrals, the earnings or loss of the Trust Fund (net of Trust Fund expenses) allocable to the Participant, any transfers for the Participant's benefit, and any distribution made to the Participant or the Participant's Beneficiary. If a Participant has more than one Beneficiary at the time of the Participant's death, then a separate Account Balance shall be maintained for each Beneficiary. The Account Balance includes any account established under Article XXI for rollover contributions and Article XIXII for plan-to-plan transfers made for a Participant, the account established for a Beneficiary after a Participant's death, and any account or accounts established for an alternate payee (as defined in Code Section 414(p)(8) of the Code)).
(b) "Account" means the separate accounts maintained for each Participant and Beneficiary under the Plan. The following Accounts shall be established for a Participant or Beneficiary, if applicable:

1. A Pre-Tax Contribution Account to reflect the Participant's Regular Account, Employer Matching Account, or Beneficiary's interest under the Plan attributable to Pre-Tax Contributions pursuant to Article III.

2. A Roth Contribution Account to reflect the Participant's or Beneficiary's interest under the Plan attributable to Roth Contributions pursuant to Article III.

3. A Rollover Account and Contribution Account to reflect the Participant's or Beneficiary's interest under the Plan attributable to Rollover Contributions pursuant to Article XI.

(4) A Transfer Account to reflect the Participant's or Beneficiary's interest under the Plan attributable to transfers pursuant to Article XII.

(c) "Administrator" shall mean the Administrative Committee as designated by the Board, or such other person or persons, or entity designated by the Board, to perform the basic administrative duties and functions under the Plan. In the absence of a designation, the Board shall be the administrator. The Board may appoint more than one Administrator.

(d) "Annual Deferrals" mean Pre-Tax Contributions and limit the responsibility of the appointed party to such matters as it sees fit, or Roth Contributions.

(d) Annual Deferral shall mean the amount of Compensation deferred by a Participant in any year pursuant to Article II and III of the Plan.

(e) "Applicable Form" shall mean the appropriate form as designated and furnished by the Administrator or Vendor to make an election or provide a notice as required by the Plan. If a written election or consent is not specifically required by the Code, the Administrator or Vendor may prescribe a verbal, electronic, or telephonic instruction in lieu of or in addition to a written form.

(f) "Beneficiary" shall mean the person, company, trustee, or person's estate designated by the Participant on the Applicable Form to receive any benefits payable upon the Plan in the event of the Participant's death. A designation of an individual as a Beneficiary shall remain in effect until affirmatively revoked by the Participant on a subsequent Applicable Form. Unless otherwise provided in the Trust, if the designated Beneficiary does not survive the Participant or there is no Beneficiary designated, the Participant's Spouse shall be the Beneficiary or, if none, the Participant's estate shall be the Beneficiary. Beneficiary also means an alternate payee within the meaning of Code Section 414(p)(8).

(g) "Board" shall mean the Board of Regents of the University System of Maryland.
(h) "Code shall mean" means the Internal Revenue Code of 1986, as now in effect or as hereafter amended. All citations to sections of the Code are to such sections as they may from time to time be amended or renumbered.

(i) "Compensation shall mean" means all cash compensation for services to the Employing Institution, including salary, wages, fees, commissions, bonuses, and overtime pay, that is includible in the Employee's gross income for the calendar year, plus amounts that would be cash compensation for services to the Employing Institution includible in the Employee's gross income for the calendar year but for a compensation reduction election under Code Section 125, 132(f), 401(k), 403(b), or 457(b) of the Code (including an election by the Participant to defer Compensation reduce compensation in order to make Annual Deferrals under Article II of the Plan). Compensation does not include amounts "picked up" by the Employer within the meaning of Code Section 414(h). Compensation that would otherwise be includes any compensation described in paragraph (1) or (2), provided it is paid for a payroll period that begins before the later of 2½ months after the Employee's Severance from Employment is treated as an amount that would otherwise be paid or made available before with the Employer or the end of the calendar year in which the Employee has a Severance from Employment. In addition:

(1) Any compensation described in this Section that is paid by the later of 2½ months after an Employee's Severance from Employment or the end of the calendar year that includes an Employee's Severance from Employment does not fail to be Compensation merely because it is paid after the Employee's Severance from Employment. The following are types of post-severance compensation that are not excluded from Compensation because of timing if they are paid within 2½ months following Severance from Employment or the end of the calendar year that includes an Employee's Severance from Employment:

(A) Payments that, absence a Severance from Employment, would have been paid to the Employee while prior to a Severance from Employment if the Employee continued in employment with the Employing Institution and are that is regular compensation for services during the Employee's regular working hours, compensation for services outside the Employee's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar compensation payments; and

(B) Payments for unused accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if employment had continued and the payment would be Compensation if paid prior to the Employee's Severance from Employment, and only if the Employee separately elects for such payment to be reduced on his or her Salary Reduction Agreement pursuant to Section 4.01.

(ii) Any payment that is not described in subsection (i) of this Section paragraph (1) or (2) above is not considered Compensation if paid after Severance from Employment. Thus, for example, Compensation does not include amounts paid after Severance from Employment that are severance pay, unfunded nonqualified deferred compensation, or parachute payments within the meaning of Code Section 280G(b)(2) of the Code.
(3) Compensation also includes payments to an individual who does not currently perform services for the Employing Institution by reason of qualified military service (as that term is used in Section 414(u)(1) of the Code) to the extent those payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the Employing Institution rather than entering qualified military service.

(4) Compensation also includes compensation described in Treas. Reg. § 1.415(c)-2(g)(4) with respect to Participants who are permanently and totally disabled.

(5) To the extent applicable, Compensation of each Participant shall not exceed the applicable limit established in Section 401(a)(17) of the Code, as adjusted for cost of living.

(j) "Cost of Living Adjustment" means the cost of living adjustment prescribed by the Secretary of the Treasury under Code Section 414(v) or 457(e)(15) for any applicable year.

(k) "Disabled" or "Disability" means disability within the meaning of Code Section 72(m)(7).

(j)(l) "Employee shall mean" means each employee of the Employing Institution Employer, including a contingent employee (other than a contractual or a leased employee or an independent contractor) or an employee whose employment is governed by the terms of a collective bargaining agreement between representatives of the employee's bargaining unit and the State, and under which retirement benefits were the subject of good faith bargaining, unless the bargaining representatives for the bargaining unit and the Employing Institution Employer have agreed to have the employees in the bargaining unit excluded from participation.

(k) "Employer Matching Account [Reserved].

(l)(m) Employing Institution shall mean" means the University System of Maryland and its constituent institutions and centers, which are all governmental entities.

(m) Includible Compensation shall have the same meaning as Compensation; provided, however, that an Employee who is in qualified military service (within the meaning of Section 414(u)(1) of the Code) shall be treated as receiving compensation from the Employer during such period of qualified military service equal to (i) the compensation the Employee would have received during such period if the Employee were not in qualified military service, determined based on the rate of pay the Employee would have received from the Employer but for the absence during the period of qualified military service, or (ii) if the compensation the Employee would have received during such period was not reasonably certain, the Employee's average compensation from the Employer during the twelve month period immediately preceding the qualified military service (or, if shorter, the period of employment immediately preceding the qualified military service).
(n) "Former Vendor" means a service provider that was an approved Vendor under the Plan, but that ceases to be an approved Vendor under the Plan, that continues to hold Plan assets.

(o) "HEART" means the Heroes Earnings Assistance and Relief Tax Act of 2008, as amended from time to time.

(p) "Includible Compensation" means all compensation received by an Employee from the University that is includible in his or her gross income for federal income tax purposes (computed without regard to Code Section 911) for that taxable year under Code Section 415(c)(3). Includible Compensation also includes any amounts excludable from taxable income because of an election (including Elective Deferrals under the Plan) under Code Sections 403(b), 457(b), 125, 401(k), or 132(f). Includible Compensation includes compensation paid by the later of 2½ months after an Employee's Severance from Employment or the end of the Plan Year that includes the date of the Employee's Severance from Employment, if:

1. the payment is regular compensation for services during the Employee's regular working hours, or compensation for services outside the Employee's regular working hours (e.g., overtime or shift differential), commissions, bonuses, or other similar payments and the payment would have been paid to the Employee prior to a Severance from Employment if the Employee had continued in employment with the University;

2. the payment is for unused accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if the Employee had continued in employment; or

3. the payment is made to the Employee under a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid to the Employee at the same time if the Employee had continued in employment with the University and only to the extent that the payment is includible in the Employee's gross income.

Includible Compensation does not include any amounts "picked up" by the Employer within the meaning of Code Section 414(h). Includible Compensation is determined without regard to any community property laws.

(q) "Investment Options" mean the investment funds available under the Trust provided by the Vendor(s) and specifically approved by the Administrator, in its sole and absolute discretion, for use under this Plan.

(r) "Normal Retirement Age shall mean:

(i) (1) a State defined benefit retirement system, the age designated by the Participant, but beginning no earlier than the earliest age at which the Participant may retire under the State defined benefit retirement system in which he or she participates.
and receive immediate retirement benefits (without consent of the State and without actuarial or similar reduction), and ending no later than age 70½; or

(ii) (2) For a Participant who is a member of the State optional retirement plan, the age designated by the Participant, but beginning no earlier than age 65, and ending no later than age 70½.

(iii) Said designation may be amended by the Participant at any time prior to reaching such designated age. If the Participant shall, for any reason, fail to designate a Normal Retirement Age, the Normal Retirement Age shall be age 70½. The Normal Retirement Age specified must be the same for all plans—eligible deferred compensation plans under Code Section 457(b) sponsored by the Employing Institution in which the Participant participates.

(o) Participant shall mean an individual who is currently deferring Compensation (or has previously deferred Compensation) under the Plan by salary reduction or has made a rollover into the Plan and who has not received a distribution of his or her entire benefit under the Plan. Only individuals who perform services for the Employing Institution as an Employee may defer Compensation under the Plan. A Participant shall not include a Beneficiary.

(s) "Participant" means any Employee who is or may become eligible to receive a benefit of any type under the Plan. A Participant shall also mean, when appropriate to the context, a former Employee who is eligible to receive a benefit of any type under the Plan.

(p) Participation Agreement shall mean the Applicable Form signed by the Employee when he or she commences participation in the Plan, any amendment thereto, and any subsequent agreement in which the Participant designates the amount of his or her Annual Deferral, his or her investment selections, his or her designated Normal Retirement Age, his or her date for commencement of benefits, and his or her method of payment of benefits.

(u) "Plan" means the University System of Maryland Deferred Compensation Plan and Trust, as amended from time to time.

(q) Plan Year shall mean the calendar year.

(r) Regular Account shall mean the Account maintained for "Pre-Tax Contribution" means a contribution made to the Plan by the Employer at the election of a Participant by the Administrator to which deferrals pursuant to a Participation Agreement in accordance with Article II shall be credited.

(s) Rollover Account shall mean the Account maintained for a Participant by the Administrator to which rollover contributions pursuant to Article X shall be credited.

(x) "Qualified Distribution" means a distribution from a Roth Contribution Account after the Participant has satisfied a five year tax holding period and has attained age 59½, died, or become Disabled, in accordance with Code Section 402A(d). The five year tax holding period is the period of five consecutive taxable years that begins with the first day of the first taxable year in which the Participant makes a designated Roth Contribution under the Plan or to another retirement plan which amount was directly rolled over to the Plan, and ends when five consecutive taxable years have been completed.

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"Related Employer" means any entity which is under common control with the Employer under Code Section 414(b), (c), (m), or (o). 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, 1989-1 C.B. 654.

"Rollover Contribution" means an amount contributed to the Plan pursuant to Article XI.

"Roth Contribution" means a contribution made to the Plan by the Employer at the election of a Participant pursuant to a Participation Agreement in accordance with Article III that has been (i) designated irrevocably by the Participant as a Roth Contribution being made in lieu of all or a portion of the Pre-Tax Contribution the Participant is otherwise eligible to make under the Plan, and (ii) treated by the Employer as includible in the Participant's gross income at the time the Participant would have received that amount in cash if the Participant had not made such an election. Roth Contributions shall be available under the Plan as soon as administratively practicable on or after January 1, 2020.

"Section" means, when not preceded by the word Code or ERISA, a section of the Plan.

"Severance from Employment" shall mean the date that the Employee dies, retires, or otherwise has a severance from employment with the Employing Institution, as determined by the Administrator (and taking into account guidance issued under the Code). For an Employee on a leave of absence, such separation shall occur when the leave of absence expires if the Employee does not return to service.

"Spouse" means the person to whom an Eligible Employee is legally married under the law of any state.

"State" shall mean the State of Maryland acting through the Employing Institution which has offered this Plan to its Employees.


"Transfer Account" shall mean the Account maintained for a Participant by the Administrator to which transfers pursuant to Article XI shall be credited.

"Trust" shall mean a trust that satisfies the trust(s) or contracts created herein to hold Plan assets. A requirements of Code Section 457(g), including a custodial account and/or an annuity contract described in Section 401(f) of the Code is treated as a qualified trust to the extent it is one described in under Code Section 401(f) of that satisfies the requirements of Code and Section 1.457-8(a) of the Treasury Regulations.

"Trust Fund" shall mean the trust fund established under the Plan to hold Plan assets of the Plan.

"Trustees" shall mean, with regard to the Trust Fund, the Board. In the case of a contract described in Section 401(f) of the Code, the person or entity holding such contract is treated as the custodial trustee thereof. In the absence of a specific designation by the Board, the

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Board shall act as trustee for funds not otherwise allocated to a contract described in Section 401(f) of the Code or to a trust.

(aa) Valuation Date shall mean each business day.

(bb) Vendor shall mean the person(s) or organization(s) appointed by the Administrator to perform service and administrative functions.

(hh) "Trust Fund" means the assets of the Plan held pursuant to the terms of the Plan and Trust.

(ii) "Trustee" means the Board; provided, however, that the entity or person(s) designated by the Administrator to hold the assets of a custodial account or hold an annuity contract in accordance with Code Sections 457(g)(3) and 401(f) shall be the custodial Trustee with respect to such assets.

(jj) "USERRA" means the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended from time to time.

(kk) "Vendor" means the service provider that has been approved by the Administrator to serve as third party administrator and/or recordkeeper for the Plan and/or to offer Investment Options to Participants under the Plan. The Vendor(s) are listed in Appendix A, as modified from time to time in the Administrator's sole and absolute discretion. A modification of Appendix A is not an amendment of the Plan.

(ll) "Vest" or "Vested" means the interest of the Participant or Beneficiary in his or her Account that is unconditional, legally enforceable, and nonforfeitable.

ARTICLE II. ARTICLE III.
PARTICIPATION

2.01. Section 3.01. Eligibility. Each Employee shall be eligible to participate in the Plan and defer Compensation hereunder immediately upon becoming employed by the Employing Institution. Each Employee shall also be eligible to participate in the Plan upon establishing a Rollover Account as described in Article X of the Plan. Participation in the Plan is voluntary.

2.02. Section 3.02. Election Required for Participation. An Employee may become a Participant by executing an election to defer a portion of his or her Compensation (and have that amount contributed as an Annual Deferral Pre-Tax Contribution and/or Roth Contribution on his or her behalf) and filing it with the Administrator. This participation election shall be made on the Participant Agreement provided by the Administrator under which the Employee agrees to be bound by all the terms and conditions of the Plan. If the Employee fails to designate whether Annual Deferrals are Pre-Tax Contributions or Roth Contributions, the Employee will be deemed to have designated his or her Annual Deferrals as Pre-Tax Contributions. The Administrator may establish a minimum deferral amount, and may change such minimums from time to time. The participation election shall also include designation of...
investment options and designation of a Beneficiary. Any such election shall remain in effect until a new election is filed on the Applicable Form.

2.03 Section 3.03. Commencement of Participation. An Employee shall become a Participant as soon as administratively practicable following the date the Employee files a Participation Agreement pursuant to Section 23.02. Such election, or upon establishing a Rollover Contribution Account as described in Article XI of the Plan, as applicable. An election pursuant to Section 3.02 shall become effective no earlier than the calendar month following the month in which the election is made. A new Employee may defer Compensation payable in the calendar month during which the Participant first becomes an Employee if a Participation Agreement providing for the deferral is entered into on or before the first day on which the Participant performs services for the Employing Institution.

2.04 Section 3.04. Deferrals of Sick, Vacation, and Back-Pay. A Participant who has not had a Severance from Employment may elect to defer accumulated sick pay, accumulated vacation pay, and back-pay if the requirements of Code Section 457(b) of the Code are satisfied and if permitted by Board policy and Maryland State law. These amounts may be deferred for any calendar month only if a Participation Agreement providing for the deferral is entered into before the beginning of the month in which the amounts would otherwise be paid or made available and the Participant is an Employee on the date the amounts would otherwise be paid or made available. Compensation that would otherwise be paid for a payroll period that begins before Severance from Employment is treated as an amount that would otherwise be paid or made available before an Employee has a Severance from Employment. In addition, deferrals may be made for former Employees with respect to Compensation paid after an Employee has a Severance from Employment as described in Section 1.04.02(i) of the Plan (relating to certain Compensation paid within 2½ months following Severance from Employment, Compensation described in Section 1.415(c)-2(g)(4) of the Treasury Regulations with respect to Compensation paid to participants who are permanently and totally disabled, and Compensation relating to qualified military service under Section 414(u) of the Code).

2.05 Section 3.05. Information Provided by the Participant. Each Employee enrolling in the Plan should provide to the Administrator at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the Administrator to administer the Plan, including, without limitation, whether the Employee is a participant in any other eligible plan under Code Section 457(b) of the Code.

2.06 Section 3.06. Contributions Made Promptly. Annual Deferrals by the Participant under the Plan shall be transferred to the Vendors within a period that is not longer than is reasonable for the proper administration of the Participant's Account Balance. For this purpose, Annual Deferrals shall be treated as contributed within a period that is not longer than is reasonable for the proper administration if the contribution is made to the Trust Fund within 15 business days following the end of the month in which the amount would otherwise have been paid to the Participant.

2.07 Section 3.07. Amendment of Participation Election. Subject to other provisions of the Plan, a Participant may at any time revise his or her participation...
electionParticipation Agreement, including a change of the amount of his or her Annual Deferrals, his or her investment optionsInvestment Options, and his or her designated Beneficiary on the Applicable Form in accordance with procedures established by the Administrator. Unless the election specifies a later effective date, a change in the amount of the Annual Deferrals shall take effect as of the first day of the next following month or as soon as administratively practicable if later. A change in the investment optionInvestment Option shall take effect as of the date provided by the Vendor on a uniform basis for all Employees. A change in the Beneficiary designation shall take effect when the election is accepted by the Vendor. The Participant may revoke his or her election to participate in the Plan by signing and filing with the Administrator (or such other entity as is designated by the Administrator) a written revocation on the Applicable Form and in the procedural manner approved by the Administrator. Any such revocation shall be effective prospectively only.

2.08.Section 3.08. Leave of Absence or Sabbatical. Unless an election is otherwise revised, if a Participant is absent from work by leave of absence or sabbatical, Annual Deferrals under the Plan shall continue to the extent that Compensation continues.

2.09.Section 3.09. Disability. A disabledParticipant may elect Annual Deferrals during any portion of the period of his or her disabilityDisability to the extent that he or she has actual Compensation (not imputed Compensation and not disability benefits) from which to make contributions to the Plan and has not had a Severance from Employment.

2.10.Section 3.10. Cessation of Plan Participation. An Employee shall cease to be a Participant on the distribution of the Employee's entire interest in the Plan.

2.11.Section 3.11. Vesting Standards. A Participant shall be 100% vested in the Participant's Accounts.

Section 3.12. Plan Expenses. All reasonable expenses of administering the individual Accounts in the Plan will be charged against and paid from the Participants' Accounts.

ARTICLE III.ARTICLE IV.
LIMITATIONS ON AMOUNTS DEFERRED

3.01.Section 4.01. Basic Annual Limitation. The maximum amount of Annual Deferral underDeferrals to the Plan for any calendar year shall not exceed be limited to the lesser of (i) the Applicable Dollar Amount applicable dollar amount as provided in Code Section 457(e)(15) or (ii) the Participant's Includible Compensation for the calendar year as provided in Code Section 457(b)(2). The Applicable Dollar Amount is the amount established under Section 457(e)(15) applicable dollar amount is $19,500 for 2020, increased thereafter by the Cost of the Code applicable as set forth below: Living Adjustment.
For the following years: The Applicable Dollar Amount is:
2002 $11,000
2003 $12,000
2004 $13,000
2005 $14,000
2006 or thereafter $15,000, adjusted for cost of living after 2006 to the extent provided under Section 415(d) of the Code.

3.02 Section 4.02. Age 50 Catch-up Annual Deferral Contributions. A Participant who will attain age 50 or more by the end of the calendar year is permitted to elect, and who is contributing up to the applicable dollar amount under Section 4.01, may make additional amount of Annual Deferrals, up to the maximum age 50 catch-up Annual Deferrals for the year. The maximum dollar amount of the age 50 catch-up Annual Deferrals for a year is as follows under Code Section 414(v) of up to $6,500 for 2020, increased thereafter by the Cost of Living Adjustment.

For the following years: The maximum age 50 catch-up dollar amount is:
2002 $1,000
2003 $2,000
2004 $3,000
2005 $4,000
2006 or thereafter $5,000, adjusted for cost of living after 2006 to the extent provided under Section 415(d) of the Code.

3.03 Section 4.03. Special Section 457 Catch-up Limitation. If the applicable year is one of a Participant's last three calendar years ending before the year in which the Participant attains Normal Retirement Age and the amount determined under this Section exceeds the amount computed under Sections 3.4.01 and 3.4.02, then the Annual Deferral limit under this Article IV shall be the lesser of:

(a) An amount equal to two times the applicable dollar amount under Section 3.4.01 Applicable Dollar Amount for such year; or
(b) The sum of:

(i)(1) An amount equal to (A) the aggregate Section 3.4.01 limit for the current calendar year plus each prior calendar year beginning after December 31, 2001, during which the Participant was an Employee under the Plan, minus (B) the aggregate amount of Compensation that the Participant deferred under the Plan during such years, plus

(ii)(2) An amount equal to (A) the aggregate limit referred to in Code Section 457(b)(2) of the Code for each prior calendar year beginning after December 31, 1978, and before January 1, 2002, during which the Participant was an Employee (determined without regard to Sections 3.4.02 and 3.4.03), minus (B) the aggregate contributions to Pre-2002 Coordination Plans for such years.

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However, in no event can the deferred amount under this Section 34.03 be more than the Participant's Compensation for the year. A Participant may not have more than one Normal Retirement Age under the Plan.

3.04 Section 4.04. Special Rules. For purposes of this Article XIV, the following rules shall apply:

(a) Participant Covered By More Than One Eligible Plan. If the Participant is or has been a participant in one or more other eligible plans within the meaning of Code Section 457(b) of the Code, then this Plan and all such other plans shall be considered as one plan for purposes of applying the foregoing limitations of this Article XIV. For this purpose, the Administrator shall take into account any other such eligible plan maintained by the Employing InstitutionEmployer and shall also take into account any other such eligible plan for which the Administrator receives from the Participant sufficient information concerning his or her participation in such other plan.

(b) Pre-Participation Years. In applying Section 34.03, a year shall be taken into account only if (i) the Participant was eligible to participate in the Plan during all or a portion of the year and (ii) Compensation deferred, if any, under the Plan during the year was subject to the Basic Annual Limitation described in Section 34.01 or any other plan ceiling required by Code Section 457(b) of the Code.

(c) Pre-2002 Coordination Years. For purposes of Section 34.03(b)(ii)(B), "contributions to Pre-2002 Coordination Plans" means any employer contribution, salary reduction, or elective contribution under any other eligible Code Section 457(b) plan, or a salary reduction or elective contribution under any Code Section 401(k) qualified cash or deferred arrangement, Code Section 402(h)(1)(B) simplified employee pension (SARSEP), Code Section 403(b) annuity contract, and Code Section 408(p) simple retirement account, or under any plan for which a deduction is allowed because of a contribution to an organization described in Code Section 501(c)(18) of the Code, including plans, arrangements or accounts maintained by the Employing InstitutionEmployer or any employer for whom the Participant performed services. However, the contributions for any calendar year are only taken into account for purposes of Section 34.03(b)(ii)(B) to the extent that the total of such contributions does not exceed the aggregate limit referred to in Code Section 457(b)(2) of the Code for that year.

3.05 Section 4.05. Correction of Excess Deferrals. If the Annual Deferral on behalf of a Participant for any calendar year exceeds the limitations described under this Article XIV, or the Annual Deferral on behalf of a Participant for any calendar year exceeds the limitations described under this Article XIV when combined with other amounts deferred by the Participant under another eligible deferred compensation plan under Code Section 457(b) of the Code for which the Participant provides information that is accepted by the Administrator, then the Annual Deferral, to the extent in excess of the applicable limitation (adjusted for any income or loss in value, if any, allocable thereto), shall be distributed to the Participant as soon as administratively practicable. Subject to the terms of the Trust, if a Participant who made both Pre-Tax Contributions and Roth Contributions for a calendar year has excess amounts for that year, the excess Annual Deferrals will be distributed out of the Roth Contribution Account unless the Participant elects to instead have the excess Annual Deferrals distributed out of the Pre-Tax Contribution Account.
3.06 Section 4.06. Disregard Excess Deferrals. For purposes of Sections 34.01, 34.02, and 34.03, an individual is treated as not having deferred compensation under a plan for a prior taxable year to the extent excess deferrals under the plan are distributed, as described in Section 34.05. To the extent that the combined deferrals for pre-2002 years exceeded the maximum deferral limitations, the amount is treated as an excess deferral for those prior years.

ARTICLE IV. ACCOUNTS AND REPORTS

4.01 Section 5.01. Accounts. The Vendor shall maintain a Regular Pre-Tax Contribution Account and/or Roth Contribution Account with respect to each Participant, and that Regular Account. Pre-Tax Contributions shall be credited with the Participant's deferred amount for Pre-Tax Contribution Account of the Participant each payroll period. Roth Contributions shall be credited to the Roth Contribution Account of the Participant each payroll period. In addition, a Rollover Contribution Account shall also be maintained for any Participant making rollover contributions to the Plan pursuant to Article XXI, and a Transfer Account shall also be maintained for any Participant making transfers to the Plan pursuant to Article XIX. The balance of such Accounts shall be adjusted daily to reflect any distribution to the Participant and all interest, dividends, account charges and changes of market value resulting from the investment of the Participant's Accounts. If the Board elects to provide Employer Matching Contributions to this Plan, there shall be established an Employer Matching Account.

4.02 Section 5.02. Records. The records of each Participant's Account shall be maintained by each Vendor.

4.03 Section 5.03. Statements. Statements of each Participant's Account shall be furnished by the Vendor to each Participant at least annually, within ninety (90) days after the end of each calendar year (or such other time as is designated by the Board Administrator), and at such more frequent intervals as is determined by the Board and the Administrator. The Vendor may use the Internet or other electronic means of communication to provide statements, if done through secure means. Participant reports shall be deemed to have been accepted by the Participant as correct unless written notice to the contrary is received by the Vendor within sixty (60) days after the mailing or distribution of a report to the Participant.

4.04 Section 5.04. Year End Reports. Within ninety (90) days after the end of each Plan Year, a written report shall be prepared by each Vendor and delivered to the Administrator showing the assets held under the Plan, a schedule of all receipts and disbursements and all material transactions of the Plan during the preceding year. This report shall be in a form and shall contain other information as the Administrator requires. Such reports shall be maintained on file by the Administrator.

4.05 Section 5.05. Board Records, Inspections. The Board's Administrator's or its designee's records, and any records of the Administrator (or its designee) pertaining to a Participant's Account, shall be open to inspection by appointment during normal business hours by a Participant, or his or her designated representative. However, no Participant may review any record specifically relating to any other Participant.
ARTICLE V. ARTICLE VI.
VALUATION OF ACCOUNTS

5.01. Section 6.01. Valuation of Accounts. Each Participant's Account in the Plan and Trust shall be equal in value to the Participant's amount credited to the Account, plus (i) income earned and market gains for the Account under the Participant's investment selection, less (ii) market losses for the Account, and expenses and charges to such Account under the Participant's particular investment selection and less (iii) assessments and charges made against the Participant's Account by the Vendor, Administrator, or the Trustee for the expenses of the Plan.

5.02. Section 6.02. Valuation and Book Value. All interest, dividends, charges for premiums and changes in value due to market fluctuations, or charges or expenses of administration shall be credited or debited to the Participant's Accounts as they occur. All Accounts shall be valued every business day, except in cases where the Administrator authorizes a different valuation method. All reports to the Participant shall be based on fair market value as of the reporting date, except that: (i) investments or investment pools that are measured by daily income accruals and fair or book value of the contracts contained therein shall be valued in that manner, and shall not require independent appraisals of value; and; (ii) the Vendor, in cases where the marketability of an investment has been suspended at a time when value must be determined, may make such reasonable estimates of value of all accounts within such particular investment option as is necessary to determine the value of any interest therein.

5.03. Section 6.03. Deposits. In all cases, deposits of deferrals shall be treated as actually made only as of the date the funds are accepted as in good order by the Vendor.

ARTICLE VI. ARTICLE VII.
DECLARATION OF TRUST

6.01. Section 7.01. The Trust. Each Participant in the Plan shall have Accounts within the Trust Fund created by the Board Administrator under Article IV. The Board Administrator may designate those individuals or institutions who shall act as custodial trustees under this Plan from time to time, and execute such further agreements with them as the Board Administrator shall deem necessary. The Board Administrator may designate more than one institution to act as custodial trustee, or may create sub-trusts. To the extent permitted by federal tax law, custodial accounts and annuity contracts may serve as trusts and the Board Administrator may use such combination of trusts and custodial accounts and annuity contracts to hold Plan assets as it shall see fit. Any reference to the Trust Fund shall include such custodial accounts or annuity contracts unless the context clearly indicates to the contrary. As further described in this Article, each Plan Account, and the Trust Fund as a whole, shall be held in trust for the exclusive benefit of Participants and their Beneficiaries, under the requirements of Code Section 457(g) of the Code, and the State Pers. & Pens. Art. This Declaration of Trust shall apply to all future contributions and earnings of the Plan and Trust. This Declaration of Trust shall not be interpreted as prohibiting the use of Plan assets to pay fees and other expenses incurred in the maintenance, administration and investment of the Trust Fund, custodial accounts, or annuity contracts, or the Participant's share of Plan administration expense.
6.02. Section 7.02. Identification of Trust Assets. All assets of the Plan shall be held in trust or in custodial or annuity contracts as described herein by the Trustees for the exclusive benefit of Participants and their Beneficiaries. Such Trust Fund, and the investments, accounts, contracts, securities and other intangible property and rights that make up the Trust Fund and Plan assets, shall be sufficiently identified by the Trustees and any custodial trustees so that its status as Trust property, or Plan contracts and the individual interests therein, can always be determined. The Trustees shall take all reasonable and necessary steps to execute any documents necessary to effect such trust status or insurance company contract status for existing or future Plan assets.

6.03. Section 7.03. Fiduciary Status and Delegation of Duties. The Board is a fiduciary of Plan assets, custodial accounts, or annuity contracts only to the extent required by applicable provision of the Annotated Code of Maryland or the Internal Revenue Code. The assumption of fiduciary status by the Board hereunder shall not extend to, or create, any liability or duty to a Participant with respect to the Investment Options offered for Participant selection. No provision of this Plan shall be construed in any manner that would be inconsistent with the duties and responsibilities specified herein. The Board, as an entity, may: (a) allocate duties and responsibilities under this Plan to one or more of its members; (b) designate one or more persons or entities in their employ to perform such duties and responsibilities; and (c) determine any matter with respect to this Plan by a majority vote of those individuals then constituting the Board.

6.04. Section 7.04. Unclaimed Benefit Payments. If any check or share certificate in payment of a benefit hereunder, which has been mailed by regular United States first-class mail to the last address of the payee furnished to the Vendors by the Administrator or the Participant or Beneficiary, is returned unclaimed, the Vendors shall follow such procedures regarding unclaimed benefit payments that the Administrator has established.

6.05. Section 7.05. Duty to Furnish Information. Both the Administrator and the Vendors shall furnish to each other any document, report, return, statement or other information that the other reasonably deems necessary to perform duties imposed under this Plan and Trust or otherwise imposed by law.

6.06. Section 7.06. Deposits And Disbursements From The Trust.

(a) Trust Deposits. The Board, acting through the Administrator, shall delegate to the Vendors the responsibility for accepting deposits to this Plan and Trust.

(b) Trust Payments. The Board, acting through the Administrator, shall delegate to the Vendors the responsibility for making payments from the Trust. The Vendors shall make payments from the Trust to Participants, their Beneficiaries and such other persons as the Plan may provide for from time to time. Such payments shall be made in such manner, in such amounts and for such purposes, including the payment of Plan benefits and the payment of expenses of administration of the Plan, as may be specified in the Plan. The Vendors shall ensure that any payment directed under this Section conforms to the provisions of this Plan and Trust and the provisions of any applicable law. Payments from the Trust shall be made by check (or the check of an agent) or deposit to the order of the payee. Payments or other distributions hereunder may be mailed to the payee at the address last furnished to the Vendors by the
Administrator. The Vendors shall not incur any liability or other damage on account of any payment or other distribution made by the Trust in accordance with this Section.

(c) **Allocation of Trust Expenses.** The Board shall pay all expenses of the Trust from the Trust to the extent not paid by the Employing Institution. All expenses of the Trust which are allocable to a particular investment option or Account may be allocated and charged to such investment option or Account as determined by the Trustees. All expenses of the Trust which are not allocable to a particular investment option or Account shall be charged to each such investment option or Account in proportion to the value of such investment options and Accounts as of the close of business of the immediately preceding valuation date.

6.07. **Section 7.07. Resignation And Removal Of Trustees.** Any custodial trustee may resign at any time in writing to the Board. Any custodial trustee may be removed by the Board. Upon such resignation or removal, a successor trustee shall be appointed by the Board, and shall have the same powers and duties as those conferred upon the custodial trustees hereunder.

6.08. **Section 7.08. No Guarantees.** Neither the Board nor the Administrator guarantees the Trust from loss or depreciation or the payment of any amount which may become due to any person under this Plan and Trust.

6.09. **Section 7.09. Parties Bound.** This Plan and Trust shall be binding upon the parties hereto, all Participants in this Plan and Trust and persons claiming under or through them pursuant to this Plan and Trust, and, as the case may be, the heirs, executors, administrators, successors and assigns of each of them.

6.10. **Section 7.10. Exclusive Benefit Rule.** An Annual Deferral shall be delivered by the State to the Vendor, or to such other entities selected by the Board to administer such amounts, who shall hold such amounts in trust for the exclusive benefit of Participant and Beneficiaries, to be paid by the Vendor, to the Participant pursuant to Article IV.

**ARTICLE VIII. INVESTMENT OF ACCOUNTS**

7.01. **Section 8.01. Investment Options.** The Board (or, if the Board delegates this power to the Administrator, the Administrator) shall determine from time to time the permitted investment options of the Trust that are available for selection by Participants and Beneficiaries, who shall select among those options for the investment of their Account Balance. These options may include securities (debt or equity), mutual funds and/or regulated investment companies, annuity contracts, investment contracts, real estate investment trusts, investment pools, bonds, and any other investment, including collective investment vehicles (whether or not such collective investment vehicles are generally available to the public) and such other investments as are permitted by statute. The Board may also invest in, or arrange for investment in, qualifying custodial accounts and contracts as permitted by Code Section 457(g)(3) of the Code. In each case, however, regardless of the type of investment, it is the intention of this Plan that the individual interest of each Participant and Beneficiary within this Plan and Trust shall always be capable of identification. The Board shall at all
times create and administer the Plan and the investments of the Plan in accordance with requirements of the State Pers. & Pens. Art., and shall only use such designated company or companies as allowed by Section 30-210 of that Article, or successor provision of similar import. The Vendor shall transfer to each such Investment Option such portion of the assets of the Trust as directed by Participants and Beneficiaries. The Vendor shall manage, acquire, or dispose of the assets in an Investment Option in accordance with the specific investment directions given by the Participants. All income received with respect to, and all proceeds received from, the disposition of property held in an Investment Option shall be credited to, and reinvested in, such Investment Option. From time to time, the Board (or if the Board delegates this power to the Administrator) may eliminate an Investment Option, and the proceeds thereof shall be reinvested in another Investment Option in accordance with the directions of the Board or Administrator, as appropriate.

7.02. Section 8.02. Participant Investment Options.

(a) Change of Investment Options. The Participant may change the Investment Options he or she has selected for his or her Account Balance, or a portion of his or her Account Balance, by amending his or her Participation Agreement, and filing such amendment with the Administrator or other entity designated by the Board. Such amendment shall become effective only under such terms and conditions as are set by the Administrator, and at such time as the Vendor is able to change any Account Balance maintained by it for the Participant's benefit under the existing Investment Options previously chosen by the Participant, to the new Investment Options selected by the Participant in his or her amended Participation Agreement. Such amendments to the Participation Agreement may be made through electronic means under regular and secure procedures established therefore.

(b) Conditions for Change of Investment Options. Amendments to the Participation Agreement, for purposes of changing an Employee's Investment Option selection for his or her Account Balance, may be made on the Applicable Form at such times and under such conditions as may be determined from time to time by the Administrator during the Plan Year.

(c) Board's Administrator's Right to Select Investment Options. The Board or Administrator may, without consent of any Participant whose Investment Option selection may be affected, restrict or terminate the right to change an Investment Option selection for all Participants, or class of Participants. Such change, reduction or termination shall be made in accordance with applicable provisions of the State Pers. & Pens. Art. The maintenance by the Administrator or Vendor of electronic or automated methods of Investment Option selection, or of methods that permit daily change in Investment Option selection, shall not constitute a guarantee against any loss in value that may accrue through temporary inability to change such selection through use of such methods.

7.03. Section 8.03. Beneficiary Investment Options. A Beneficiary of a deceased Participant shall have the same rights as a Participant to elect a change of Investment Option selection.
Section 8.04. Investment Default. In the event that a Participant does not have a valid investment direction on file for any portion of the amount in that Participant's Account, the Account shall be invested in any default option or options as determined by the Administrator. In such event, the Participant shall be deemed to have directed that option (or options) for investment of his or her Account. The Administrator intends to establish one or more default investment options based upon various factors, including, but not limited to, market risk, stability and rate of return. If the Administrator has appropriately exercised its fiduciary duty in selecting a default option(s), it shall have no liability for any loss sustained by a Participant or Beneficiary whose Account is invested in the default option(s).

ARTICLE VIII. ARTICLE IX.
BENEFITS

Section 9.01. Benefit Payments. Benefits shall be paid from the Trust in accordance with this Article following a Participant's Severance from Employment, attainment of age seventy and one-half (70½), death, disability or the occurrence of an unforeseeable emergency, as described in Section 8.09. Benefits payable to a Participant or a Beneficiary shall be based upon the value of the Participant's Accounts.

(a) Distributable Events. A Participant or, if applicable, a Beneficiary, shall be eligible to receive a distribution of his or her Vested Account under the Plan upon the Participant's:

(1) Severance from Employment;

(2) death;

(3) attainment of age 70½; or

(4) unforeseeable emergency, as described in Section 9.09.

(b) Severance from Employment. Upon Severance from Employment, a Participant is entitled to receive a distribution of his or her Accounts under any form of distribution permitted under Section 8.02, subject to Section 8.04, commencing on a date selected by the Participant which may not be later than the required distribution date of Code Section 401(a)(9) of the Code, as specified in Section 8.04. A Participant may elect to change the commencement date of distribution of the Accounts to a later date otherwise permitted under this Article, so long as the commencement date meets the required distribution commencement date provisions of Code Section 401(a)(9) of the Code. All benefits shall be paid under a payment option under Section 8.02, subject to Section 8.04.

(c) Attainment of Age Seventy and One-Half (70½). Upon attaining age seventy and one-half (70½), a Participant may elect to have benefits commence on a date which is no later than the required distribution date of Code Section 401(a)(9) of the Code, as specified in Section 8.04. All benefits shall be paid under a payment option under Section 8.02, subject to Section 8.04.

(d) Death. In the event of the Participant's death prior to the commencement of benefits under paragraph subsection (a), the value of the Participant's Accounts shall be paid to
the Beneficiary under a payment option elected by the Beneficiary under Section 89.02, subject to the restrictions in Section 89.06. Such benefits shall be payable commencing within sixty (60) days after receipt by the Administrator of satisfactory proof of the Participant's death. However, if the Beneficiary is the spouse of the Participant, then the spouse may elect within sixty (60) days of Participant's death, to defer distribution to a date not later than the date when the Participant would have attained age seventy and one-half (70½). In the event of the Participant's death after commencement of benefits, benefits shall be paid subject to Section 89.04.

(d) Disability. Upon Severance from Employment because of disability, a Participant may elect to have benefits commence on a date which is no later than age seventy and one-half (70½). All benefits shall be paid under a payment option under Section 8.02, subject to the restrictions in Section 8.04. A Participant who has previously made an election under this Section shall have the opportunity to change his or her election pursuant to this paragraph.

Section 9.02. Payment Options.

8.02. (a) The election of a payment option by a Participant or a Beneficiary under Section 89.01 must be made no later than thirty (30) days before the commencement of such benefits. Subject to restrictions established by the Administrator, the methods of payment of benefits available for election by a Participant shall be either: (i) a single sum payment of the entire value of the Participant's Account; (ii) an installment schedule of monthly, quarterly or yearly payments of a period of one or more years; (iii) through purchase of an individual fixed or variable annuity contract for that Account; (iv) a series of payments on an annuity basis as if an annuity contract was purchased for such person, or (v) such method as may be allowed under procedures described by the Administrator and allowed by the Trustee holding the account. It is the Participant's responsibility to notify the Administrator when he or she separates from State service, and to make the elections set forth in this Section.

(b) Subject to the terms of the Trust, Participants may elect to have either Roth Contributions or Pre-Tax Contributions distributed from the Plan first. Unless provided otherwise under the Trust, if the Participant fails to make an election, Pre-Tax Contributions will be distributed from the Plan first.

8.03. Section 9.03. Lump Sum Settlement. Notwithstanding anything in this Plan to the contrary, if a Participant's Account Balance does not exceed $1,000 (determined without regarding to his or her Rollover Contribution Account) at the time of Severance from Employment, the Administrator may effect a lump sum distribution of the Participant's Accounts.

8.04. Section 9.04. Minimum Distribution Rules. No payment option may be selected by a Participant unless the amounts payable to the Participant are expected to be at least equal to the minimum distribution required under Code Section 401(a)(9) of the Code. With respect to distributions under the Plan, the Plan will apply the minimum distribution requirements of Code Section 401(a)(9) of the Code in accordance with the final Treasury Regulations under Code Section 401(a)(9), as follows:
(a) **General Rules.**

(i)(1) The requirements of this Section will take precedence over any inconsistent provisions of the Plan.

(ii)(2) All distributions required under this Section will be determined and made in accordance with the Treasury Regulations under Code Section 401(a)(9).

(iii)(3) Distributions to a Participant and his or her Beneficiaries shall only be made in accordance with the incidental death benefit requirements of Code Section 401(a)(9)(G) of the Code and the Treasury Regulations thereunder.

(b) **Time and Manner of Distribution.**

(i)(1) The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's Required Beginning Date.

(ii)(2) If the Participant dies before required distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(A)(i) If the Participant's surviving spouse is the Participant's sole Designated Beneficiary, then distributions to the surviving spouse will begin by the later of: (1A) December 31 of the calendar year immediately following the calendar year in which the Participant died; or (1B) December 31 of the calendar year in which the Participant would have attained age seventy and one-half (70½).

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

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

(D)(iv) If the Participant's surviving spouse is the Participant's sole Designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this Section 89.04(b)(ii)(A2), other than Section 89.04(b)(ii)(A2)(i), will apply as if the surviving spouse were the Participant.

For purposes of this Section 89.04(b)(ii) and Section 89.04(d), unless Section 89.04(b)(ii)(D2)(iv) applies, distributions are considered to begin on the Participant's Required Beginning Date. If Section 89.04(b)(ii)(D2)(iv) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Section 89.04(b)(ii)(A2)(i). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's Required Beginning Date (or to the Participant's surviving spouse...
before the date distributions are required to begin to the surviving spouse under Section 89.04(b)(ii)(A2)(i)), the date distributions are considered to begin is the date distributions actually commence.

(iii)(3) Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the Required Beginning Date, as of the first Distribution Calendar Year distributions will be made in accordance with Sections 89.04(c) and 89.04(d). If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereafter will be made in accordance with the requirements of Code Section 401(a)(9) of the Code and the Treasury Regulations.

(c) Required Minimum Distributions During Participant's Lifetime.

(i)(1) During the Participant's lifetime, the minimum amount that will be distributed for each Distribution Calendar Year is the lesser of:

(A)(i) the quotient obtained by dividing the Participant's Account Balance by the distribution period in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's age as of the Participant's birthday in the Distribution Calendar Year; or

(B)(ii) if the Participant's sole Designated Beneficiary for the Distribution Calendar Year is the Participant's spouse, the quotient obtained by dividing the Participant's Account Balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the Distribution Calendar Year.

(ii)(2) Required minimum distributions will be determined under this Section 89.04(c) beginning with the first Distribution Calendar Year and up to and including the Distribution Calendar Year that includes the Participant's date of death

(d) Required Minimum Distributions After Participant's Death.

(i)(1) Death On or After Date Distributions Begin.

(A)(i) If the Participant dies on or after the date distributions begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the longer of the remaining Life Expectancy of the Participant or the remaining Life Expectancy of the Participant's Designated Beneficiary, determined as follows:

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

(2)(B) If the Participant's surviving spouse is the Participant's sole Designated Beneficiary, the remaining Life Expectancy...
of the surviving spouse is calculated for each Distribution Calendar Year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For Distribution Calendar Years after the year of the surviving spouse's death, the remaining Life Expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

(3)(C) If the Participant's surviving spouse is not the Participant's sole Designated Beneficiary, 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)(ii) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the Participant's remaining Life Expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii)(2) Death Before Date Distributions Begin.

(A)(i) If the Participant dies before the date distributions begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining Life Expectancy of the Participant's Designated Beneficiary, determined as provided in Section 89.04(d)(i1).

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

(C)(iii) If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole Designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under Section 89.04(b)(ii)(A2)(i), this Section 89.04(d)(ii2) will apply as if the surviving spouse were the Participant.

(e) Definitions.

(i)(1) "Designated Beneficiary shall mean" means the individual who is designated as the Beneficiary under Section 89.05 of the Plan and is the designated
beneficiary under Code Section 401(a)(9) of the Code and Treasury Regulation Section 1.401(a)(9)-1, Q&A-4, of the Treasury Regulations.

(ii)(2) "Distribution Calendar Year shall mean" means a calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first Distribution Calendar Year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first Distribution Calendar Year is the calendar year in which distributions are required to begin under Section 89.04(b)(ii2). The required minimum distribution for the Participant's first Distribution Calendar Year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other Distribution Calendar Years, including the required minimum distribution for the Distribution Calendar Year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that Distribution Calendar Year.

(iii)(3) "Life Expectancy shall mean" means Life Expectancy as computed by use of the Single Life Table in Treasury Regulation Section 1.401(a)(9)-9 of the Treasury Regulations.

(iv)(4) "Participant's Account Balance shall mean" means the Account Balance as of the last valuation date in the calendar year immediately preceding the Distribution Calendar Year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the Account Balance as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The Account Balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the Distribution Calendar Year if distributed or transferred in the valuation calendar year.

(v)(5) "Required Beginning Date shall mean" means April 1 of the calendar year following the later of (i) the calendar year in which the Participant reaches age seventy and one-half (70½), or (ii) the calendar year in which the Participant retires.

(f) 2009 Minimum Distributions. For 2009, the minimum distribution requirements under Section 89.04 will be satisfied as provided in either subsection (paragraph (1) or (ii2)) below, as determined by the Vendor responsible for the Participant's required minimum distribution:

(i) A Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code Section 401(a)(9)(H) of the Code (("2009 RMDs")), and who would have satisfied that requirement by receiving distributions that are (A) equal to the 2009 RMDs or (B) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's designated Beneficiary, or for a period of at least ten (10) years (("Extended 2009 RMDs")), will receive those distributions for 2009 unless the Participant or beneficiary chooses not to receive such distributions. Participants andBeneficiaries described in the...
preceding sentence will be given the opportunity to elect to stop receiving the
distributions described in the preceding sentence.

(ii)(2) A Participant or Beneficiary who would have been required to receive
2009 RMDs, and who would have satisfied that requirement by receiving distributions
that are (A) equal to the 2009 RMDs or (B) Extended 2009 RMDs, will not receive those
distributions for 2009 unless the Participant or Beneficiary chooses to receive such
distributions. Participants and Beneficiaries described in the preceding sentence will be
given the opportunity to elect to receive the distributions described in the preceding
sentence.

Further, if provided by the Vendor, the 2009 RMDs and Extended 2009 RMDs will be treated as
eligible rollover distributions in 2009.

8.05 Section 9.05. Designated Beneficiary. The Participant shall file with the
Administrator, or such other entity as may be designated by the Administrator from time to time,
the Applicable Form, designating or changing the person or persons who shall receive any
balance of the Participant's Account under this Plan in the event of the Participant's death. The
Participant may also designate his or her estate as the Beneficiary of his or her Account, or a
trust created by him or her as the Beneficiary. The Applicable Form will have no effect until it is
signed and filed with the Administrator, or such other entity as may be designated by the
Administrator from time to time. If the Participant dies without having designated a Beneficiary,
any payment due shall be made to the properly appointed fiduciary of the Participant's estate.
The Participant shall have the burden for executing and filing the Applicable Form. Only the last
designation of a Beneficiary prior to receipt of benefits shall have effect, and any new
designation of a Beneficiary invalidates, supersedes, and revokes any prior designation.

A Participant shall have the right to designate at least one primary and contingent
Beneficiary and to indicate whether the Beneficiaries in each class are to share equally or
according to specified percentages. A contingent Beneficiary shall receive benefit payments
only if there is no surviving primary Beneficiary. If a Beneficiary predeceases the Participant,
the surviving Beneficiaries in the same class (i.e., primary or contingent) will share among each
other all benefits in the same proportion as originally designated by the Participant. In the event
of the death of a Beneficiary after the Beneficiary has become entitled to receive benefits, the
remaining benefits shall be paid to the estate of the Beneficiary in a lump sum.

Section 9.06. Voluntary In-Service Distribution.

8.06 (a) A Participant who is an active Employee of the Employing Institution
Employer may elect to receive a distribution of the Participant's Regular Account, TransferPre-
Tax Contribution Account and Employer MatchingTransfer Account under the Plan before a
Severance of Employment if the following requirements are met:

(i)(1) the Participant's Regular Vested Account and Transfer (not including his or
her Rollover Contribution Account) does not exceed the amount specified under Code
Section 411(a)(11) of the Code (as of January 1, 2001, $5,000) on the date of the
distribution;
(ii)(2) the Participant has not previously received an in-service distribution of the Participant's Regular Account under this Section; and

(iii)(3) no amount has Annual Deferrals have been deferred under made to the Plan with respect to the Participant during the two-year period ending on the date of the in-service distribution under this Section.

(b) This election must be made in accordance with the procedures established by the Administrator.


Effective January 1, 2005, a Participant shall have the right to a distribution of the Participant's Rollover Contribution Account at any time at the direction of the Participant, subject to any applicable penalties or other distribution requirements under the Code.

8.08. Section 9.08. Unforeseeable Emergency Distributions.

Notwithstanding any other provision herein and subject to guidelines and requirements set forth in procedures established by the Administrator, individuals with a Pre-Tax Contribution Account Balance and/or Roth Contribution Account may request that benefits be paid in the event of an unforeseeable emergency, including individuals who are no longer employed by the Employing Institution Employer but who still have an Account Balance and individuals who are currently receiving benefits under the Plan which are not being paid as an annuity. If the Participant has an unforeseeable emergency before Severance from Employment, the Participant may elect to receive a lump sum distribution equal to the amount requested or, if less, the maximum amount determined by the Administrator to be permitted to be distributed under this Section.

(a) Requests for Unforeseeable Emergency Distributions. All requests for unforeseeable emergency distributions shall be made initially to the Administrator or such other entity as may be designated by the Administrator from time to time. Any decision made by the Administrator or its designee shall be final and conclusive. The Administrator may establish restrictions following a distribution pursuant to this Section.

(b) Unforeseeable Emergency Defined. An unforeseeable emergency is defined as a severe financial hardship of the Participant resulting from: an illness or accident of the Participant, the Participant's spouse, or the Participant's dependent (as defined in Code Section 152 of the Code without regard to Code Sections 152(b)(1), (b)(2), and (d)(1)(B); loss of the Participant's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); the need to pay for the funeral expenses of the Participant's spouse or dependent (as defined in Code Section 152 of the Code without regard to Code Section 152(d)(1)(B)); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. For example, the imminent foreclosure of or eviction from the Participant's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses for you, your spouse, the Participant, or your the Participant's Spouse or dependent (as defined in Code Section 152 of the Code without regard to Code Sections 152(b)(1), (b)(2), and (d)(1)(B)), including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Except as otherwise specifically provided in this Section, neither the purchase of a home nor the payment of college tuition is an unforeseeable emergency.
(c) **Unforeseeable Emergency Distribution Standard.** A distribution on account of unforeseeable emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship, or by cessation of deferrals under the plan.

(d) **Distribution Necessary To Satisfy Emergency Need.** Distributions because of an unforeseeable emergency may not exceed the amount reasonably necessary to satisfy the emergency need (which may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution).

(e) **Possible Class Restriction.** The Administrator may further limit and/or prohibit such withdrawals for classes of accounts maintained under the Plan.

(f) **Special Relief for Distributions.** Notwithstanding the other provisions of this Article, the Administrator may authorize the Vendors to make any distribution authorized by the Internal Revenue Service or by Act of Congress in response to a natural disaster.

**ARTICLE IX. ARTICLE X. ELIGIBLE ROLLOVERS FROM THIS PLAN**

**Section 10.01. Plan Distributions and Withholding Requirements.** Notwithstanding any provisions of the Plan to the contrary that would otherwise limit a Distributee's election under this Section, a Distributee may elect, at the time and in the manner prescribed by the Administrator, to have any portion of **Definitions for this Article.**

(a) "Direct Rollover" means an Eligible Rollover Distribution that is paid directly to an Eligible Retirement Plan specified for the benefit of the Distributee.

(b) "Distributee" means a Participant, the Spouse of the Participant, the Participant's former Spouse who is an alternate payee within the meaning of Code Section 414(p)(8), and, effective January 1, 2008, a Participant's non-Spouse Beneficiary, any of whom is eligible to receive a distribution from the Plan.

(a) "Eligible Retirement Plan," as defined under Code Section 402(c)(8)(B), means:

1. an individual retirement account described in Code Section 408(a);

2. an individual retirement annuity (other than an endowment contract) described in a Direct Rollover Code Section 408(b);

**Section 9.02. Definitions.**

(3) An a simple retirement account described in Code Section 408(p)(1) following the two year period described in Code Section 72(t)(6);

4. any annuity plan described in Code Section 403(a);

5. a plan described in Code Section 403(b);
(6) a qualified plan described in Code Section 401(a);

(7) a Code Section 457(b) eligible deferred compensation plan which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state; and

(8) effective January 1, 2008, a Roth individual retirement account described in Code Section 408A(e), provided the Distributee's adjusted gross income does not exceed any limit applicable under federal law for the tax year in which the distribution occurs.

Effective January 1, 2008, in the case of a distribution to a Participant's non-Spouse Beneficiary, an Eligible Retirement Plan shall mean the plans described in paragraphs (1) and (2) only, to the extent consistent with the provisions of Code Section 402(c)(11) and any successor provisions thereto or additional guidance issued thereunder.

(b) "Eligible Rollover Distribution" means any distribution of all or any portion of the balance to the credit of the Distributee payable pursuant to Article VIII under this Plan, except that an Eligible Rollover Distribution does not include (i):

(a)(1) 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 (10) years or more; (ii) any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; (iii) the portion of any distribution that is not includible in gross income; or (iv) any distribution which is made upon the hardship of the Distributee.

(b) An "Eligible Retirement Plan" is an individual retirement account described in Section 408(a) of the Code; an individual retirement annuity described in Section 408(b) of the Code; effective January 1, 2008, a Roth individual retirement annuity or account described in Section 408A of the Code; an annuity plan described in Section 403(a) of the Code; a qualified trust described in Section 401(a) of the Code; an annuity contract described in Section 403(b) of the Code; and an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state, that accepts the distributee's eligible rollover distribution and which agrees to separately account for amounts transferred into such plan from this Plan. The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code. Effective January 1, 2010, [NEED CONFIRM DATE CHOSEN IN FINAL AMENDMENT.] the definition of an Eligible Retirement Plan for a nonspouse designated beneficiary (as defined in Section 401(a)(9)(E) of the Code) of a deceased participant means an individual retirement annuity account established for the purpose of receiving a distribution from this Plan and treated as an inherited individual retirement account or annuity (within the meaning of Section 408(d)(3)(C) of the Code).
(e) A "Distributee" includes an Employee, former Employee, Employee's spouse or a former Employee's spouse. Effective January 1, 2010, a Distributee also includes a nonspouse designated beneficiary (as defined in Section 401(a)(9)(E) of the Code) of a deceased Participant. In addition, the Employee's or former Employee's former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, is a Distributee with regard to the interest the former spouse.

(d) A "Direct Rollover" is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

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

(3) the portion of any distribution that is not includible in gross income; provided, however, a portion of a distribution shall not fail to be an Eligible Rollover Distribution merely because the portion consists of after-tax employee contributions that are not includible in gross income. However, such portion may be transferred only:

(i) to an individual retirement account or annuity described in Code Section 408(a) or 408(b), respectively, or to a qualified defined contribution plan described in Code Section 401(a) that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of such distribution which is not so includible;

(ii) to a qualified defined benefit plan described in Code Section 401(a) or to an annuity contract described in Code Section 403(b), that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; or

(iii) to a Roth IRA described in Code Section 408A;

(4) any distribution which is made upon the financial hardship of the Participant; and

(5) other items designated by regulations, or by the Commissioner in revenue rulings, notices, or other guidance, as items that do not constitute an eligible rollover distribution.

Section 10.02. Direct Transfer of Eligible Rollover Distribution. A Distributee may elect on an Applicable Form to have an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan as specified by the Distributee in a Direct Rollover, at the time and in the manner prescribed by the Vendor. An Eligible Rollover Distribution that is paid to an Eligible Retirement Plan in a Direct Rollover is excludable from the Distributee's gross income under Code Section 402; provided, however, if any portion of such Eligible Rollover Distribution is subsequently distributed from the Eligible Retirement Plan, that portion shall be included in gross income to the extent required under Code Section 402, 457, or 408.
Section 10.03. Mandatory Withholding of Eligible Rollover Distributions.

(a) If the Distributee of an Eligible Rollover Distribution does not elect to have the Eligible Rollover Distribution paid directly from the Plan to an Eligible Retirement Plan in a Direct Rollover pursuant to Code Section 401(a)(31), the Eligible Rollover Distribution shall be subject to a mandatory 20% federal income tax withholding under Code Section 3405(c). Only that portion of the Eligible Rollover Distribution that is not paid directly from the Plan to an Eligible Retirement Plan in a Direct Rollover shall be subject to the mandatory withholding requirement under Code Section 3405(e), and only to the extent such amount would otherwise be includible in the Distributee's taxable gross income.

(b) If a Distributee elects to have an Eligible Rollover Distribution paid to the Distributee, the distribution may be excluded from gross income of the Distributee provided that said distribution is contributed to an Eligible Retirement Plan no later than the 60th day following the day on which the Distributee received the distribution.

(b) If the Plan distribution is not an Eligible Rollover Distribution, said distribution shall be subject to the elective withholding provisions of Code Section 3405(a) and (b).

Section 10.04. Explanation of Plan Distribution and Withholding Requirements. Each Distributee shall be provided, within a reasonable period of time Not fewer than 30 days nor more than 180 days before making an Eligible Rollover Distribution, the Vendor shall provide each Distributee a written explanation as required under Code Section 402(f), which explains:

(a) under which a Distributee may elect to have an Eligible Rollover Distribution paid in a Direct Rollover to an Eligible Retirement Plan;

(b) that require the mandatory income tax withholding of tax on distributions an Eligible Rollover Distribution if it is not directly paid in a Direct Rollover to an Eligible Retirement Plan;

(c) that provide that a distribution shall not be subject to tax if the distribution is rolled over; (iii) the tax treatment of distributions not rolled over (including to an Eligible Retirement Plan within 60 days after the special tax treatment available for date the Distributee receives the distribution; and

(d) if applicable, certain lump sum distributions), and (iv) when distributions may be subject to different restrictions; special rules regarding taxation of the distribution as described in Code Sections 402(d) and tax consequences after being rolled over(c).

9.03. Notwithstanding the above, a distribution may begin fewer than 30 days after the notice discussed in the preceding sentence is given, provided that the Vendor clearly informs the Participant that he or she has a right to a period of at least 30 days after receiving the notice to consider the decision of whether or not to elect a distribution and the Participant, after receiving a notice, affirmatively elects a distribution.
ARTICLE X. ARTICLE XI.
ELIGIBLE ROLLOVERS TO THIS PLAN

Section 11.01. Participant Rollovers.

10.01. (a) At any time, a Participant who is an Employee and who is entitled to receive an eligible rollover distribution, as defined under Code Section 402(c)(4) of the Code and Section 910.02(a) of the Plan, from another eligible retirement plan may contribute to the Plan in cash as a rollover contribution, a qualified rollover amount from a qualified plan under Code Section 401(a) of the Code, an annuity plan under Code Section 403(a) of the Code, an individual retirement account under Code Section 408(a) of the Code, or individual retirement annuity under Code Section 408(b) of the Code, or a governmental deferred compensation plan under Code Section 457(b) of the Code, or a tax-sheltered annuity under Code Section 403(b) of the Code, provided that the Administrator determines that the contribution satisfies all applicable requirements of the Code. A rollover contribution and (ii) shall be allocated directly from such prior plan, or if such amount was distributed to the Rollover Account of the Participant as of the date of the contribution. The Participant’s Rollover Account shall be invested in the same manner as the Participant’s Regular Account. Such Rollover Contribution shall be made within 60 days after the Participant receives the rollover amount.

(b) The Plan shall accept a Rollover Contribution to a Roth Contribution Account only if it is a direct rollover from another Roth elective deferral account under an applicable retirement plan described in Code Section 402A(e)(1) and only to the extent the rollover is permitted under the rules of Code Section 402(c).

(c) A Rollover Contribution shall be allocated to the Rollover Contribution Account of the Participant as of the date of the contribution. Before a Rollover Contribution is made, the Participant shall designate on the Applicable Form the Investment Options in which the Vendor should invest the Participant’s Rollover Contribution.

10.02. Section 11.02. Administrator Requirements. The Vendor may require such documentation from the distributing plan as it deems necessary to effectuate the rollover in accordance with Code Section 402 of the Code and to confirm that such plan is an eligible retirement plan within the meaning of Code Section 402(c)(8)(B) of the Code. With respect to receipt or transfer of Account Balances under this Article, the Vendor may rely upon representations made by either the Participant or other plan (made through those having apparent authority to make them).

10.03. Section 11.03. Separate Accounts for Rollovers. The Vendor shall establish and maintain for the Participant a separate account for any eligible rollover distribution paid to the Plan from any eligible retirement plan that is not an eligible governmental plan under Code Section 457(b) of the Code. In addition, the Vendor shall establish and maintain for the Participant a separate account for any eligible rollover distribution paid to the Plan from any eligible retirement plan that is an eligible governmental plan under Code Section 457(b) of the Code.

Section 11.04. In-Plan Roth Rollovers.
(a) Any portion or all of a Participant's Vested Account Balance (other than a Roth Contribution Account) is eligible for direct rollover to the Participant's Roth Contribution Account under the Plan, even if the Vested Account Balance is not otherwise distributable (pursuant to Code Section 402A(c)(4)(E)) under Article IX of the Plan, and the transfer shall be treated as a qualified rollover contribution (within the meaning of Code Section 408A(e)) to the Participant's Roth Contribution Account.

(b) A Participant's election under this Section shall be subject to the reasonable administrative procedures established by the Administrator, Code Section 402A(c)(4) and the regulations thereunder, and subsequent guidance from the Internal Revenue Service.

(c) The taxable portion of the Participant's Account directly rolled over to a Roth Contribution Account under this Section shall be included in the Participant's gross income in the tax year in which the transfer occurs.

(d) To the extent required by Code Section 402(f), the Administrator shall provide written information regarding in-Plan Roth rollovers under this Section, for amounts that are otherwise distributable under Article IX.

ARTICLE XI. ARTICLE XII.
PLAN-TO-PLAN TRANSFERS

11.01. Section 12.01. Direct Transfers Among Plans of the Same Employing Institution. A transfer from this Plan to another eligible governmental plan of the same Employing Institution and a transfer to this Plan from another eligible governmental plan of the same Employing Institution is permitted under the following conditions:

(i) The transfer is from an eligible governmental plan to another eligible governmental plan of the same Employing Institution (and, for this purpose, the Employing Institution is not treated as the same employer if the Participant's compensation is paid by a different entity);

(ii) The transferor plan provides for transfers;

(iii) The receiving plan provides for the receipt of transfers;

(iv) The Participant or Beneficiary whose amounts deferred are being transferred will have an amount deferred immediately after the transfer at least equal to the amount deferred with respect to that Participant or Beneficiary immediately before the transfer; and

(v) The Participant or Beneficiary whose deferred amounts are being transferred is not eligible for additional annual deferrals in the receiving plan unless the Participant or Beneficiary is performing services for the entity maintaining the receiving plan.
11.02 Section 12.02. Plan-to-Plan Transfers from the Plan to the Other Plan of Another Employer.

(a) Requirements for Transfer. At the direction of the Employer, the Administrator may permit a class of Participants and Beneficiaries to elect to have all or any portion of their Account Balance transferred to another eligible governmental plan within the meaning of Code Section 457(b) of the Code and Treasury Regulation Section 1.457-2(f) of the Treasury Regulations. A transfer is permitted under this Section 11.02(a) for a Participant only if the Participant has had a Severance from Employment with the Employing Institution and is an employee of the entity that maintains the other eligible governmental plan. Further, a transfer is permitted under this Section 11.02(a) only if the other eligible governmental plan provides for the acceptance of plan-to-plan transfers and if each Participant and Beneficiary has an amount deferred under the other plan immediately after the transfer at least equal to the amount transferred. The Administrator may require such documentation from the receiving plan as it deems appropriate or necessary to comply with this Section 11.02(a) (for example, to confirm that the receiving plan is an eligible governmental plan and to assure that the transfer is permitted under the receiving plan) or to effectuate the transfer pursuant to Treasury Regulation Section 1.457-10(b) of the Treasury Regulations.

(b) Effect of Transfer. Upon the transfer of assets under this Section 11.02, the Plan's liability to pay benefits to the Participant or Beneficiary under this Plan shall be discharged to the extent of the amount so transferred for the Participant or Beneficiary.

11.03 Section 12.03. Plan-to-Plan Transfers to the Plan. At the direction of the Employing Institution, the Administrator may permit a class of Participants who are participants in another eligible governmental plan under Code Section 457(b) of the Code to transfer assets to the Plan as provided in this Section. Such a transfer is permitted only if the other plan provides for the direct transfer of each Participant's interest therein to the Plan. The Administrator may require in its sole discretion that the transfer be in cash or other property acceptable to the Administrator. The Administrator and Vendor may require such documentation from the other plan as it deems necessary to effectuate the transfer in accordance with Code Section 457(e)(10) of the Code and Treasury Regulation Section 1.457-10(b) of the Treasury Regulations and to confirm that the other plan is an eligible governmental plan as defined in Treasury Regulation Section 1.457-2(f) of the Treasury Regulations. The amount so transferred shall be credited to the Participant's Transfer Account and shall be held, accounted for, administered and otherwise treated in the same manner as an Annual Deferral by the Participant under the Plan, except that the transferred amount shall not be considered an Annual Deferral under the Plan in determining the maximum deferral under Article IVV.

Section 12.04. Permissive Service Credit Transfers.

11.04(a) If a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in Code Section 414(d) of the Code) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant may elect to have any portion of the Participant's Account Balance transferred to the defined benefit governmental plan. A transfer under this Section 11.04 may be made before the Participant has had a Severance from Employment. A transfer may be made under Section 11.04 only if the transfer is either for the purchase of permissive service credit (as defined in Section 415(n)(3)(A) of the Code) or for another purpose that is acceptable to the Administrator.
of the Code) under the receiving defined benefit governmental plan or a repayment to which
Section 415 of the Code does not apply by reason of Section 415(k)(3) of the Code.

(b) A transfer may be made under this Section only if the transfer is either for the
purchase of permissive service credit (as defined in Code Section 415(n)(3)(A)) under the
receiving defined benefit governmental plan or a repayment to which Code Section 415 does not
apply by reason of Code Section 415(k)(3).

11.05. Section 12.05. Direct Transfers to this Plan. Subject to the approval of the
Administrator, this Plan shall accept cash transfers of Participants' accounts maintained under an
eligible Section 457 plan directly to this Plan.

11.06. Section 12.06. Representations. With respect to receipt or transfer of account
balances under this Article, the Board, Administrator and Vendor may rely upon representations
made by either the Participant or the other Section 457 plan (made through those having apparent
authority to make them) with respect to matters relevant for the transfer.

11.07. Section 12.07. Plan Charges. An Employee who has become a Participant
through a transfer allowed by this Section shall be liable for Plan charges and expenses in the
same manner and to the same extent as any other Participant notwithstanding the fact that all or
part of his or her existing Account Balance may have been derived from contributions and
earnings attributable to another plan. In addition, the Board Administrator may from time to time
impose charges on said transfers to be deducted directly from the Participant's Transfer Account
in this Plan once the transfer has occurred.

11.08. Section 12.08. Effect of Elections. Neither this Plan nor a new Participant
making such a transfer shall be bound by any elections or designations (whether of a
commencement date of distributions, or manner of distributions, designation of retirement age or
beneficiaries) made under such other plan, but, instead, shall make and be bound by such
elections and designations as are required under this Plan.

ARTICLE XII.ARTICLE XIII.
DOMESTIC RELATIONS ORDERS

12.01. Section 13.01. General Provisions. If authorized by the Administrator, domestic
relations orders which satisfy the requirements of Code Sections 414(p)(1)(A)(i) and
414(p)(1)(B) of the Code, this Article, and the procedures established by the Administrator for
such orders may be considered Plan-Approved Domestic Relations Orders ("PADROs") and may
be honored by the Plan. If the Administrator determines to honor PADROs, this Article will
apply to those PADROs. If the Administrator determines that certain PADROs will not be
honored, then this Article shall not be interpreted as requiring that those PADROs be honored.
The Administrator is authorized to establish and amend procedures for the determination of
PADROs (including procedures for the resolution of disputes) consistent with the above-
referenced Code provisions and this Article.

12.02. Section 13.02. Administration of Covered PADROs. In administration of this
Plan, the Administrator or the Vendors, as appropriate, may establish such procedures as enable
any discrete interest of an alternate payee established under a PADRO to be separately accounted
for and distributed. Any funds held under such a separate account shall not be distributed in any
form or manner that would cause the Plan to become an ineligible plan under Code Section 457. This Article shall not be construed as requiring the Administrator or Vendors to recognize or make distributions under any PADRO whose validity is in doubt.

12.03. Section 13.03. Investments of Covered PADROs. During any period that the issue of whether an order satisfies the applicable requirements of the Code and the procedures established by the Administrator is under consideration, the investment direction of the Participant with respect to the Participant's Accounts shall remain in effect, subject to a determination by the Administrator that such investment direction would be contrary to a final court order. After a determination has been made that a domestic relations order satisfies the applicable requirements of the Code and the procedures established by the Administrator and a separate Plan Account has been established for the alternate payee, the alternate payee shall direct the investment of his or her Plan Account. The Administrator shall direct the investment of an alternate payee's Account to a default investment pursuant to Section 78.04 when there is no valid investment direction on file. The alternative payee's Account shall be assessed administrative fees in the same amount and in the same manner as a Participant's Account.

12.04. Section 13.04. Distributions to Alternate Payees of Covered PADROs. Distribution of benefits to the alternate payee shall commence as soon as administratively practicable after (i) a determination is made that the order satisfies the applicable requirements of the Code and the procedures established by the Administrator, and (ii) receipt by the Administrator of the Applicable Forms for the election of benefits. In the event of an alternative payee's death, any remaining benefits shall be payable solely to the alternate payee's estate, via the duly-appointed and then-currently serving executor of the alternative payee's estate.

ARTICLE XIII. ARTICLE XIV.
LOANS

13.01. Section 14.01. Loans. A Participant who is an Employee may apply for and receive a loan from his or her Account Balance as provided in this Section. Any such loan may not be for an amount less than the minimum amount specified by the Vendor in accordance with the applicable law.

13.02. Maximum Loan Amount.

(a) No loan to a Participant under the Plan may exceed the lesser of:

(i) $50,000, reduced by the greater of (i) the outstanding balance on any loan from the Plan to the Participant on the date the loan is made or (ii) the highest outstanding balance on loans from the Plan to the Participant during the one-year period ending on the day before the date the loan is approved by the Vendor (not taking into account any payments made during such one-year period); or

(ii) one-half or a lesser percentage as determined by the Vendor of the value of the Participant's Account Balance (as of the valuation date immediately preceding the date on which such loan is approved by the Vendor).
(b) For purposes of this Section, any loan from any other plan maintained by an Employing Institution, the Employer and any Related Employer shall be treated as if it were a loan made from the Plan, and the Participant's vested interest under any such other plan shall be considered a vested interest under this Plan; provided, however, that the provisions of this paragraph shall not be applied so as to allow the amount of a loan under this Section to exceed the amount that would otherwise be permitted in the absence of this paragraph.

13.03. Section 14.03. Terms of Loan. The terms of the loan shall:

(i) require level amortization with payments not less frequently than quarterly throughout the repayment period, except that alternative arrangements for repayment may apply in the event that the borrower is on an bona fide unpaid leave of absence for a period not to exceed one year for leaves other than a qualified military leave within the meaning of Code Section 414(u) of the Code or for the duration of a leave which is due to qualified military service;

(ii) require that the loan be repaid within five years unless the Participant certifies in writing to the Administrator that the loan is to be used to acquire any dwelling unit which within a reasonable time is to be used (determined at the time the loan is made) as a principal residence of the Participant; and

(iii) provide for a reasonable interest rate established by the Vendor in accordance with the applicable law.


(a) Security. Any loan to a Participant under the Plan shall be secured by the pledge of the portion of the Participant's interest in the Plan invested in such loan.

(b) Default. In the event that a Participant fails to make a loan payment under this Section within ninety (90) days after the date such payment is due, a default on the loan shall occur. In the event of such default, (i) all remaining payments on the loan shall be immediately due and payable, (ii) effective as of the first day of the calendar month next following the month in which any such loan default occurs, the interest rate for such loan shall be (if higher than the rate otherwise applicable) the rate being charged on loans from the Plan that are approved by the Administrator in the month in which such default occurs, (iii) no contributions shall be made on such Participant's behalf prior to the first payroll period that follows by twelve (12) calendar months the date of repayment in full of such loan, and (iv) the Participant shall be permanently ineligible for any future loans from the Plan.

In the case of any default on a loan to a Participant, the Administrator shall apply the portion of the Participant's interest in the Plan held as security for the loan in satisfaction of the loan on the date of Severance from Employment. In addition, the Administrator shall take any legal action it shall consider necessary or appropriate to enforce collection of the unpaid loan, with the costs of any legal proceeding or collection to be charged to the Account Balance of the Participant.

Notwithstanding anything elsewhere in the Plan to the contrary, in the event a loan is outstanding hereunder on the date of a Participant's death, his or her estate shall be his or her
Beneficiary as to the portion of his or her interest in the Plan invested in such loan (with the Beneficiary or Beneficiaries as to the remainder of his or her interest in the Plan to be determined in accordance with otherwise applicable provisions of the Plan).

13.05. Section 14.05. Repayment. Repayment of a loan may be made by payroll deduction, by direct payment to the Plan, by direct debit of the Participant's checking account, or may such other means as the Vendor may permit. A Vendor may require the Participant, as a condition to receiving a loan, to enter into an irrevocable agreement authorizing the Employing Institution to make payroll deductions from his or her Compensation as long as the Participant is an Employee and to transfer such payroll deduction amounts to the Trustee in payment of such loan plus interest. Repayments of a loan shall be made in equal installments (comprised of both principal and interest) each due date, with the first such repayment to be made as soon as practicable after the loan funds are disbursed; provided however, that a Participant may prepay the entire outstanding balance of his or her loan at any time; and provided, further, that if any payroll deductions cannot be made in full because a Participant is on an unpaid leave of absence or the Participant's paycheck is insufficient for any other reason, the Participant shall pay directly to the Plan the full amount that would have been deducted from the Participant's paycheck, with such payment to be made by the last business day of the calendar month in which the amount would have been deducted.

13.06. Section 14.06. Special Relief for Loans. Notwithstanding any other Sections of this Article, the Administrator may authorize the Vendors to observe the terms of any Internal Revenue Service guidance or Act of Congress regarding plan loans, which guidance or Act was issued or enacted in response to a natural disaster.

ARTICLE XIV: ARTICLE XV.
PLAN ADMINISTRATION OF PLAN AND TRUST

Section 14.01. Compliance with Code Section 457. At all times, the Plan shall be administered in accordance and construed to be consistent with Section 457 of the Code and its accompanying regulations.

Section 14.02. Parties to Plan and Trust. Any private entity or company with which the Board may from time to time contract, whether for purposes of maintaining an investment option for Participants, or for any other purpose, shall not be a party to the Plan, unless the contract specifically provides to the contrary; and any rights or claims against such private entities or companies shall be enforced, adjusted or settled by, and only by, the Board, which may enforce, settle or adjust said claim, or decide not to do so, solely in its own discretion. The Board may delegate its power under this Section to the Administrator.

Section 14.03. Board Responsibility. The Board shall have authority and responsibility for:

(1) appointing, removing and replacing the agents, Administrator, employees, Trustees and others to act on its behalf in executing the terms and purposes of this Plan and any trust agreement;

(2) amending this Plan and any trust agreement made or insurance contract purchased under this Plan;

(3)
(3) terminating this Plan and any trust agreement or insurance contract under the Plan;

(4) determining the existence, nature and extent of the rights and interests of any Participant or Beneficiary in this Plan;

(5) designating a means to determine the amount of benefits payable to Participants or their Beneficiaries and determining the time and manner in which such benefits are to be paid;

(6) establishing and maintaining Participant Accounts and making all allocations thereto in accordance with the provisions of the Plan;

(7) authorizing disbursements and distributions from the Plan;

(8) maintaining all records of the Plan, and preparing and filing all reports and other information concerning the Plan that might be required with any agency of the federal or State government;

(9) complying with all disclosure requirements imposed by State or federal law; and

(10) all other acts permitted or required to be performed by the State under the Plan.

Notwithstanding the preceding, the Board may delegate and transfer such of these powers as it specifies to the Administrator (or entity or body designated by the Board) of the Plan, or to a Trustee designated to hold Plan assets. The Administrator, in turn, may delegate any such power received from the Board to another entity or body. The Board and the Administrator may also delegate ministerial tasks associated with these responsibilities to such agents as it may choose to use, including the Trustee designated to hold Plan assets.

Section 14.04. Reliance On Communications. The Board may rely upon a certification of the Administrator with respect to any instruction, direction or approval of such Administrator and may continue to rely upon such certification until a subsequent certification is filed with the Board. The Board shall have no duty to make any investigation or inquiry as to any statement contained in any such writing but may accept the same as fully authorized by the Administrator.

Section 14.05. Administrative Powers. The Board, or its designee, in performing its duties under this Plan, may:

(1) make contracts with private entities or companies to offer investment options for Participant's Accounts under the Plan, enforce any right or claim under said contracts, and/or resolve any claim or dispute through negotiation and agreement with such private entity or company;

(2) make contracts with Vendors and private entities or companies to perform administrative functions under the Plan;
contract for such advisory services as may be necessary to perform its functions, including legal, accounting, actuarial and employee benefit consulting services, or investment advice.

In making any such contracts relating to investment options the Board shall act pursuant to the authority granted by the State Pers. & Pens. Art.

Section 14.06. Charges.

(a) Charges Against Participants. The Board is authorized to assess such charges against Participant's Accounts as may be necessary to pay for the expenses of the Plan. The Board may delegate its powers under this Section to the Administrator.

(b) Methods. In assessing said charges, the Board or its delegate may calculate same as a percentage of a Participant's deferred salary or Account Balance in or at the end of any period or year (including assessment as part of any daily valuation system) or as a sum in dollars assessed upon the status and/or value of an Participant's Account as of the closing date for statements of such Account. In assessing such charges, the Board or its delegate need not assess the same charge or type of charge against every Participant, but may establish different charges based on the size of the account, the investment option the Participant has selected, or the type and number of transactions with respect to an individual Participant.

(c) Effective Date. Such charges or assessments will be effective thirty (30) days after they are set by the Board or its delegate and may be amended from time to time upon thirty (30) days notice to the Participant, which shall be given in the same manner as the notice of Plan amendment under Article XVI.

(d) Reserve Allowed. In setting the amount of such charges the Board or its delegate may not only consider expenditures already incurred, but may set charges at such a level as to fund a reserve for future expenditures.

(e) Accounts for Expense Funds. The Board or its delegate is authorized to establish and maintain bank accounts and short term investments for funds coming into its hands for administration expense or reserves thereof. Records of any such accounts, income and expenditures shall be available on reasonable notice to Participants or their authorized representatives for inspection and any such income and expenditure shall be accounted for in the annual financial statement of the Plan.

(f) Direct Payment of Plan Expense. The Board or its delegate, in its discretion, may adopt methods under which Participants can elect to pay directly (rather than through reduction of account values or by deferral of salary) their proportionate share of administration expense.

Section 15.01. Authority of the Administrator. The Administrator shall have the authority to control and manage the operation and administration of the Plan. The Administrator shall have all power necessary or convenient to enable it to exercise its authority under the Plan. The Administrator may provide rules and regulations, not inconsistent with the provisions hereof, for the operation and management of the Plan, and may from time to time amend or
rescind such rules or regulations. The Administrator is authorized to accept service of legal process for the Plan.

Section 15.02. Powers of the Administrator. The Administrator shall have the power and discretion to construe and interpret the Plan, including any ambiguities, to determine all questions of fact or law arising under the Plan, and to resolve any disputes arising under and all questions concerning administration of the Plan. The Administrator may correct any defect, supply any omission or reconcile any inconsistency in the Plan in such manner and to such extent as the Administrator may deem expedient and, subject to the Plan's claim procedures, the Administrator shall be the sole and final judge of such expediency. Benefits are payable under the Plan only if the Administrator, in its sole and absolute discretion, determines the benefits are payable under the provisions the Plan.

Section 15.03. Delegation by Administrator.

(a) The Administrator may from time to time delegate in writing to a committee or any duly authorized officer certain of its fiduciary duties or other responsibilities under the Plan. Any such committee or officer delegated fiduciary duties shall be a fiduciary until the Administrator revokes such delegation. A delegation of the Administrator's duties or responsibilities may be revoked without cause or advance notice. To the extent permitted under applicable law, such committee or officer shall have the same power and authority with respect to such delegated fiduciary or other responsibilities as the Administrator has under the Plan. The Administrator shall not be liable for any act or omission of such fiduciary in carrying out such responsibilities.

(b) The Administrator has designated the Vendors to be responsible for providing information to Participants regarding enrollment, investment options, and performance; processing contributions, withdrawal requests, transfers, and changes in investment options; providing record keeping services and such other services as provided for under agreements between the Vendors and the Administrator.

(b) The Administrator may designate one of the Vendors or another service provider to provide for the collection and coordination of information relating to unforeseeable emergency distribution, loans, contribution limits, and any other administrative function under the Plan.

14.07. Section 15.04. Fiduciary Insurance. The Board may require the purchase of fiduciary liability insurance for any of its fiduciaries to cover liability or losses occurring by reason of the act or omission of a fiduciary.

Section 14.08. Binding Provisions. This Plan and any properly adopted amendment shall be binding on the parties hereto and their respective heirs, administrators, trustees, successors, and assigns, and on all designated Beneficiaries.

14.09. Section 15.05. Limitation on Recovery. Participants and Beneficiaries may not seek recovery against the State of Maryland, Board or Consultants. The Administrator, or any member, employee, contractor or agent of the Board or Administrator, for any loss sustained by any Participant or Beneficiary due to the nonperformance of their duties, negligence or any other misconduct of the above-named may employ one or more persons. Neither the State, the Board,
nor the Administrator waives any immunity available to render advice with regard to its responsibilities under the laws of the State of Maryland Plan.

ARTICLE XV

ARTICLE XVI

CLAIMS PROCEDURE

Section 15.01. Claims Procedure. Any person who believes that he or she is entitled to any benefit under the Plan, other than a benefit under Section 8.09 (unforeseeable emergency distribution), shall present such claim in writing to the Administrator.

(a) The Administrator shall within ninety (90) days provide adequate notice in writing to any claimant as to the decision of any such claim. Such notice shall be written in a manner calculated to be understood by the Participant. If such claim has been denied, in whole or in part, such notice shall set forth:

(1) the specific reasons for such denial,

(2) specific reference to any pertinent provisions of the Plan on which denial is based,

(3) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary and

(4) an explanation of the review procedure for the Plan.

(b) The Administrator shall act as a fiduciary in making a full and fair review of such claim.

Section 15.02. Appeals Procedure.

(a) Within sixty (60) days after receipt by the claimant of notification of denial, the claimant shall have the right to present a written appeal, including any additional material to the Administrator. If such appeal is not filed within said sixty (60) day period, the decision of the Administrator shall be final and binding.

(b) The Administrator, in its discretion, may make a decision on appeal without a hearing, in which case a decision by the Administrator shall be made no later than sixty (60) days after its receipt of the appeal. However, if the Administrator decides a hearing at which the claimant or his or her duly authorized representative may be present is necessary and such a hearing is held, such decision shall be rendered as soon as possible, but not later than one hundred twenty (120) days after its receipt of the appeal. Any such decision of the Administrator shall be in writing and shall provide adequate notice to the claimant setting forth the specific reasons for any denial and written in a manner calculated to be understood by a Participant. Any such decision by the Administrator shall be final.

Section 15.03. Report to Board Concerning Claims and Appeals. The Administrator shall present a report to the Board concerning any such claim or appeal.

Section 16.01. Requests for Information Concerning Eligibility, Participation and
Contributions. Requests for information concerning eligibility, participation, contributions, or any other aspects of the operation of the Plan, and service of legal process, should be in writing and directed to the Administrator of the Plan. If a written request is denied, the Administrator shall, within a reasonable period of time, provide a written denial to the Participant. A Participant may request in writing a review of a claim denied by the Administrator and may submit issues and comments in writing to the Administrator. The Administrator shall provide to the Participant a written decision upon such request for review of a denied claim.

Section 16.02. Requests for Information Concerning Investment Arrangements. Requests for information concerning the Trust and the terms, conditions, and interpretations thereof, claims thereunder, any requests for review of such claims, and service of legal process, should be in writing and directed to the Vendor. If a written request is denied, the Vendor shall, within a reasonable period of time, provide a written denial to the Participant. A Participant may request in writing a review of a claim denied by the Vendor and may submit issues and comments in writing to the Vendor. The Vendor shall provide to the Participant a written decision upon such request for review of a denied claim.

ARTICLE XVI. ARTICLE XVII.
AMENDMENT OF THE PLAN

16.01. Section 17.01. Right to Amend. Amendment and Termination of Plan. The Board may at any time amend, modify, or terminate this Plan with or without consent of the Participant (or any Beneficiary thereof). No amendment may be effected, however, if it removes Plan assets from the Trust hereunder, or causes Plan assets to be used for a purpose other than the exclusive benefit of Participants and their Beneficiaries. Any modification, alteration, or amendment of the Plan, made in accordance with this Section, may be made retroactively if deemed necessary or appropriate by the Board.

16.02. Section 17.02. Right to Suspend Deferrals. Suspension or termination of additional deferral of salary under the Plan generally, or under one or more investment options maintained by the Plan, shall not otherwise restrict or affect other provisions of this Plan. The Board, in its sole discretion, may suspend or terminate additional deferral of salary for (i) all Participants, or (ii) a class of Participants, or (iii) for one or more investment options maintained under the Plan.

16.03. Section 17.03. Amendment for Eligible Plan Status. It is the intent of the Board that the Plan shall be and remain an eligible plan under the provisions of Code Section 457 of the Code—and that the Trust be exempt from tax under Code Section 457 of the Code. The Board may make any modifications, alterations, or amendments to the Plan necessary to obtain and retain approval of the Secretary of the Treasury or his or her delegate as may be necessary to establish and maintain the status of the Plan as an eligible plan under the Code or other federal legislation, as now in effect or hereafter enacted, and the regulations issued thereunder. Any modification, alteration, or amendment of the Plan, made in accordance with this Section, may be made retroactively, if necessary or appropriate.

16.04. Section 17.04. Effective Date of Amendments. All amendments shall become effective on the date established by the Employing Institution. No amendments shall deprive any Participant of any of the benefits to which the Participant is entitled under this Plan with respect to amounts credited prior to the effective date of the amendment.
ARTICLE XVII. ARTICLE XVIII.
TERMINATION OF THE PLAN

This The Board may terminate the Plan may be completely terminated at any time. In such an event, the Employing Institution Employer shall be responsible for directing distribution of all assets of the Trust to Participants, Beneficiaries or to a successor plan, as soon as administratively practicable after the termination of the Plan.

ARTICLE XVIII.
NON-ASSIGNABILITY

Section 18.01. Non-Assignability. Except as provided in Article XII and Section 18.02, the interests of each Participant or Beneficiary under the Plan are not subject to the claims of the Participant's or Beneficiary's creditors; and neither the Participant nor any Beneficiary shall have any right to sell, assign, transfer, or otherwise convey the right to receive any payments hereunder or any interest under the Plan, which payments and interest are expressly declared to be non-assignable and non-transferable.

Section 18.02. IRS Levy. Notwithstanding Section 18.01, the Administrator may pay from a Participant's or Beneficiary's Account Balance the amount that the Administrator finds is lawfully demanded under a levy issued by the Internal Revenue Service with respect to that Participant or Beneficiary or is sought to be collected by the United States Government under a judgment resulting from an unpaid tax assessment against the Participant or Beneficiary.

ARTICLE XIX.
MISCELLANEOUS

Section 19.01. Non-Assignability. No Tax Warranty. Neither the State of Maryland nor the Board guarantees that any particular Federal or State income, payroll, estate or inheritance, or other tax consequence will occur because of the Participant's participation in this Plan, or elections made under this Plan.

Section 19.02. Dispute Resolution. The Board shall be authorized to resolve any questions of fact necessary to decide the Participant's rights under this Plan and such decision shall be binding on the Participant and any Beneficiary thereof. The Board may delegate this power to the Administrator.

Section 19.03. Contract. This Plan and the Participation Agreement, including any properly adopted or executed amendments thereof, shall constitute the total agreement or contract between the Employing Institution and any Participant regarding the Plan. No oral statement regarding the Plan may be relied upon by any Participant or other person.

Section 19.04. Conflicts. In resolving any conflict between provisions of the Plan and in resolving any other uncertainty as to the meaning or intention of any provision of the Plan, the interpretation that (i) causes the Plan to constitute an eligible plan under the provisions of Section 457 of the Code and the Trust to be exempt from tax under Section 457 of the Code, (ii) causes the Plan to comply with all applicable requirements of the Code, and (iii) causes the Plan to comply with all applicable Maryland statutes and rules, shall prevail over any different interpretation.
Section 19.05. Limitation on Rights. Neither the establishment nor maintenance of the Plan, nor any amendment thereof nor any act or omission under the Plan (or resulting from the operation of the Plan) shall be construed:

(1) as conferring upon any Participant, Beneficiary or any other person a right or claim against the Trust, Trustees or Administrator, except to the extent that such right or claim shall be specifically expressed and provided in the Plan;

(2) as creating any responsibility or liability of the Employing Institution for the validity or effect of the Plan;

(3) as a contract between the Employing Institution and any Participant or other person; or

Section 19.01. as being consideration for, or an inducement or condition of, employment of any Participant or other person, or as affecting or restricting in any manner or to any extent whatsoever the rights or obligations of the Employing Institution or any Participant or other person to continue or terminate the employment relationship at any time

(a) Except as provided in Article XIII, a Participant's Account under the Plan shall not be liable for any debt, liability, contract, engagement, or tort of the Participant or his or her Beneficiary, nor subject to anticipation, sale, assignment, transfer, encumbrance, pledge, charge, attachment, garnishment, execution, alienation, or any other voluntarily or involuntarily alienation or other legal or equitable process, nor transferable by operation of law.

(b) Notwithstanding subsection (a), the Plan shall offset from the benefit otherwise payable to a Participant or his or her Beneficiary such amounts as are permitted to be offset under a court order, civil judgment, or settlement agreement in accordance with Code Section 401(a)(13)(C).

(iv) Section 1.01. Military.

Section 19.06. Erroneous Payments. If the Board, Administrator or Vendor makes any payment that according to the terms of the Plan and the benefits provided hereunder should not have been made, the Board, Administrator or Vendor may recover that incorrect payment, by whatever means necessary, whether or not it was made due to the error of the Board, Administrator or Vendor, from the person to whom it was made or from any other appropriate party. For example, if any such incorrect payment is made directly to a Participant, the Board, Administrator or Vendor may deduct it when making any future payments directly to that Participant.

Section 19.07. Payments to Minors and Incompetents. If a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is adjudged to be legally incapable of giving valid receipt and discharge for such benefits, or is deemed so by the Administrator, benefits will be paid to such person as the Administrator may designate for the benefit of such Participant or Beneficiary. Such payments shall be considered a payment to such Participant or Beneficiary and shall, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.
Section 19.08. Gender References. Whenever used herein, the masculine gender shall include the feminine and the singular shall include the plural unless the provisions of the Plan specifically require a different construction.

Section 19.09. Applicable Law. The law of the State of Maryland shall apply in determining the construction and validity of this Plan and the Trust.

Section 19.10. Construction. The Board shall be authorized to construe the Plan and to resolve any ambiguity in the Plan. The Board may delegate this power to the Administrator.

Section 19.11. Right to File Action. The Board (or its agents) if in doubt concerning the correctness of its action in making a payment of a benefit, may suspend the payment until satisfied as to the correctness of the payment or the person to receive the payment, or allow the filing in any state court of competent jurisdiction a suit in such form as considered appropriate for legal determination of the benefits to be paid and the persons to receive them. The Board shall comply with the final orders of the court in any such suit and the Participant, for him/herself and his or her Beneficiary, consents to be bound thereby insofar as it affects the benefits payable under this Plan or the method or manner of payment.

Section 19.12. Mistaken Contributions. If any contribution (or any portion of a contribution) is made to the Plan by a good faith mistake of fact, then within one year after the payment of the contribution, and upon receipt in good order of a proper request approved by the Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) shall be returned directly to the Participant or, to the extent required or permitted by the Administrator, to the Employing Institution.


(a) Notwithstanding any provisions of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service shall be provided in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"), HEART, Code Section 414(u) of the Code; effective January 1, 2007, and Code Section 401(a)(37) of the Code, as amended from time to time.

(b) For purposes of this section, "qualified military service" means any service in the uniformed services as defined in USERRA by any individual if such individual is entitled to reemployment rights under USERRA with respect to such service.

(e) A Participant, whose employment is interrupted by qualified military service or who is on a leave of absence for qualified military service who timely resumes employment with their Employing Institution in accordance with USERRA, may elect to make-up Annual Deferrals upon resumption of employment with the Employer up to the Plan in accordance with Section 414(u) of the Code reduced by maximum Annual Deferrals under Section 457(b) of the Code that the Participant could have elected during that period if the Participant's employment with the Employer had continued (at the same level of Compensation) without the interruption or leave, reduced by the Annual Deferrals, if any, actually made for the Participant during the period of the interruption or leave. Except to the extent otherwise provided under Code Section 414(u) of the Code, this right applies for the lesser of (i) five years following such the resumption of employment (or, if shorter, for (ii) a period equal to three times the period of the
Such contribution Annual Deferrals by the Participant may only be made during such period and while the Participant is employed by the Employing Institution or Employer.

(d)(c) Effective January 1, 2007, to the extent provided under Code Section 401(a)(37) of the Code, in the case of a Participant whose employment is interrupted by qualified military service and who dies while performing qualified military service, the survivor of such Participant shall be entitled to any additional benefit (other than benefit accruals) provided under the Plan as if the Participant timely resumed employment in accordance with USERRA and then, on the next day, terminated employment on account of death.

(d) Effective January 1, 2009, differential wage payments within the meaning of Code Section 414(u)(12)(D) shall be treated as Compensation and Includible Compensation under the Plan.

Section 19.03. Limitation of Rights and Obligations. Neither the establishment nor maintenance of the Plan, nor any amendment thereof nor any act or omission under the Plan or resulting from the operation of the Plan shall be construed:

(a) as conferring upon any Participant, Beneficiary or any other person a right or claim against the Administrator or Employer, except to the extent that such right or claim shall be specifically expressed and provided in the Plan;

(b) as creating any responsibility or liability of the Board, the Employer, or the Administrator for the validity or effect of the Plan;

(c) as a contract or agreement between the Board, Employer, or the Administrator and any Participant or other person;

(d) as an agreement, consideration, or inducement of employment or as effecting in any manner or to any extent whatsoever the rights or obligations of the Employer or any Employee to continue or terminate the employment relationship at any time, except as otherwise provided under any applicable collective bargaining agreement; or

(e) as giving any Participant the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or other person at any time; provided, however, that the foregoing will not be deemed to modify the provisions of any collective bargaining agreements which may have been entered into by the Employer with the bargaining representatives of any Participant.

Section 19.04. Federal and State Taxes. It is intended that Annual Deferrals other than Roth Contributions under this Plan, plus any earnings thereunder, are excludable from gross income for federal and state income tax purposes until paid to Participants or Beneficiaries, and that Roth Contributions and earnings thereunder are excludable from gross income for federal and state income tax purposes when paid to Participants or Beneficiaries to the extent that they are Qualified Distributions. However, the Administrator does not guarantee that any particular federal or state income, payroll, or other tax consequence will occur as a result of participation in this Plan.
(e) **Erroneous Payments.** Effective January 1, 2009, a Participant whose employment is interrupted by qualified military service or who is on a leave of absence for qualified military service and who receives a differential wage payment within the meaning of Section 414(u)(12)(D) of the Code from the Employing Institution, shall be treated as a Participant who is eligible to make Annual Deferrals under Section 457(b) of the Code and the differential wage payment shall be treated as Compensation and Includible Compensation. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner. However, such individual shall be treated as having a Severance from Employment during any period the individual is performing qualified military service for purposes of electing to take a distribution from the Plan. An individual who elects to take a distribution on account of qualified military service may not make an Annual Deferral with respect to differential wage payments during the six-month period beginning on the date of the distribution.

**Section 19.14. Lost Participants.** The Administrator shall make all reasonable attempts to determine the identity and address of a Participant or a Participant's Beneficiary entitled to benefits under the Plan. For this purpose, a reasonable attempt means (i) the mailing by certified mail of a notice to the last known address shown on the Employing Institution's or the Administrator's records, (ii) notification sent to the Social Security Administration or the Pension Benefit Guaranty Corporation (under their program to identify payees under retirement plans), and (iii) the payee has not responded within six (6) months. If the Administrator is unable to locate such a person entitled to benefits hereunder, or if there has been no claim made for such benefits, the Trust Fund shall continue to hold the benefits due such person.

**Section 19.05.** If the Administrator or Vendor makes any payment that, according to the terms of the Plan and the benefits provided hereunder, should not have been made, the Administrator or Vendor may recover that incorrect payment, by whatever means necessary, whether or not it was made due to the error of the Administrator or Vendor, from the person to whom it was made, or from any other appropriate party. For example, if any such incorrect payment is made directly to a Participant, the Administrator or Vendor may deduct it when making any future payments directly to that Participant.

**Section 19.06. Benefit Payment Issue Resolution.** The Administrator, or its designee, if in doubt regarding the correctness of its action with respect to a benefit payment, may direct suspension of payment until satisfied as to the correctness of the payment or the person to receive the payment. Alternatively, the Administrator, or its designee, may file, in any state court of competent jurisdiction, a suit, in the form it deems appropriate, for legal determination of the benefits to be paid and the persons to receive them. The Administrator, or its designee, may also bring a suit, or take other action as it deems appropriate, to resolve questions involving investment directions. The Administrator shall comply with the final order of the court in any such suit, and Participants and the Administrator shall be bound by such an order, insofar as it affects the benefits payable under this Plan, or the method or manner of payment.

**19.15. Section 19.07. Release.** Any payment to any Participant shall, to the extent thereof, be in full satisfaction of the claim of such Participant being paid thereby and the Trustees or Administrator may condition payment thereof on the delivery by the Participant of the duly executed receipt and release in such form as may be determined by the Trustees or Administrator.
19.08. **Liability.** The Administrator shall not incur any liability in acting upon any notice, request, signed letter, telegram or other paper or document or electronic transmission believed by the Board and Administrator to be genuine or to be executed or sent by an authorized person.

19.09. **Necessary Parties Information Provided by the Participant.** Each Participant should provide to Disputes. Necessary parties to the Administrator at the time of initial enrollment, and later if there are any accounting, litigation, changes, any information necessary or other proceedings relating advisable for the Administrator to administer the Plan.

19.10. **Family Medical Leave Act.** Notwithstanding any provisions of this Plan to the Plan contrary, Contributions and benefits with respect to qualified leave will be provided in accordance with the Family Medical Leave Act of 1993, 29 U.S.C. Section 2601 et seq.

19.11. **Payments to Minors or Incompetents.** If a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is determined to be legally incapable of giving valid receipt and discharge for such benefits by a court or by the Administrator, benefits shall be paid to such person as the Administrator may designate for the benefit of such Participant or Beneficiary. Such payments shall be considered a payment to the Participant or Beneficiary and shall, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.

19.12. **Missing or Lost Participants.** In the event that the Administrator does not have current contact information for or is unable to identify a Participant or Beneficiary under the Plan, the Administrator shall make reasonable attempts to determine the address and identity of the Participant or Beneficiary entitled to benefits under the Plan. A reasonable attempt to locate a missing or lost Participant or Beneficiary shall include only (i) providing notice to the Participant at the Participant's last known address via certified mail; (ii) determining whether the Employer's records or the records of another plan maintained by the Employer has a more current address for the Participant; (iii) attempting to contact any named Beneficiary of the Participant; and (iv) searching for the missing Participant via free electronic search tools, such as Internet search engines, public record databases, obituaries, and social media. If such search methods are unsuccessful, based on the facts and circumstances, the Administrator may use other search methods, including using Internet search tools, commercial locator services, credit reporting agencies, information brokers, investigation databases, and analogous services that may involve charges. The Administrator may charge missing Participants and Beneficiaries reasonable expenses for efforts to find them.

19.13. **Indemnification.** The Employer shall satisfy any liability actually and reasonably incurred by any members of the Board and the Administrator. The settlement or judgment in any such case or any person to whom any power, authority or responsibility of the Administrator is delegated pursuant to Section 15.03, except a Vendor or other service provider. These liabilities include expenses, attorney's fees, judgments, fines, and amounts paid in which the Board are duly served shall be binding upon all affected Participants connection with any threatened, pending or completed action, suit or proceeding related to the exercise (or failure to exercise) of this authority. This is in the Plan, additional to whatever rights of indemnification exist under the regulations or by-laws of the Employer, under any provision of law, or under any other
agreement; provided, however, that the Employer will not satisfy any such liability to the extent that the person did not act in good faith.

Section 19.14. No Reversion. Under no circumstances or conditions will any Annual Deferrals revert to, be paid to, or inure to the benefit of, directly or indirectly, the Employer, but shall be held for the exclusive purpose of providing benefits to Participants and their Beneficiaries, estates and upon defraying the reasonable expenses of administering the Plan. However, if Annual Deferrals are made by the Employer by a good faith mistake of fact, such amount may be returned to the Employer within one year of the date that they were made to the Plan.

19.17. Section 19.15. Finality of Determination. All determinations with respect to crediting of service under the Plan are made on the basis of the records of the Employer, and all determinations made are final and conclusive upon Employees, former Employees, and all other persons claiming by, through or a benefit under the Plan.

Section 19.18. Severability. If Counterparts. The Plan may be executed in any number of the Plan counterparts, each of which shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of the Plan shall be deemed to be fully effective.

19.19. Section 19.16. Supersession. The terms of the Plan shall constitute but one and the same instrument and shall supersede be evidenced by any previous agreement between the parties pertaining to the Plan one counterpart.
IN WITNESS WHEREOF, the Board of Regents of the University System of Maryland has caused this amended and restated Plan to be affixed the signature of executed by its duly authorized representative as of the date written below, but effective as of January 1, 2020.

UNIVERSITY SYSTEM OF MARYLAND
BOARD OF REGENTS

____________________________________
Signature

____________________________________
Printed

____________________________________
Title

____________________________________
Date On behalf of the Board of Regents of the University System of Maryland

____________________________________
Date Chancellor
APPENDIX A

APPROVED VENDORS

The current selection of Vendor(s) is not intended to limit future additions or deletions of Vendor(s). The Administrator from time to time may add or delete Vendor(s) which shall be effective on the date adopted by the Administrator and shall be reflected in a revised Appendix A.

1.1 Approved Vendors

As of January 1, 2020, the Board has approved the following Vendors under the Plan:

- TIAA
- Fidelity Investments

1.2 Former Vendors

As of January 1, 2008, the Former Vendor under the Plan is AIG VALIC.