

**AGENDA
TOWN OF JUPITER ISLAND
TOWN COMMISSION MEETING
WEDNESDAY, OCTOBER 29, 2025, 9:00 AM
ISLAND ROOM – TOWN HALL – 2 BRIDGE ROAD**

PLEDGE OF ALLEGIANCE

CALL TO ORDER AND ROLL CALL

AGENDA APPROVAL AND COMMENTS*

A. Mayor/Commissioner Comments

- a. Town Coffee Update
- b. Commissioner Comments
- c. Agenda Approval

The Town Commission meeting will recess at approximately 12:00pm (noon) to conduct a closed-door Attorney Client Session in the Town Hall Conference Room, which is estimated to last approximately one hour, but may continue as long as necessary to conduct required business. The Town Commission will reconvene once the Attorney Client Session has adjourned.

B. Public Comment

Public Comment is an opportunity for the Mayor and Town Commissioners to listen to any issue(s) of importance to you. Public Comment is offered at the beginning of our meetings, in the event attendees cannot stay in chamber for the agenda item or meeting duration. If you elect to address an item on today's agenda during opening Public Comment, we ask that you please refrain from re-addressing the item during Public Comment at the agenda item. Residents also may submit comments, at any time, to the Mayor and Commissioners into the public record: THMail@tji.martin.fl.us. (Please email Public Comment at least one business day prior to the meeting to ensure timely distribution to the Mayor and Commissioners.)

The Town Commission will recess at approximately (or as reasonably close to the time as possible) 10:30am, 12:00pm, and shortly before the conclusion of the meeting – timing dependent on the meeting's length – in order to review any public comments submitted during the meeting. All comments received will be read into the record following each scheduled recess.

CONSENT ITEMS

1. **Consent Agenda**

Category A- To be reviewed and approved (as is or as edited) by the Town Commission

- a. Minutes of the September 16, 2025, Town Commission Meeting
- b. Minutes of September 16, 2025, 1st Budget Hearing – General Fund
- c. Minutes of September 19, 2025, 2nd Budget Hearing — General Fund
- d. Disposal of Property

Category B- Other Informational Materials (No Action Required)

- a. Minutes of August 7, 2025, Impact Review Committee Meeting

PRIORITY MATTERS AND PRESENTATIONS

2. Guest Speakers

- a. Supervisor of Elections — Vicki Davis*
- b. Lethal Yellowing/Lethal Bronzing – Dr. Brian Bahder
 1. Dr. Bahder Presentation*
 2. ORD 118 Consideration

3. Comprehensive Plan Survey Questions and Timeline Review – Kimley Horn

COMMISSION ACTION ITEMS

4. Resolution No. 945 – Amending Building Department Fee Schedule

5. Resolution No. 946 — Approving Amendment to Retirement Plans

6. Spending Authorizations

- a. Public Safety Vehicles (3)
- b. Public Works Frontend Loader
- c. Public Works Three-Quarter-Ton Pick Up Truck
- d. Public Works — Coastal Waste, Inc.
- e. AGW Capital Advisors

7. Ordinance No. 408 – Amending Town Code regarding Criteria for Variances – 1st Reading

8. Ordinance No. 413 – Designating an Administrative Official to Approve Plats and Replats – 1st Reading

ADDITIONAL COMMISSION MATTERS

9. Remote Participation Update

10. Private Road Construction and Maintenance Standards Discussion*

11. Elected Official Legal Fees

STANDING REPORTS

12. Town Manager’s Report*

- a. State Legislative Items — Kelly Layman

1. Martin County Legislative Delegation Report*
 2. Correspondence with Florida League of Cities
 3. Property Tax Reform
 - b. Other Items*
13. Town Attorney Report*
 14. Finance Department Report
 15. Building Department Report
 - a. Development Review Board Workshop and Meeting Update
 - b. Building Department and Code Enforcement Reports
 16. Public Safety Department Report
 - a. Electric Bicycles (E-Bikes) – Ordinance Suggestions and Discussion
 - b. Activity Report
 17. Public Works Department Report*
 - a. Isle Ridge Resurfacing
 - b. Ficus Allée and Town Hall Entrance Update

OTHER ITEMS

18. Meeting Dates

October 28, 2025 – Town Coffee with Commissioner Warner – 9am
October 28, 2025 – Beach Protection – 10am
October 29, 2025 – Town Commission Meeting – 9am
November 19, 2025 – Town Coffee with Mayor Townsend – 9am
November 19, 2025 – SMRU and Beach District Meetings – 10am
November 20, 2025 – Town Commission Meeting – 9am
December 16, 2025 – Town Coffee with Commissioner Field – 9am
December 16, 2025 – Beach Protection – 10am
December 17, 2025 – Town Commission Meeting – 9am
December 17, 2025 – Annual Town Staff and Board/Committee Member Appreciation Luncheon – 12pm
19. Other Items*

** No advanced materials provided*

TOWN COMMISSION

Penny Townsend, Mayor
Anne Scott, Vice Mayor

Marshall Field VI, Commissioner
Patricia Warner, Commissioner
Joseph Taddeo, Commissioner

ADMINISTRATIVE STAFF

Town Manager, Robert Garlo
Town Attorney, Thomas J. Baird
Town Clerk, Kimberly Kogos

TOWN VISION

The Town of Jupiter Island is a barrier island community, between the Indian River Lagoon and the Atlantic Ocean, where the beauty of nature will always dominate the presence of man. Our vision for the future is illustrated by the traditions of the past, formed by a community of caring individuals who, with imagination and heart, have combined the island's beautiful gifts of nature with those of tradition and family. Inherent in the character of the Town are tranquility, seclusion and safety. The residents of Jupiter Island will faithfully endeavor to preserve and nurture their unique community for all future generations

STATE MANDATED STATEMENT

If a person decides to appeal any decision made by the board, agency, or commission with respect to any matter considered at such meeting or hearing, he will need a record of the proceedings, and that, for such purpose, he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. Any person requiring a special accommodation at this meeting because of a disability or physical impairment should contact the Town prior to the meeting. Please contact the Town Hall, 2 Bridge Road, Hobe Sound, FL 33455, telephone (772) 545-0103.

PUBLIC NOTICE OF PRIVATE ATTORNEY- CLIENT MEETING

TOWN OF JUPITER ISLAND, FLORIDA

TO THE CITIZENS OF THE TOWN OF JUPITER ISLAND, FLORIDA

Please be advised that the members of the Town of Jupiter Island Town Commission will hold a **private attorney session** as part of a Town Commission meeting to be held on **WEDNESDAY, OCTOBER 29 2025**, at the Jupiter Island Town Hall, 2 Bridge Road, Hobe Sound, FL 33455. During the Town Commission meeting, the Town Commission will recess to a private Attorney-Client meeting at approximately **12:00 PM** to be held in the Town Manager's Conference Room as authorized by §286.011(8), *Florida Statutes* to discuss pending litigation in the case styled:

DAVID S. SLAN, JOANNA C SLAN, ARTHUR HANSEN AND ANTHONY HANSEN V. TOWN OF JUPITER ISLAND, 19th Circuit Court Case No.: 23-00-1607-CAAA

The members of the Town Commission expected to attend the private Attorney-Client meeting include Mayor Penelope (Penny) Townsend, Vice-Mayor Anne Scott, Commissioners Marshall Field, VI, Patricia "Patsy" Warner and Joe Taddeo, Town Attorney Thomas J. Baird or Brett Lashley, Special Counsel, Raquel "Rocky" Rodriguez and/or Kyle Teal, and Town Manager Robert Garlo or in his absence, Assistant Town Manager John Duchock.

The Attorney-Client meeting is expected to begin at approximately **12:00 PM**, and is anticipated to last for approximately 1 hour, however, it may continue so long as the members of the Town Commission determine necessary. At the conclusion of the private Attorney-Client meeting, the Town Commission will re-convene its meeting in the Town Commission Chambers and take up any other items on the agenda.

For information, please contact Kimberly Kogos, Town Clerk at 772-545-0100.

Posted: 10/22/2025

#7407926 v1 18270-00002

**MINUTES
TOWN OF JUPITER ISLAND
TOWN COMMISSION MEETING
TUESDAY, SEPTEMBER 16, 2025**

TIME: Tuesday, September 16, 2025 – 9:00 AM
PLACE: Town Hall Island Room – 2 Bridge Rd., Hobe Sound, FL
PRESENT: Present were Mayor Penny Townsend, Vice Mayor Marshall Field VI, and Commissioners Anne Scott, Patricia Warner and Joseph Taddeo. Also present were Town Manager Robert Garlo, Town Clerk Kimberly Kogos, Town Attorney Thomas Baird and IT Director Bill Sutton.

PLEDGE OF ALLEGIANCE

CALL TO ORDER AND ROLL CALL

AGENDA APPROVAL AND COMMENTS*

A. Mayor/Commissioner Comments

Mayor Townsend called the meeting to order at 9:00 AM and read the Town Vision statement. Mayor Townsend thanked the Impact Review Committee members who had returned to Town this summer and formed a quorum. She reflected on the 9/11 Memorial, noted the Town Commission’s role as volunteers, and called for a moment of silence.

- a. Commissioner Comments

There were no additional comments.

- b. Agenda Approval

MOTION: *Commissioner Field/Commissioner Taddeo moved to approve agenda as presented.*

ACTION: *Motion Passed 5-0.*

- c. Other Comments

There were no other comments.

The Town Commission meeting will recess at approximately 12:00pm (noon) to conduct a closed-door Attorney Client Session in the Town Hall Conference Room, which is estimated to last approximately one hour, but may continue as long as necessary to conduct required business. The Town Commission will reconvene once the Attorney Client Session has adjourned.

B. Public Comment

There were no public comments at this time.

Public Comment is an opportunity for the Mayor and Town Commissioners to listen to any issue(s) of

importance to you. Public Comment is offered at the beginning of our meetings, in the event attendees cannot stay in chamber for the agenda item or meeting duration. If you elect to address an item on today's agenda during opening Public Comment, we ask that you please refrain from re-addressing the item during Public Comment at the agenda item. Residents also may submit comments, at any time, to the Mayor and Commissioners into the public record: THMail@tji.martin.fl.us. (Please email Public Comment at least one business day prior to the meeting to ensure timely distribution to the Mayor and Commissioners.)

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CONSENT ITEMS

1. Consent Agenda

MOTION: *Commissioner Field/Commissioner Taddeo moved to approve consent agenda as presented.*

ACTION: *Motion Passed 5-0.*

Category A- To be reviewed and approved (as is or as edited) by the Town Commission

- a. Minutes of the July 22, 2025, Town Commission Meeting
- b. Fixed Asset Disposals

Category B- Other Informational Materials (No Action Required)

- a. Minutes of May 5, 2025, Impact Review Committee Meeting

Vice Mayor Scott questioned the approval of the May 5, 2025, meeting minutes, noted that the committee met on May 1, 2025, instead of May 5, and expressed concern over delegating responsibilities to lower boards and committees.

Commissioner Field expressed concern regarding timely hearing of development applications. Discussion ensued.

- b. Minutes of May 8, 2025, Pension Board Meeting
- c. Minutes of May 8, 2025, Town/SMRU Defined Contribution Meeting

PRIORITY MATTERS & PRESENTATIONS

The new Code Enforcement Officer, John Jenkins, was introduced to the Town Commission and expressed appreciation for the opportunity.

2. Kimley Horn Presentation

a. Final Density Study

Hadley Petersen of Kimley-Horn provided an update of the Density Study that Kimley-Horn conducted for the Town. She provided background information and explained barriers to development including lot development regulations (i.e. setbacks, access, lot width), natural features (i.e. unsuitable solids, flood-prone areas, mangroves), and publicly and privately owned conservation lands. She reviewed residential parcels meeting minimum zoning requirement for subdivision, explaining that there are 213 units that could be added to the Town.

Ms. Petersen explained the Town and County service impacts including:

- Transportation and Roadways - currently operates at a Level of Service (LOS) C and additional units would not adversely affect the current level of service.
- Sanitary Sewer Service - septic system reliance could affect water quality.
- Potable Water - there will be an increase by about 2%, potentially exceeding current capacity.
- Solid Waste Disposal - waste generation would rise significantly
- Emergency Services - Law enforcement, fire rescue and Emergency Medical Services staffing a service remain adequate.

The Town Commission expressed surprise and concern that the level of service would not be adversely affected. Discussion ensued regarding how to address the level of service and how Senate Bill 180 affects the Town. Discussion continued regarding potable water supply.

Vice Mayor Scott asked how the Town Commission would proceed and what outcomes were expected. Mayor Townsend said the density study was commissioned to inform the comprehensive plan and align the Land Development Regulations (LDRs). Mayor Townsend noted concerns from the Kimley-Horn analysis indicating a potential 42% increase in island housing stock and urged a policy-first approach.

Ms. Petersen stated that discussions from today and prior meetings would be used to inform draft policies for the comprehensive plan. She reported that the policies were being finalized, with data from SMRU needed to complete the infrastructure element, and that the draft would be provided to staff for review. She noted a targeted focus group discussion was scheduled for October.

Mayor Townsend confirmed that the Evaluation and Appraisal Report (EAR) documents must be submitted to the state no later than July 1, 2026. She requested that the schedule be spaced to allow sufficient time for the discussions suggested by Commissioner Scott and others. She recommended setting a submittal date in April 2026 to provide adequate time for review and noted uncertainty regarding the formation of a focus group.

Ms. Petersen stated that the EAR letter had been submitted to the state by the Building Director, which initiated the timeline and established a deadline of July 1, 2026, for submission of the EAR documents.

Vice Mayor Scott expressed that policies should be created to legally protect the Town and its density as it currently is. She stated that the Town has reached its peak of development. She suggested that Kimley-Horn draft policies that reflect that vision. Ms. Petersen explained Kimley-Horn's process in creating the language for such policies. In summary, the Town Commission agreed that the development threshold had been met, and the level of service should be improved.

b. Comprehensive Plan Schedule Review

The focus group was scheduled to be deferred until December since the majority of residents are not in Town prior.

Staff was directed to revise the schedule within the next two weeks to create additional touch points with the Town Commission and focus groups between November and April.

Commissioner Warner suggested the use of a survey to provide broader feedback than a focus group and recommended including non-residents such as contractors, attorneys, and realtors.

COMMISSION ACTION ITEMS

3. Winter Waiver Request - 251 South beach Rd. (Hamm)

Attorney Jared Gaylord, on behalf of Ted Hamm, greeted the Town Commission, and introduced his project team. He provided aerial views of the property in question and older photographs of the existing, exposed seawall as well as video footage acquired from Department of Environmental Protection (DEP). He reviewed DEP and Town development regulations specifically to protect sea turtle nesting locations. He reviewed a proposed construction schedule that ranges from October 8, 2025, through February 20, 2026. He confirmed that a "Silent Piler" is proposed for construction use.

Mayor Townsend stated that, historically, the Town had approved winter construction for seawalls due to sea turtle nesting protections.

Vice Mayor Scott asked if more natural alternatives were considered. Discussion ensued regarding new seawalls. It was pointed out that the property in question had an existing seawall that could be shored up, not reconstructed.

MOTION: *Commissioner Warner/Commissioner Field moved to approve the winter waiver request at 251 South Beach Road.*

ACTION: *Motion Passed 4-1; Vice Mayor Scott opposed.*

4. Resolution No. 940 - Administrative Official to Approve Plats and Replats

Town Attorney Baird provided an overview of the resolution and the associated state requirements. Vice Mayor Scott noted that replatting could create rights of way and could have impacts on adjacent properties. She suggested notice to the Town Commission and written findings from the building department to ensure compliance with Town regulations.

Mayor Townsend suggested approving Resolution 940 and bringing back an Ordinance that will be codified in which specific directives could be clarified. Commissioner Field suggested adding language "approved after consultation with the Town Commission". Discussion ensued. Mayor Townsend clarified that the Comprehensive Plan and zoning regulations drive the approval or denial of plats and replats.

MOTION: *Commissioner Taddeo/Commissioner Warner moved to approve Resolution No. 940 as presented*

ACTION: *Motion Passed 3-2*

*Town Commission recessed at 10:41am.
Town Commission adjourned at 10:49am.*

5. Resolution No. 941 - Abandon Devonshire Lane

Town Manager Garlo provided resident comments from Karen Testa. He noted that the abandonment only refers to the western portion of Devonshire Lane. Mayor Townsend stated she clarified with Mrs. Testa who has since retracted her opposition.

Discussion ensued regarding retaining public access. Director Duchock provided an explanation of the location and request of the proposed abandonment. He noted that the abandonment does not include the cross-street connection between Gomez Rd and South Beach Road. He also noted that the Lane services two abutting properties with no through traffic or public use, is less than 10' wide paved surface, the Right of Way (ROW) width is 25', is approximately 578' length from Gomez Road ROW to the Intracoastal water, and there is an aging seawall that requires repair.

Vice Mayor Scott questioned the consistency of ROW abandonments. Following discussion, the Town Commission reached consensus that Town Manager Garlo would issue written notice for all violations, including the current matter.

MOTION: *Vice Mayor Scott/Commissioner Taddeo moved to table without prejudice.*

ACTION: *Motion Passed 5-0.*

Resolution No. 941 tabled without prejudice (postponed consideration but may be brought for discussion at a later meeting). Staff will work with abutting neighbors to move forward.

6. Resolution No. 942 - Authorizing Participation in Lawsuit to Oppose SB 180

Town Attorney Baird provided background information regarding the lawsuit in opposition to Senate Bill 180, stating that to date, there are 21 local governments who currently oppose the legislation. Town Manager Garlo explained that there may be unintended consequences to oppose state legislation. Commissioner Field noted that the Town may not be able to revise its Comprehensive Plan due to Senate Bill 180. Discussion ensued.

MOTION: *Vice Mayor Scott/Commissioner Warner moved to table resolution 942 without prejudice.*

ACTION: *Motion Passed 5-0.*

7. Ordinance No. 409 - Appeal Process - 2nd Reading

Town Attorney Baird read Ordinance No. 409 by title.

Town Manager Garlo referred to Page 3, 9a, and questioned the timeliness of Town Commission notification of a Development Order. He suggested an internal policy to rectify the concern. **He explained that the Building Department will date-stamp the development order, send to stakeholders including Commissioners, and post to the Town website.**

Vice Mayor Scott expressed concerns regarding the ordinance, including de novo and appeals rules. Mayor Townsend noted the resident appeal process remained unchanged. Discussion ensued.

Mayor Townsend referred to page 3, 9c, and questioned the wording of "4" or "supermajority" to pass. **Consensus was gained to use the word "supermajority"**.

Vice Mayor Scott stated she wanted to review appeal ordinances from other municipalities for comparison. Discussion continued regarding expressed concerns.

MOTION: *Commissioner Field/Commissioner Warner moved to approve Ordinance No. 409 with procedural considerations and language change as discussed.*

ACTION: *Motion Passed 4-1, Vice Mayor Scott opposed.*

8. Ordinance No. 410 - Amending Code regarding Permits - 2nd Reading

Town Attorney Baird read Ordinance No. 410 by title.

MOTION: *Commissioner Field/Commissioner Taddeo moved to Approve Ord 410 as presented.*

ACTION: *Motion Passed 5-0.*

9. Ordinance No. 411 - Combining BOA and IRC - 2nd Reading

Town Manager Garlo read comments from resident Nancy Auth.

a. Ordinance No. 411 2nd Reading

Town Attorney Baird read Ordinance 411 by title.

Mayor Townsend noted that the portion of the title that refers to variances would need to be removed. She stated the board should have seven (7) members with attendance requirements and staggered terms to avoid full turnover. She emphasized including waiver criteria along with variance standards and suggested requiring members to commit in advance to summer meetings. She recommended that the board elect a chair annually, add a vice chair, and follow the Town Commission's adopted rules. She concluded that with seven members, the quorum should be four, and attendance provisions should be strengthened.

Commissioner Warner suggested adding language regarding Vice Chair position. She stated that on Page 3, Item 2 at the bottom, the language requiring the board to elect a chair each January should be removed, since the rotation already provided for in the ordinance covers this process. Commissioner Field supported the idea of establishing some form of rotation to address this concern. There was consensus to eliminate the Vice Chair position.

The Town Commission recessed at 11:59am.

The Town Commission reconvened at 1:30pm.

Following the Attorney Client session, Mayor Townsend summarized the proposed revisions. The board would consist of seven members with a quorum of four. Authority and powers would include variances

and criteria for waivers. Terms would be staggered. The provision requiring the board to elect a chair in January would be removed. The references on Page 2 to subdivision decisions would also be deleted since that was no longer applicable.

MOTION: *Commissioner Warner/Vice Mayor Scott moved to approve Ordinance No 411 with changes as discussed.*

ACTION: *Motion Passed 5-0.*

Mayor Townsend questioned the effective date and Town Attorney Baird confirmed it is upon execution.

Director Harding stated that she and Attorney Baird plan to provide an orientation for the new board.

b. Development Review Board Members

Discussion ensued regarding potential board members. The Commissioner affirmed the following:

Regular Members: Truman Hobbs, Jennifer Madden, Maria Byazid, Judy Holden as Chair, Nancy Auth, Christina Whitney, and Bonnie Schiralli.

Alternate Members: Deane Blazie, Eleanor Seaman, and Walter McCormick.

c. Development Review Board Criteria

Discussion regarding Board criteria ensued.

Mayor Townsend and Commissioner Taddeo submitted comments. Mayor Townsend noted that although she and Commissioner Taddeo had made notes on criteria, their comments carried no legal bearing until incorporated into an ordinance.

Commissioner Taddeo emphasized the importance of consistency and recommended that all suggestions from board and committee members be gathered and reviewed by the Town Commission when considering the criteria.

10. Ordinance No. 412- Dock Lighting - 2nd Reading

Attorney Baird read Ordinance No. 412 by title.

MOTION: *Commissioner Taddeo/Commissioner Field moved to Approve Ordinance No. 412 as presented.*

ACTION: *Motion Passed 5-0.*

11. Road Resurfacing Piggyback Contract (Sunshine Land Design)

a. Contract Approval Request

Director Duchock explained the contract approval request and provided background information. He

stated that staff recommends entering into a piggyback contract with Sunshine Land Design.

Vice Mayor Scott requested a link to the contract in the future, instead of a full hard copy.

MOTION: *Vice Mayor Scott/Commissioner Taddeo moved to approve the piggyback contract approval request as presented.*

ACTION: *Motion Passed 5-0.*

- b. Work Authorization Request - Isle Ridge

Director Duchock provided an explanation and background of the work authorization request.

MOTION: *Vice Mayor Scott/Commissioner Taddeo moved to approve the work authorization request for Isle Ridge as presented.*

ACTION: *Motion Passed 5-0.*

12. Town Manager Evaluation

- a. Town Manager Evaluation Discussion

Mayor Townsend stated that the Town Manager had reviewed the submitted evaluations and comments, as well as the Commissioners.

Commissioner Taddeo spoke to the Town Managers objectives and expressed particularly positive comments regarding the Town Manager's accomplishments and outstanding performance. He referred to a list of salaries of neighboring municipal Managers. He suggested a 15% bonus (last year was 10%).

MOTION: *Commissioner Taddeo/Commissioner Field moved to approve a bonus of 15%, or \$39,375.*

ACTION: *Motion Passed 5-0.*

- b. Director Accomplishments and Objectives - Review and Discussion

Commissioner Taddeo expressed positive remarks regarding the good management of the Directors.

13. Finance Matters

- a. Approval of the 2025-2026 Property, Casualty, and Ancillary Insurance Policies

Director Pazanski provided a review of the 2025-26 Property, Casualty, and Ancillary Insurance Policies. He stated that the insurance renewal quotes from FMIT reflect an approximate 2.5% decrease from last year. He stated that staff recommends approving as presented.

MOTION: *Vice Mayor Scott/Commissioner Taddeo moved to approve as presented.*

ACTION: *Motion Passed 5-0.*

- b. Approval of 2025-2026 Employee Insurance Benefits

Director Pazanski provided background and information regarding the employee insurance benefits and stated the goal to remain competitive with other municipalities. He noted that Florida Blue was the only company who provided a quote this year and consultant Gehring Group was successful in negotiating a 9.% increase down from the initial 13.7% for the Town's PPO Plan. He briefly reviewed the additional benefits and rates. He stated that staff recommends approval of the proposed employee insurance benefits.

Director Pazanski noted that collective bargaining approvals will be presented during the 2nd budget hearing on September 19th.

MOTION: *Commissioner Field/Commissioner Taddeo moved to approve 2025-2026 employee insurance benefits as presented.*

ACTION: *Motion Passed 5-0.*

c. Financial Report Year-to-Date

Director Pazanski provided a presentation of the current Year-to-Date financial report. Total revenues are \$12.89 million and expenses are \$11.56. He reviewed the interim balance sheet and noted that checks have been received from FEMA for the Beach District. Town Manager Garlo noted the County cost share of \$9m as well.

d. FY 2025-2026 Tentative Annual Budget

Director Pazanski reviewed the proposed budget, noting that the proposed millage rates had been noticed to residents as required. He explained the General Fund proposed revenues of \$13,587,227 and provided details of the fiscal year 2026 ad valorem revenue and projected expense changes including 5% COLA/Merit. He reviewed the general fund expenditures and 5-year capital plan.

Commissioner Field suggested an audit of all Town assets and building maintenance.

Commissioner Taddeo suggested a 6% raise for the Town Manager. Commissioner Field suggested bonuses vs. merit and COLA raises.

MOTION: *Commissioner Taddeo/Commissioner Warner moved to approve a 6% salary increase for the Town Manager.*

ACTION: *Motion Passed 5-0.*

Director Pazanski continued with his presentation and reviewed the additional funds and budgets. He reviewed the Beach Protection District Budget, Revenues and Expenses.

ADDITIONAL COMMISSION MATTERS

14. Ordinance No. 408 Section Discussion - Non-Conformities

Director Harding provided background, explaining that two portions had already been reviewed and approved including the increase of fill from 3 feet to 4 feet, and maintaining the Initial Measuring Point as is. She noted that today's review includes hardship variances.

The Town Commission considered how non-conforming structures and uses should be treated, with examples raised including club facilities and guest houses. Commissioners agreed that relaxing requirements could inadvertently expand development rights.

Town Attorney Baird clarified that all variances under the current ordinance must meet hardship standards. He noted that other jurisdictions often required non-conforming structures destroyed beyond 50 percent to be rebuilt in compliance with current code and suggested reviewing comparable codes.

Mayor Townsend summarized consensus to maintain hardship variances, with limited exceptions for neighbor-approved walls or fences and for court lighting. The Town Commission agreed that all other matters would remain subject to hardship variance standards.

Town Attorney Baird was directed to return Ordinance No. 408 clarifying that variances referred to hardship variances, with first reading scheduled for October.

15. Ficus Allée Update*

Director Duchock provided a review of Ficus Allée and Town Hall Ficus Tree Replacement pilot. He explained the removal of the Town Hall entrance trees and explained that replacement Strangler Fig trees will be planted within the upcoming weeks. He provided vintage aerial views of Town Hall and Ficus Allée to highlight immature vs. mature landscaping and provided a preliminary high-level Bridge Road Ficus Allée management plan.

STANDING REPORTS

16. Town Manager's Report

a. Elected Official Legal Expenses

Vice Mayor Scott recused herself from this agenda topic as it pertains to herself.

Town Manager Garlo introduced the topic and provided brief background information. Town Attorney Baird provided more detailed background and information regarding Ordinance No. 387 pertaining to elected official legal expenses. The request before the Town Commission is to reimburse Vice Mayor Scott's legal expenses in association with previous litigation.

Commissioner Taddeo asked if the expenses relate to depositions. Commissioner Field requested an affidavit from Vice Mayor Scott to explain the request as she was not a named party in the previous litigation. Town Attorney Baird suggested he speak with Vice Mayor Scott and her counsel to identify and define the itemized bill and bring back to the Town Commission for consideration.

b. Other Items*

Town Manager Garlo was excused from the meeting.

17. Town Attorney Report*

Town Attorney Baird elaborated on training for the new Development Review Board members. He

explained the sessions would cover Sunshine Law, public records, and the quasi-judicial process, including standards for variances and impact review. He noted similar trainings had been provided in Palm Beach, Jupiter, and Lake Park, and could be adapted for Jupiter Island and delivered via Zoom with printed copies available.

The Town Commission discussed logistics, including member notification, scheduling, recording sessions for those unable to attend, and ensuring compliance with Sunshine Law. Staff was directed to coordinate invitations and dates, with follow-up from the Town Attorney as needed.

Town Attorney Baird also requested an attorney-client session in October regarding the Slan case.

18. Building Department Report

a. Private Road Construction Discussion

Director Harding stated that she discussed the topic with Stuart Trent, Director of Engineering, who stated that while private roads could be considered similar to multi-property driveways, permits should still be required. He emphasized that reviews should address engineering, stormwater, and adjacent impacts, even if formal road construction standards were not adopted.

b. Building Department and Code Compliance Reports

Director Harding provided a review of the building department report including code compliance.

19. Public Safety

a. Electric Bicycles (E-Bikes)*

Chief Ewing explained the three classes of electric bicycles:

- Class 1 requires pedals and has no throttle, with speeds up to 20 miles per hour;
- Class 2 includes a throttle and could operate without pedaling, also up to 20 miles per hour; and
- Class 3 operates by throttle only, with speeds up to 28 miles per hour and a 750-watt limit.

He noted that E-Motos and modified bicycles exceeding these limits were illegal.

Chief Ewing recommended restrictions on e-bike use, including prohibiting Class 3 e-bikes for juveniles within the Town. He cautioned against forcing minors off sidewalks and onto Bridge Road, noting potential liability. He advised that minors under age 16 be limited to Class 1 and Class 2 e-bikes, with sidewalk use permitted only on Bridge Road. He reported that enforcement concerns were primarily on Bridge Road and North Beach, not South Beach. Discussion ensued regarding safety concerns.

b. Activity Report

Chief Ewing reviewed the Public Safety Activity Report, noting that the summer was busy, but no major criminal activity occurred.

Mayor Townsend asked about the previously discussed monitoring station. Chief Ewing noted that the currently proposed site is not favorable at this time. Alternative site locations are under review.

OTHER ITEMS

20. Meeting Dates

- September 16, 2025 – Town Commission Meeting – 9am**
- September 16, 2025 – 1st Budget Hearing – 5:01 pm**
- September 19, 2025 – Town Coffee with Mayor Townsend – 9am**
- September 19, 2025 – SMRU and Beach District Meeting – 10am**
- September 19, 2025 – 2nd Budget Hearing – 5:01 pm**
- October 28, 2025 – Town Coffee with Commissioner Warner – 9am**
- October 28, 2025 – Beach Protection – 10am**
- October 29, 2025 – Town Commission Meeting – 9am**
- November 19, 2025 – Town Coffee with Mayor Townsend – 9am**
- November 19, 2025 – SMRU and Beach District Meetings – 10am**
- November 20, 2025 – Town Commission Meeting – 9am**

Commissioners agreed to hold December 16 or 17, and inquire if one of those dates will work for the annual holiday luncheon. Town Clerk Kogos will follow up.

21. Other Items*

Mayor Townsend announced Stephanie Flinn’s resignation from the Beautification Committee. She stated she did not have a replacement at this time.

Mayor Townsend asked about the vulnerability study and the king tides on River Road. Director Duchock stated that Kimley-Horn should be ready to provide an update toward the end of October. He also mentioned Issemenger and Stubbs who the Town engaged with.

No other topics were discussed.

The Town Commission meeting adjourned at 4:42 PM.

Respectfully submitted,

Kimberly Kogos, Town Clerk

**MINUTES
TOWN OF JUPITER ISLAND
TOWN COMMISSION 1ST BUDGET HEARING
TUESDAY, SEPTEMBER 16, 2025**

TIME: Tuesday, September 16, 2025 – 5:01 PM
PLACE: Town Hall Island Room – 2 Bridge Rd., Hobe Sound, FL
PRESENT: Present were Mayor Penny Townsend, Vice Mayor Marshall Field VI, and Commissioners Anne Scott, Patricia Warner and Joseph Taddeo. Also present were Town Clerk Kimberly Kogos, Town Attorney Thomas Baird and IT Director Bill Sutton.

AGENDA

1. Pledge of Allegiance

Mayor Townsend called the meeting to order at 5:01pm.

2. Open Public Hearing

a. Discussion - Percentage Change in Proposed Millage Rates Over/Under the Rolled-Back Rates Necessary to Fund the FY 2025-2026 General Fund Operating Budgets

Director Pazanski opened the public hearing and stated the General Fund proposed FY 2025-2026 millage rate is 2.8259, with an 8.29% increase over the rolled back rate. This millage will generate \$10,800,744 in budgeted Ad Valorem revenue to cover the operating and capital costs of the Town.

b. Discussion of the FY 2025-2026 General Fund Operating Budgets

Director Pazanski presented the proposed 2025-2026 budget revenues and provided details pertaining to the estimated expenditures in the amount of \$13,587,227.

c. Public Comments

Mayor Townsend opened the floor to public comments. There was no public comment.

3. Close Public Hearing

Mayor Townsend closed the Public Hearing at 5:05pm.

4. Adopt Tentative FY 2025-2026 General Fund Millage Rates

MOTION: *Commissioner Field/Commissioner Taddeo moved to adopt the tentative millage rate of 2.8259.*

ACTION: *Motion Passed 5-0.*

5. Adopt Tentative FY 2025-2026 General Fund Operating Budgets

MOTION: *Commissioner Taddeo/Commissioner Field moved to adopt the tentative FY 2025-2026*

General Fund Operating Budget in the amount of \$13,587,227.

ACTION: Motion Passed 5-0.

6. Other Items

Director Pazanski reviewed the tentative budget and millage rates for the Electric Debt Service Fund as well as the Beautification, Conservation, and Christmas Funds.

MOTION: Commissioner Field/Commissioner Warner moved to adopt the tentative Electric Debt Service Fund millage rate of .2100

ACTION: Motion Passed 5-0.

MOTION: Commissioner Warner/Commissioner Field moved to adopt the tentative Electric Debt Service Budget of \$802,512.

ACTION: Motion Passed 5-0.

MOTION: Commissioner Field/Vice Mayor Scott moved to adopt the tentative Beautification (\$100,000), Conservation (\$50,000), and Christmas Fund (\$212,000) Budgets

ACTION: Motion Approved 5-0.

Mayor Townsend adjourned the meeting at 5:09pm.

Respectfully submitted,

Kimberly Kogos, Town Clerk

**MINUTES
TOWN OF JUPITER ISLAND
TOWN COMMISSION 2ND BUDGET HEARING
FRIDAY, SEPTEMBER 19, 2025**

TIME: Friday, September 19, 2025 – 5:01 PM
PLACE: Town Hall Island Room – 2 Bridge Rd., Hobe Sound, FL
PRESENT: Present were Mayor Penny Townsend, Vice Mayor Marshall Field VI, and Commissioners Anne Scott, Patricia Warner and Joseph Taddeo. Also present were Town Manager Robert Garlo (remotely), Town Clerk Kimberly Kogos, Town Attorney Thomas Baird and IT Director Bill Sutton.

AGENDA

1. Pledge of Allegiance*

Mayor Townsend called the meeting to order.

2. Open Public Hearing*

- a.** Discussion — Percentage Change in Proposed Millage Rates Over/Under the Rolled-Back Rates Necessary to Fund the FY 2025-2026 General Fund Operating Budgets

Director Pazanski began the public hearing by announcing the General Fund final FY 2025-2026 millage rate at 2.8259, with an 8.29% increase over the rolled back rate. He noted this millage will generate \$10,800,744 in budgeted Ad Valorem revenue to cover the operating and capital costs of the Town.

- b.** Discussion of the FY 2025-2026 General Fund Operating Budgets

Director Pazanski reviewed the final 2025-2026 Budget Revenues and estimated Expenditures in the amount of \$13,587,227. He also reviewed the final FY 2025-2026 Electric Debt Budget at \$802,512 with a millage rate of .2100, the final Christmas Fund Budget at \$212,000, the final Beautification Fund Budget at \$100,000, and the final Conservation Fund Budget at \$50,000.

- c.** Public Comments

Mayor Townsend opened the floor to public comments. There was no public comment.

3. Close Public Hearing*

Mayor Townsend closed the Public Hearing at 5:31pm.

4. Resolution No. 936 - Adopt Final FY 2025-2026 General Fund Millage Rates

Commissioner Warner inquired about the percentage rate increase over the rolled back rate. Director Pazanski provided clarification.

Mayor Townsend read Resolution 936 by title.

MOTION: *Commissioner Field/Commissioner Taddeo moved to approve Resolution 936 as presented.*

ACTION: *Motion Passed 5-0*

5. Resolution No. 937 - Adopt Final FY 2025-2026 General Fund Operating Budgets

Mayor Townsend read Resolution 937 by title.

MOTION: *Commissioner Field/Commissioner Taddeo moved to approve Resolution 937 as presented.*

ACTION: *Motion Passed 5-0*

6. Collective Bargaining Agreements

Director Pazanski informed the Commission that the Public Safety Department ratified the Collective Bargaining Agreements last night. He reviewed the Collective Bargaining Agreements, including the wage increases, pension changes, and overtime changes.

Commissioner Taddeo inquired about the change in retirement ages. Director Pazanski confirmed the change would be from age 65 to 50, and would be effective immediately.

- a. Resolution No. 943 - Ratification of Public Safety Dept./ Police Benevolent Assoc. Collective Bargaining Agreement - Sergeants

Mayor Townsend read Resolution 943 by title.

MOTION: *Commissioner Warner/Commissioner Taddeo moved to approve Resolution 943 as presented.*

ACTION: *Motion Passed 5-0*

- b. Resolution No. 944 - Ratification of Public Safety Dept. / Police Benevolent Assoc. Collective Bargaining Agreement - Corporals, Public Safety Officers & Dispatch

Mayor Townsend read Resolution 944 by title.

MOTION: *Commissioner Taddeo/Commissioner Field moved to approve Resolution 944 as presented.*

ACTION: *Motion Passed 5-0*

7. Development Review Board*

- a. Member Vacancy

Mayor Townsend informed the Committee that Bonnie Schiralli declined to serve on the new Development Review Board (DRB). Mayor Townsend proposed moving Alternate Member Deane Blazie to a Regular Member and adding Christina Kemper Gidwitz as an Alternate Member to the DRB.

Discussion ensued among the Commission, and a consensus was reached for both requests.

8. Other Items*

Mayor Townsend provided a brief review of the Town Coffee meeting. She confirmed December 16th and 17th as Town Commission dates, noting that Commissioner Field will host the December Town Coffee.


Quorum procedures discussion for the DRB will be deferred to the October meeting. Discussion ensued among the Commission about the first meeting of the DRB. No date was confirmed.

Mayor Townsend adjourned the meeting at 5:47pm.

Respectfully submitted,

Kimberly Kogos, Town Clerk

TOWN OF JUPITER ISLAND

TO : Mayor and Commissioners
FROM : Danielle Losquadro, Senior Accountant 
RE : Disposal of Property
DATE : 10/16/25

In accordance with the Town of Jupiter Island's Accounting Policy and Procedure Manual and Florida Statute 274.07, authority for the disposal of property shall be recorded in the minutes of the governmental unit. Property is defined as fixtures and other tangible personal property of a non-consumable nature.

Attached is a listing of items that have been identified as obsolete or the continued use of which is uneconomical or inefficient, or which serves no useful function or lost/stolen or unidentifiable. Upon receiving authority for disposal, these assets will be disposed of in accordance with established Town policies and procedures. Disposals will be recorded as required for auditing purposes.

Approved methods of disposal include public auction, donation, or scrapping, as appropriate.

**MINUTES
TOWN OF JUPITER ISLAND
IMPACT REVIEW COMMITTEE MEETING
THURSDAY, AUGUST 7, 2025**

TIME: Thursday, August 7, 2025 – 9:00 AM
PLACE: Town Hall Island Room – 2 Bridge Rd., Hobe Sound, FL
PRESENT: Present were Chair Bonnie Schiralli, Member Jennifer Madden and Alternate Member Christina Whitney. Also present were Assistant Town Manager John Duchock, Town Clerk Kimberly Kogos, Town Attorney Thomas Baird and IT Technician Sean Martin.

1. Call to Order and Comments*

Chair Schiralli called the meeting to order at 9:01AM and read the purpose of the Impact Review Committee. She announced a quorum had been reached and introduced the present voting members along with attending staff and counsel.

Town Clerk Kogos swore in those interested in speaking during the hearing including Attorney Jared Gaylord of Marc R. Gaylord P.A.; Richard Rutledge of Innocenti & Webel; Kevin Asbacher of Asbacher Architecture; and Building Department Director Catherine Harding.

2. Minutes of the May 1, 2025 Impact Review Committee meeting

MOTION: *Madden/Whitney moved to approve the minutes as presented.*

ACTION: *Motion passed 3-0.*

3. 143 Gomez Road

Ex-Parte Communication:

- *Member Madden stated she visited the property with Director Harding, read all materials, and had no ex- parte communication.*
- *Chair Schiralli stated she visited the property and had no ex- parte communication.*
- *Alternate Member Whitney stated she drove by the property with Director Harding and had no ex- parte communication.*

Director Catherine Harding introduced the application, provided background information, and explained the request. She stated that the applicant has replied to and meets the Impact Review Standards.

Attorney Jared Gaylord, representing Kendrick Wilson Revocable Trust, greeted the Committee and introduced the project team including Richard Rutledge and Kevin Asbacher. He provided background information including aerial views of the property and noted that the owner also owns the property directly to the south. He displayed the property survey and current site photos of the demolished structure and the landscape buffers of the current work site including mesh construction fencing. He provided neighboring streetscapes and architectural plans of the proposed structure(s) followed by elevations and site calculations.

Richard Rutledge provided landscape plans including the project staging plan along with temporary landscape buffers and final proposed landscape. He requested buffer work to be completed simultaneously with the foundation work to accelerate the construction timeframe. He finished with a display of buffer elevations.

Chair Schiralli expressed concern regarding the maintenance of the property that appears unkempt. Mr. Rutledge confirmed the maintenance will occur before additional work continues. Chair Schiralli stated the port-o-let is in full view from the street and the location of the dumpster is visible when the gates are open and should be screened.

Chair Schiralli referred to the property not being staked. Director Harding agreed and stated that a letter was sent to the project manager to stake the property. She also asked about Ordinance 393 specifically regarding a vehicle wheel cleaning blanket. Mr. Rutledge explained that the gravel is being used as a blanket to clean the wheels of construction vehicles.

Public Comment:

There was no public comment.

Member Madden noted conditions to approval including:

- Maintenance on the property
- Marking the address
- Covering the portlet portal
- Screening the dumpster to the north

MOTION: Madden/Whitney moved to approve with recommended conditions.

ACTION: Motion passed 3-0.

4. 286 South Beach Road

The applicant is Richard A. O’Connell, Trustee of the O’Connell 2016 Family Trust, and is represented by Jared Gaylord Esq. of Marc R. Gaylord, P.A.

This application is to construct a new pool, pool house, cabana, and associated landscaping/hardscaping. Also, a hoist for a 40-foot boat.

Ex-Parte Communication:

- *Member Madden stated she visited the property with Director Harding, read all materials, and had no ex- parte communication.*
- *Chair Schiralli stated she visited the property, read all materials, and had no ex- parte communication. She noted an email received from neighbor Ms. Brooks, which was forwarded to the Building Department.*
- *Alternate Member Whitney stated she visited the property, read all materials, and had no ex- parte communication.*

Director Catherine Harding introduced the application and provided background information. She stated that the applicant addressed all concerns and met all IRC standards for construction. She announced that she had received a letter of objection from neighbor, Mrs. Brooks. The Committee confirmed they had received the letter.

Attorney Jared Gaylord, representing the Richard A. O'Connell Trust, greeted the Committee and introduced the project team. He provided background information including aerial views of the property and neighboring properties.

Chair Schiralli noted that this property was not staked out in advanced and requested better views of the property boundaries and location of the proposed structures. Attorney Gaylord and Mr. Rutledge provided clarifying information.

Attorney Gaylord showed both neighboring properties have existing docks and boat lifts, and explained the location of the proposed dock and lift. He noted that the primary visibility of the proposed dock and lift is from a specific portion of the yard. He displayed the property survey and site calculations followed by architectural plans, elevations, and site photographs.

Mr. Rutledge provided an explanation of the landscape plans including existing, construction and final landscape plans.

Town Attorney Baird referenced the letter of opposition and stated that the committee will need to review and address sections 2.02b, c, f, and i. Chair Schiralli also noted subsections in section 2.04 that will need to be addressed.

Mr. Rutledge continued with his presentation. He noted the driveway is very close to the property line the buffer along that area will be improved. He reviewed the property grade and the proposed hardscape. He noted a request for a flagpole near the dock and putting area along with three (3) chipping mats and small sand traps.

Chair Schiralli referred to the guest house area buffering that appears weak. She suggested adding buffering and/or construction fencing in that area as a condition to approval.

Director Harding noted that the flagpole was not added to the submitted plans and thus was not reviewed. She noted that it is subject to review, permit, and approval for zoning. The flagpole was removed from the application at this time. Director Harding confirmed the flagpole could be reviewed and approved by staff at a later time.

Chair Schiralli referred to the King Tree letter regarding invasive species. Mr. Rutledge stated the Brazilian pepper trees were not addressed as this area was not part of the application, and will be addressed in future applications regarding the driveway.

Attorney Gaylord explained the proposed dock and boatlift, noting that it is located within the middle third of the property line as required. He stated that he spoke with the neighbor who is opposing the development and view obstructions. He provided elevations of the dock showing the height of the dock, lift, and boat, stating that every boat (even flats boat) will exceed 8' above the mean high water line (MHWL). He noted the height measurement from the boat broker.

Member Madden confirmed the boat is longer than 31' (confirmed at 40'). She asked about neighboring hoisted boats. Attorney Gaylord provided photographs and explanations of neighboring boats. Town Attorney Baird noted the standards in section 2.04 that the committee will be addressing regarding the boat.

Chair Schiralli referred to the view that the opposing neighbor will have. She expressed concern regarding the size of the boat and the obstruction of neighboring views. The dock extends 105' into the water and the boat lift is east/west, bow in. She expressed the main concern seems to be the size of the boat and that it will be a large obstacle once hoisted.

Member Madden suggested deferring the application until the owner could be contacted and a compromise may be discussed. Alternate Member Whitney agreed. Chair Schiralli agreed to defer.

Public Comment:

There was no public comment.

Town Attorney Baird recommended approving, denying, or deferring the entire application, and not separating the application. Chair Schiralli asked for a feasible motion. Town Attorney Baird recommended to defer the entire application. Attorney Gaylord stated they will withdraw the boat application and will resubmit.

Conditions to the approval include:

- Defer boat portion of the application.
- Flagpole to be addressed by staff.
- Additional screening fence to the north and additional buffer next to the driveway by the guesthouse.

MOTION: *Madden/Whitney moved to approve the structure application based on criteria in Section 2.02 with conditions as discussed.*

ACTION: *Motion passed 3-0.*

5. 11 Isle Ridge Road

Ex-Parte Communication:

- *Member Madden stated she visited the property with Director Harding, read all materials, and had no ex- parte communication.*
- *Chair Schiralli stated she visited the property, read all materials, and had no ex- parte communication.*
- *Alternate Member Whitney stated she visited the property, read all materials, and had no ex- parte communication.*

Director Catherine Harding introduced the application and provided background information. She stated that the applicant has addressed the standards.

Attorney Jared Gaylord, representing Edward Hamm, Jr. Trust greeted the Committee and provided background information regarding the property and application. He displayed aerial photographs of the property and neighboring properties along with streetscape photographs. He provided example pictures of the coral stone material and walls that are common in the neighborhood.

The Committee did not have questions regarding the application.

Public Comment:

There was no public comment.

MOTION: *Madden/Whitney moved to approve as presented.*

ACTION: *Motion passed 3-0.*

6. Other Items*

- a. Next Meeting - To be determined.

Director Harding noted that there are no applications at this time.

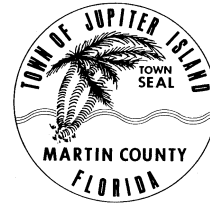
b. Other Matters*

No other matters were discussed.

Chair Schiralli adjourned the meeting at 10:44 AM.

Respectfully Submitted,

Kimberly Kogos, Town Clerk



Memorandum

To: Mayor & Town Commission
From: R. Garlo, Town Manager
Date: July 7, 2025
Re: Lethal Yellowing/Lethal Bronzing

The Town currently spends approximately \$171,540 annually to inoculate palm trees three times a year, and that expense is expected to increase by approximately 10% this year. Most of these trees are on private property, approximately 14,000.

In considering bringing this matter to the Town Commission, simply for discussion, I discovered the following:

In 1975, the Department of Agriculture placed Jupiter Island under a quarantine declaring an existing epidemic of lethal yellowing on the Island. Subsequent to this, the Town adopted an emergency ordinance, Ord 118. Anyone found to be in violation of this ordinance could potentially be subject to serious sanctions.

If directed by the Town Commission, I will work with the Town Attorney to rescind this ordinance.

With respect to the Town paying for the treatment for lethal yellowing, I met with the Town's expert at King Tree Service to better understand if there is still a threat of an epidemic. While he did express a concern for lethal bronzing and suggested we contact an individual at the University of Florida considered an expert in the matter.

We have since been in communication with this individual, and will be providing a presentation during the October 29th Commission Meeting.

A copy of Ordinance 118 has been provided for your review.

AN ORDINANCE OF THE TOWN OF JUPITER ISLAND, MARTIN COUNTY, FLORIDA, DECLARING THE PLANT DISEASE KNOWN AS "LETHAL YELLOWING" TO BE A SERIOUS THREAT AND DANGER TO CERTAIN SPECIES OF TREES IN THE TOWN; REQUIRING THE INOCULATION OF ALL TREES IN THE TOWN SUSCEPTIBLE TO LETHAL YELLOWING WITH SUCH INOCULATION TO BE PERFORMED AT TOWN EXPENSE; PROVIDING FOR REMOVAL OF DEAD STUMPS AND TREES AT THE EXPENSE OF THE OWNERS; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY FOR A VIOLATION HEREOF; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; DECLARING THE EXISTENCE OF AN EMERGENCY; AND DECLARING THE EFFECTIVE DATE HEREOF.

WHEREAS, the plant disease known as "Lethal Yellowing" has been discovered near the Town of Jupiter Island and Martin County, Florida, has been placed in quarantine by the Department of Agriculture because of such plant disease; and

WHEREAS, palm trees of various types, particularly the Coconut Palm, are susceptible and non-resistant to the disease; and

WHEREAS, the many thousands of palm trees in the Town on both public and private property contribute materially to the beauty of the Town of Jupiter Island as well as to the value of the property within the Town; and

WHEREAS, the threat of destruction of the palm trees within the Town constitutes a serious threat to the well-being of the citizens of the Town and a threat to the public welfare; and

WHEREAS, the public welfare requires that prompt and effective measures be taken to combat and prevent the spread of the disease; and

WHEREAS, the Town Council does declare that an emergency exists which requires the passage and adoption of this Ordinance

on its first reading; now, therefore,

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF
JUPITER ISLAND, Martin County, Florida, as follows:

Section 1. It is hereby found and determined that "lethal yellowing" is a serious threat to the palm trees in the Town to such an extent that all of the palm trees in the Town are threatened with extinction, which creates a grave and dire emergency requiring immediate and effective action.

Section 2. All palm trees within the Town of Jupiter Island susceptible to lethal yellowing shall be inoculated with oxytetracycline or other antibiotic approved and recommended by the Department of Agriculture of the State of Florida. The first inoculation shall be completed within 110 days from the effective date of this ordinance, and repeated every 120 days thereafter until the danger and threat of infection of "lethal yellowing" is past.

Section 3. The inoculation of trees shall be performed under the direction of the Town with Town forces or private contractors as the Town Council may determine to be in the best interests of the Town. The expense and costs of the inoculation program shall be borne by the Town and paid from ^{REVENUES} ~~General Funds~~ of the Town available for the purpose.

APPROVED
3/19/75
MEETING

Section 4. All palm trees infected with "lethal yellowing" are hereby declared to be a public nuisance. All species and varieties of palm trees that are dead or substantially dead, including the stumps thereof, are hereby declared to be a public nuisance.

Section 5. No owner of any lot or parcel of land in the Town shall permit to remain or maintain on any such lot or parcel

any dead or substantially dead palm trees, including the stumps thereof of any variety or species of palm tree susceptible to "lethal yellowing" and the same shall be promptly removed by the owner at the owner's expense.

Section 6. Upon the failure of any property owner, after 5 days' notice, to remove dead or substantially dead palm trees, including the stumps thereof, as set forth in Section 5 hereof, the forces of the Town of Jupiter Island may enter the premises where such trees are located and cause such trees to be removed at the expense of the property owner, with the cost thereof to be assessed against the owner and to become a lien upon the premises. In the removal of trees, or stumps, same must be cut so that no part of the stump shall extend above the ground level.

Section 7. The Town Manager shall designate the person or persons to be responsible for the execution of the inoculation program prescribed in this Ordinance and enforce the provisions hereof. The Town Manager or his designate is authorized and empowered to enter on any lot or parcel of land in the Town at any reasonable hour, for the purpose of inspecting or treating any palm trees situated thereon and may remove such specimens from any such trees as are required to implement the purposes of this Ordinance. It shall be unlawful for any person, firm or corporation to take any action to prevent the Town Manager or his designate from entering upon any lot or parcel of land in the Town for the purpose of such inspection or treatment of such trees or any other act constituting the performance of his duties under the provisions of this Ordinance.

Section 8. The Town of Jupiter Island is hereby required to comply with the terms and provisions of this Ordinance with

respect to trees located upon public property or public rights-of-way.

Section 9. The palm trees presently known to be susceptible to "lethal yellowing" are as follows:

1. Cocos nucifera L. (Coconut palm) - all varieties, excluding Malayan dwarf.
2. Veitchia merrillii (Becc.) H. E. Moore (Christmas palm or Adonidia).
3. Pritchardia spp. (all species).
4. Arikuryroba spp. (Arikury palm).
5. Corypha spp. (Talipot palm).
6. Phoenix reclinata Jacq.
7. Phoenix canariensis Hort. ex Chab (Canary Island date).
8. Phoenix Roebelinii.
9. Trachycarpus fortunei Wendl. (Windmill palm).
10. Mascarena verschaffeltii (Wendl.) Bailey (Spindle palm).
11. Caryota mitis Lour. (Cluster fish-tail palm).
12. Borassus flabellifer L.
13. Chrysalidocarpus cabadae (Areca).
14. Dictyosperma species.

This Ordinance shall apply to all of the above species and varieties of palm trees and to such others as may be found subsequently by the Department of Agriculture of the State of Florida or other competent authority to be susceptible to said disease.

Section 10. Should any part of this Ordinance be declared to be invalid by a court of competent jurisdiction, such shall not affect the validity of the Ordinance as a whole or any part thereof, other than the part so declared to be invalid.

Section 11. Any person, firm or corporation violating the provisions of this Ordinance, upon conviction thereof, shall be fined

a sum not to exceed One Hundred (\$100.00) Dollars or imprisonment in the Town Jail for a term not to exceed thirty (30) days, or both such fine and imprisonment, in the discretion of the Municipal Judge.

Section 12. All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

Section 13. This Ordinance is hereby declared to be an emergency ordinance and shall take effect immediately upon its passage and approval. The requirement for a second reading hereof is hereby expressly waived.

PASSED AND ADOPTED in regular adjourned session assembled this 19TH day of ^{MARCH}~~April~~, 1975.

Edgar Lamant

William A. Killard

John H. Dyett

William A.

Town Council

ATTEST:

Helen L. Calvert
Town Clerk



TOWN OF JUPITER ISLAND

MEMORANDUM

To: Mayor & Town Commission

Through: Robert Garlo, Town Manager

CC: Kimberly Kogos, Town Clerk

From: John Duchock, Asst. Town Manager

RE: Agenda Item No. 3 – Comp Plan Update and Additional Services Authorization (Kimley Horn)

Date: 10/22/2025

Background:

Kimley Horn will present an update on the Town’s Comprehensive Plan, including works accomplished to date and the anticipated schedule moving forward. At the request of the Commission, Kimley Horn has expanded the proposed scope of work to include a community survey, as well as additional meetings including a Local Planning Agency initial presentation, a second round of one-on-one Commissioner meetings, and three additional presentations to the Commission. The extended timeline, meetings, and expanded input from the survey will require two additional interim draft documents to capture the extra input and feedback, prior to presenting in final format and transmittal to the State.

The current schedule of meetings and milestones is as follows:

Task	Date	Notes
Preliminary Draft Plan for staff review Draft	October 8, 2025	Staff review comments by October 17, 2025 COMPLETE
Comp Plan Survey Approach Review and Approval	October 29, 2025	Present the survey questions and format for soliciting and compiling resident feedback for Commission consideration.
Comp Plan Survey Active	November 11- December 1, 2025	Collect and compile survey results

LPA Meeting Draft#2	November 18, 2025	Presentation of the draft plan to LPA, including staff review/tone changes.
Comp Plan Focus Group	December 11, 2025	Presentation of Comp Plan process, draft plan, and survey results. Focus Group discussion and feedback collection.
Commissioner One-on-Ones	December 11, 2025	Feedback from Commission following Focus Group meeting
LPA Workshop	December 12, 2025	Presentation of the Draft Comp Plan, survey results, and Focus Group feedback. LPA discussion and feedback collection.
Commission Presentation Draft#3	January 2026	Presentation of draft plan update addressing recommendations/ takeaways from survey, focus group, and LPA. Commission direction on revisions to finalize Comp Plan.
Commission Presentation Draft#4	February 2026	Presentation of "Final" Comp Plan. Commission approval and direction to conduct LPA Transmittal Hearing.
LPA Transmittal Hearing	February 2026	Request approval to transmit Comp Plan to the State.
Commission Transmittal Hearing/1st Reading	March 2026	Public transmittal hearing / first reading of ordinance to amend the Comp Plan.
Final State mandated plan changes	May 2026 (60-day typical)	State acceptance or comments on required changes
Final Adoption Draft#5	TBD	Ordinance Second Reading/Adoption reflecting required changes

Based on acceptance of the expanded scope of work and proposed schedule above, Kimley Horn has prepared the attached amendment to the scope of services agreement. The total cost for the expanded services is \$57,500.

Recommendation:

Town staff is seeking Commission approval of the proposed schedule and authorization to amend the existing agreement to include the additional services as proposed by Kimley Horn for a lump sum fee of \$57,500.

**AMENDMENT NUMBER 01 TO THE AGREEMENT BETWEEN CLIENT AND KIMLEY-HORN
AND ASSOCIATES, INC.**

This is Amendment number 01 dated October 21, 2025 to the agreement between the Town of Jupiter Island ("Client") and Kimley-Horn and Associates, Inc. ("Consultant") dated October 3, 2024 ("the Agreement") concerning the Jupiter Island Comprehensive Plan (the "Project").

The Consultant has entered into the Agreement with Client for the furnishing of professional services, and the parties now desire to amend the Agreement.

The Agreement is amended to include services to be performed by Consultant for compensation as set forth below in accordance with the terms of the Agreement, which are incorporated by reference.

Project Understanding: At the September 16, 2025, Town Commission meeting Kimley-Horn was asked to provide additional services for the comprehensive plan update project to supplement overall public engagement, including a new online survey, additional Town Council and Local Planning Agency meetings, and additional revisions to the comprehensive plan document to address comments raised during these engagement events.

Consultant will perform the following services:

Task 1: Community Survey

Kimley-Horn will prepare one (1) online survey with up to 10 questions regarding the comprehensive plan. The community survey will include a mix of open-ended and multiple-choice questions designed to gather feedback on key aspects of the Comprehensive Plan Update. Questions will address residents' priorities for future development, satisfaction with current town services, desired improvements to public spaces, transportation concerns, and perspectives on environmental protection, as well as suggestions for enhancing overall quality of life in Jupiter Island.

Kimley-Horn will design one (1) graphic flyer to advertise the survey. The flyer will be provided in both PDF and JPG format so that it can be printed or shared via e-mail. It will be the Town's responsibility to share the survey information via their social media platforms and through normally distributed publications to Town residents (i.e. email or flyers). The survey will be hosted on an external website and be open for three (3) weeks.

Once the survey is closed, Kimley-Horn will analyze the results and provide one (1) written summary memo to the Client. The survey raw data will be provided as an appendix to the memo.

Task 2: Client Meetings

Task 2.1: Leadership Meetings

One (1) Kimley-Horn professional will facilitate individual meetings with each member of the Town Commission, including the Mayor. The purpose of these meetings is to provide the results of the community survey and share discussions held with the focus group. One (1) professional designated by Kimley-Horn shall participate in up to six (6) one-hour meetings. These meetings shall occur on the same day as the Focus Group Meeting, or alternatively, they may occur virtually at the discretion of the Town Manager.

Task 2.2: Town Representative Meetings

Kimley-Horn will participate in up to six (6) one-hour virtual meetings with Client representatives to review the project's progress and status and to revisit each of the project tasks. The Kimley-Horn project director or deputy project director shall attend the conference calls. The purpose of the project status calls is to ensure that the Town understands the key elements of the proposed deliverables.

Task 3: Public Meetings

Task 3.1: Town Commission Updates

Kimley-Horn will attend up to three (3) additional Town Commission meetings to provide updates on the Comprehensive Plan Update. Kimley-Horn will prepare one (1) PowerPoint presentation for each meeting and provide the presentation to the Client for review prior to the scheduled meeting for comment. One (1) round of consolidated and conformed comments on each of the PowerPoints will be addressed, and the updated presentation will be sent to the Client at least one (1) day prior to each meeting.

Task 3.2: Local Planning Agency Workshop #2

Kimley-Horn will attend one (1) additional Local Planning Agency (LPA) workshop meeting. Kimley-Horn will prepare one (1) PowerPoint presentation to be utilized during the workshop reflecting a summary of the changes proposed for the comprehensive plan. The presentation will be submitted to the Client for review prior to the scheduled meeting. One (1) round of consolidated and conformed comments will be addressed on the presentation.

The Client shall provide the required public notice for all meetings.

Task 4: Comprehensive Plan Interim Drafts

Kimley-Horn shall make up to two (2) interim revisions to the goals, policies and objectives within the Town Comprehensive Plan to incorporate comments received from the Town Commission and Town staff. These interim revisions will be provided to Client after the LPA workshop and before the transmittal hearings. The interim drafts will be utilized to address revisions to the policy text to ensure they reflect the intentions of the Town Commission and the Client. These drafts may not be utilized to reformat or reorganize the order of the plan.

Consultant and Client agree to the following general schedule in connection with the services set forth above:

We will provide our services as expeditiously as practicable for delivery of the scope of work referenced herein and under the assumption of reasonable requests and timely responses by the Client. We are ready to commence work upon notice to proceed and return this agreement herein as ratified.

For the services set forth above, Client shall pay Consultant the following compensation:

Kimley-Horn will perform the services in Tasks 1 – 4 for the total lump sum fee below.

Task Number & Name		Fee	Type
1	Community Survey	\$7,000	Lump Sum
2	Client Meetings (6 Leadership and 6 Staff)	\$6,500	Lump Sum
3	Public Meetings (1 LPA + 3 Town Commission)	\$24,500	Lump Sum
4	Comprehensive Plan Interim Drafts (2)	\$19,500	Lump Sum
Total		\$57,500	

CLIENT:

TOWN OF JUPITER ISLAND


By: _____

Title: _____

Date: _____

CONSULTANT:

KIMLEY-HORN AND ASSOCIATES, INC.

By:  _____

Title: Associate _____

Date: 10-21-25 _____



TOWN OF
JUPITER ISLAND
FLORIDA

COMPREHENSIVE PLAN UPDATE
October 29th Town Commission Meeting

PURPOSE OF TODAY'S MEETING

The goal today is to:

- Review work completed to date
- Provide a progress update and changes to the project schedule
- Discuss the upcoming Community Survey and potential questions

PROJECT TIMELINE

WINTER 2024 – SPRING 2025: Data Collection and Plan Updates

- Connect with Community
- Data Analysis
- Draft Goals, Objectives, and Policies

SPRING – SUMMER 2025: Density Study Completion

OCTOBER 2025

- Draft #1 of the Plan
- **Town Commission Presentation (today)**

NOVEMBER 2025: Engagement

- **Launch Online Survey**
- **Draft #2 of the Plan**
- **Local Planning Agency Presentation**

DECEMBER 2025:

- Focus Group
- **Town Commissioner One-on-Ones**
- Local Planning Agency Workshop

JANUARY 2026: Finalizing the Plan

- Draft #3 of the Plan
- **Town Commission Presentation**

FEBRUARY 2026: Transmittal of the Plan

- **Draft #4 of the Plan**
- **Town Commission Presentation**
- Local Planning Agency Transmittal Hearing

MARCH 2026: Transmittal of the Plan

- Town Commission Transmittal Hearing
- Transmit the Plan to the State

SUMMER 2026: Adoption

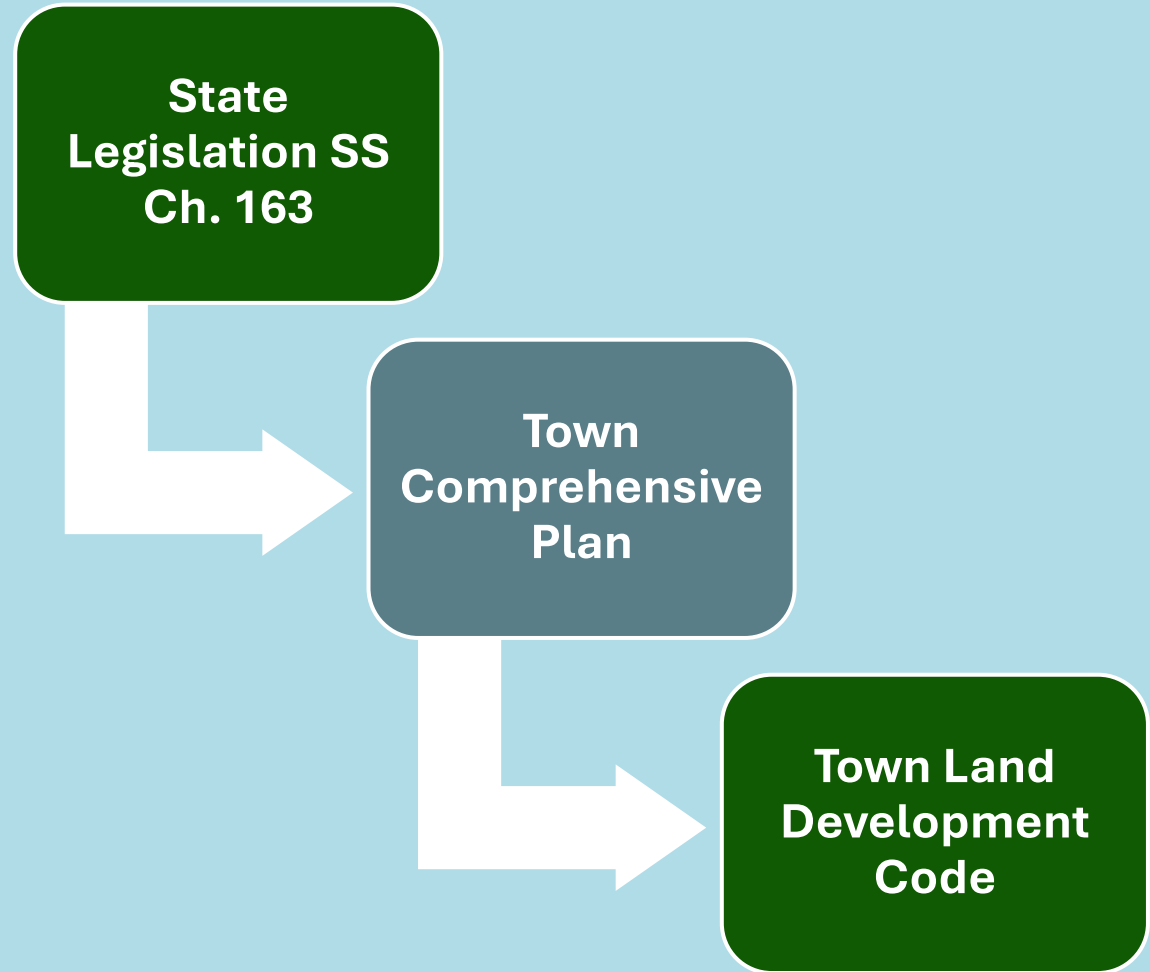
- Draft #5 to address State comments
- Adopt the Updated Comprehensive Plan



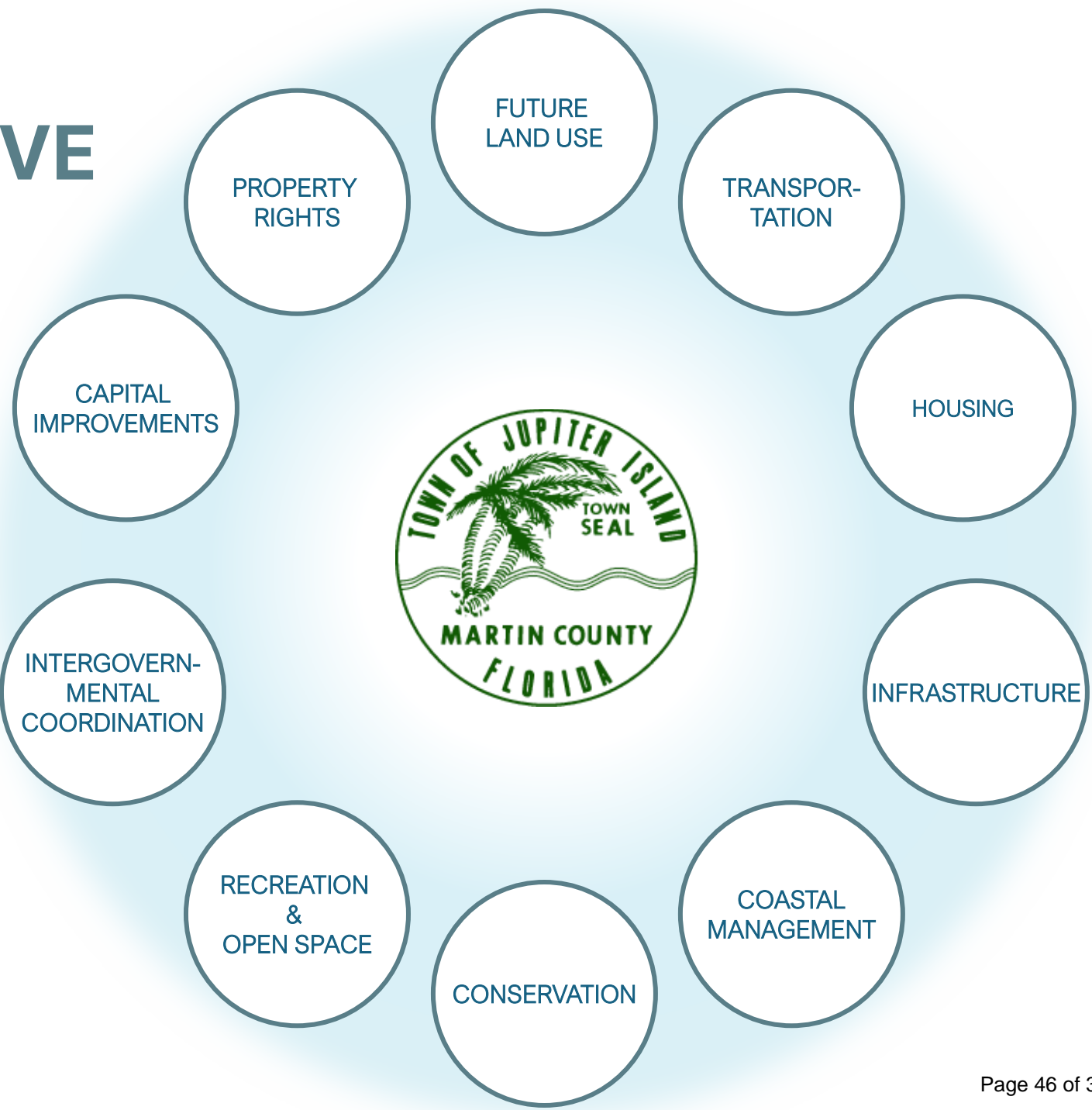
The background of the slide is a tropical beach scene with several palm trees and a sandy shore. The entire image is covered with a semi-transparent blue overlay. Centered on this background is the main text in a large, white, bold, sans-serif font.

PROJECT UPDATE: WORK COMPLETED TO DATE

WHY NOW?



2045 COMPREHENSIVE PLAN ELEMENTS



PROJECT LAUNCH

- Kicked off project in **October 2024** with staff
- Individual listening sessions with each Commissioner and key staff personnel in **November** and **December of 2024**
- Data collection and initial analysis
- Presentation at **December 2024** Commission Meeting

Town of Jupiter Island – Leadership Interviews

These interviews with the Town Council are useful to gain a better understanding of what matters are most significant to local leadership. These early interviews help to establish critical success factors covering a range of issues from the measure of success for public involvement to leadership's vision for future growth and change.

Project Administration

Introductions to Team and Project **10 minutes**

Project Vision

15 minutes

- What does success on this project look like?
- What does the Town's success, 10-years and 20-years down the line look like?
- What outcome is most important to you about the Comprehensive Plan and planning process?
- What do you believe is the main role of the Town Council as we work to achieve this vision?

Open Discussion

20 minutes

Questions could include the following, but as a listening session more time will be allotted as needs to dive deeper into the priorities of the individual.

- How can this Comprehensive Plan be a reflection of the Town's shared priorities?
- How should the updated Comprehensive Plan address balancing the preservation of natural spaces with the future development needs of the Town?
- What additional measures would you like to be taken to protect and strengthen sensitive ecosystems like Blowing Rocks Preserve and Hobe Sound?
- How important is integrating cultural and historic preservation into future planning efforts to you?
- What role does tourism play in the vision for the Town's future?
- What is the Town Council's current strategy in addressing differing perspectives within the community?

DATA INVENTORY + MAP SERIES

- Public Workshop in **January 2025**
- Updated the data inventory and analysis for 2035 and 2045 planning horizons with **most recent and available data**
- Updated the **required map series**

The story seems to be cyclical. It began as a story of the development of natural land and ends as a story of careful preservation. The most important issue for current-day Jupiter Islanders is to keep the relentless Atlantic Ocean at bay. The issue is not so different from that of 1815, or 1892, or 1905, or 1933. The issue is respect and preservation. The issue is the land. – The Jupiter Island Story, Frank Lund

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**Town of Jupiter Island
Future Land Use Map**

Data obtained in January 2025 from Town of Jupiter Island through Florida Technical Consultants.

Kimley-Horn

JANUARY COMMUNITY WORKSHOP

FIVE STATIONS

- Crafting the Vision
- Coastal Management
- Conservation + Recreation and Open Space
- Future Land Use + Housing
- Transportation + Infrastructure + Capital Improvements



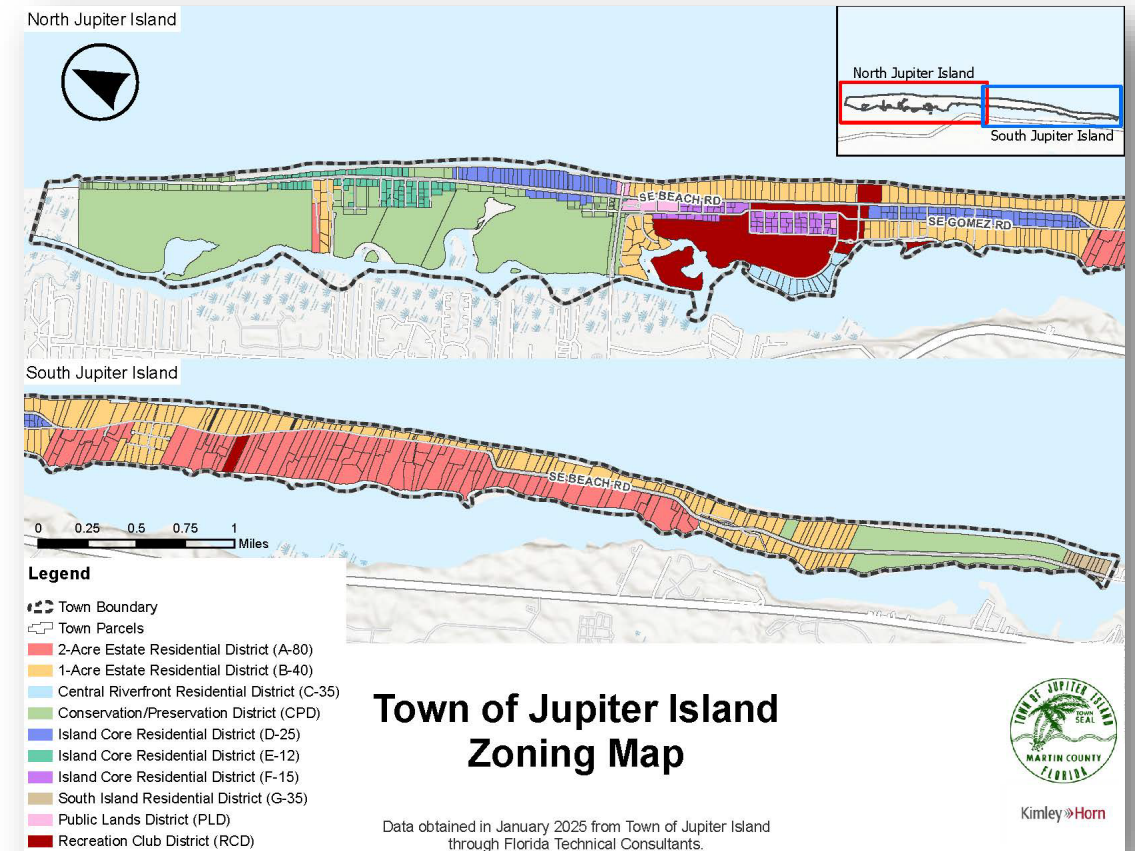
CURRENT PLAN ANALYSIS + EAR

- Completed the:
 - Statutory Compliance with FS 163
 - Current Plan Analysis
 - EAR-based updates since 2019
- Presentation at **February 2025** Commission Meeting

Goal/Objective/Policy	Policy Language	Keep/Modify/Remove	Notes
01.01.00.00 Goal	To preserve and enhance the Town's community character as a high quality, single-family residential community.	Modify	Recommend removing preserve and enha
01.01.01.00 Objective	To eliminate or reduce land uses inconsistent with the community character, as set forth in this Future Land Use Plan.	Modify	Recommend removing eliminate and usin defined in the GOPs of this element.
01.01.01.01 Policy	The Future Land Use Plan should be interpreted as the exact intent of the Town's Local Planning Agency and Town Commission.	Remove/ Modify	Unnecessary policy- May be appropriate to
01.01.01.02 Policy	Land use areas as shown on the Future Land Use Map should be delineated along logical demarcation lines.	Remove/ Modify	Unnecessary policy- May be appropriate to this is currently depicted in the FLUM
01.01.01.03 Policy	Zoning map designations and zoning ordinance text should be consistent with the Future Land Use Plan. Zoning map or text amendments inconsistent with this Future Land Use Plan should be reviewed as Comprehensive Plan amendments.	Remove	This policy is inconsistent with ss. 163.311 ensure consistency with the Town Compre foundation from which the zoning map bu
01.01.01.04 Policy	Elimination or reduction of existing non-conforming land uses should be accomplished with proper respect for the vested rights of property owners.	Remove/ Modify	Redundant policy- This is accomplished b
01.01.01.05 Policy	Expansion of non-conforming land uses should be prohibited.	Modify	Change to active voice
01.01.01.06 Policy	Additional commercial development should not be permitted except to enhance the quality of services at the Jupiter Island Club and the Hobe Sound Yacht Club.	Modify	Change to active voice; as permitting is no policy is ill-defined. Development guidelin
01.01.01.07 Policy	The Town should change the zoning designation of the residentially zoned properties that have been placed into conservation/preservation to conservation/preservation on the zoning map.	Remove/ Modify	Change to active voice; the Comprehensive should not necessarily be based upon imp programs, activities, and regulations and c
01.01.02.00 Objective	To achieve a simple energy-efficient and energy conserving land use pattern with a high degree of use compatibility within each land use category and which are based upon greenhouse gas reduction strategies.	Modify	Reword to begin with action and follow by This policy language focuses on the estab while not sufficiently defining the FLUM de to establishing the Future Land Use of the categories defined therein.
01.01.02.01 Policy	Zoning regulations should protect single-family residential development from the encroachment of incompatible land uses.	Remove	
01.01.02.02 Policy	The Future Land Use Plan will be based upon energy-efficient land use patterns that account for existing and future electric power generation and transmission and energy conservation.	Modify	Change to active voice
01.01.03.00 Objective	To maintain the ambiance and quality of life in the Town as provided for in this Comprehensive Plan through the implementation of appropriate land development regulations.	Modify	Change to active voice; The FLUE should f meaningful and predictable standards of t

DENSITY STUDY INTEGRATION

- Presentations at the **April 14**, **June 10**, and **September 16** Commission Meetings
- Evaluated existing development and maximum build-out scenario
- Assessed impacts on infrastructure



NEXT STEPS

NOVEMBER 2025: Engagement

- **Launch Online Survey**
- **Draft #2 of the Plan**
- **Local Planning Agency Presentation**

DECEMBER 2025: Engagement

- Focus Group
- **Town Commissioner One-on-Ones**
- Local Planning Agency Workshop

JANUARY 2026: Finalizing the Plan

- Draft #3 of the Plan
- **Town Commission Presentation**

FEBRUARY 2026: Transmittal of the Plan

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MARCH 2026: Transmittal of the Plan

- Town Commission Transmittal Hearing
- Transmit the Plan to the State

SUMMER 2026: Adoption

- Draft #5 to address State comments
- Adopt the Updated Comprehensive Plan

A tropical beach scene with several palm trees and a woven basket on the sand, all rendered in a light blue, semi-transparent style. The text is overlaid in the center.

NEXT STEP: ONLINE SURVEY

ONLINE SURVEY METHODS

- Online format – desktop and **mobile-friendly**
 - Open from **November 10th to December 1st**
- Up to **10 questions** (including demographics)
 - Mix of open-ended and multiple-choice designed to gather **meaningful feedback**
- Advertisement with a **graphic flyer** for print/e-mail through typical communication methods

INTRODUCTORY QUESTIONS

Are you a resident of the Town of Jupiter Island?

Yes or No

Do you reside in the Town of Jupiter Island more than six months out of the year?

Yes or No

Do you have non-relative members, who are employed by you residing in your household?

Yes or No

Do you have someone under the age of 25 residing in your household?

Yes or No

Which approach best reflects your priorities for the future growth of our community?

(Choose one)

- Encourage new residential development aligned with the Town's character
- Limit new development to protect the Town's existing nature and charm
- Focus on targeted growth in specific areas with infrastructure and services to support it
- Other *(please specify)*

Think of the Town in 2050. What do you hope is the same as in 2025? What do you hope is different?

(Fill in the blank [50-word limit])

Please rate the following statements from 1 (Strongly Agree) to 5 (Strongly Disagree).

- Ensure the character and location of land uses reflect best management practices and principles of orderly land use transition and environmental conservation.
- Establish the desired transportation system in the Town, with particular focus on planning for future motorized and non-motorized transportation systems.
- Provide for safe, decent, energy-efficient, and sanitary housing at a range of costs and types to meet the needs of the current and future population of the Town of Jupiter Island.
- Make decisions with respect for property rights and with respect for people's rights to participate in decisions that affect their lives and property.
- Maintain and strengthen coordination with adjacent local governments, regional agencies, and state and federal jurisdictions to ensure consistency, concurrency, and efficiency in planning, development, and service delivery.

What solutions would you support to improve safety and accessibility for all road users (bicyclists, pedestrians, and automobile drivers)?

(Select all that apply)

- Dedicated bike lanes on existing roadways
- Shared lane markings (“sharrows”) for cars and bikes
- Multiuse path for bicycles and pedestrians, separate from the road
- Traffic calming measures (e.g., lower speed limits, speed humps)
- Other *(please specify)*

Please rate the following statements from 1 (Strongly Agree) to 5 (Strongly Disagree).

- Restrict development activities that would damage or destroy living and non-living coastal resources and environmentally sensitive marine habitat.
- Provide the necessary public facilities for the Town in a manner that protects investments in existing facilities, protects the natural environment, and promotes orderly, compact growth while maintaining an acceptable level of service.
- Conserve, protect, and responsibly manage the natural resources of the Town to promote high environmental quality and to maximize energy and water conservation.
- Ensure the provision of high-quality parks, recreational facilities, and open spaces to meet the needs of Town residents, including amenities for special groups such as aging adults and people with different abilities.
- Undertake capital improvements necessary to maintain and enhance public facilities to support the needs of new development, consistent with the requirements of Florida Statutes and the Town Administrative Code.

To reduce noise and air pollution, some communities encourage using quieter, low-emission alternatives for lawn care and outdoor equipment (such as electric mowers, trimmers, and leaf blowers). How supportive would you be of continuing to utilize these alternatives in our community?

(Likert-style)

- Strongly Support
- Somewhat Support
- Neutral / No Opinion
- Somewhat Oppose
- Strongly Oppose

How would you like to see the Town invest resources (both time and money) towards the preservation of our beaches, dunes, and wetlands?

(Select all that apply)

- Invasive plant removal
- Beach cleanup initiatives
- Stricter turtle nesting season requirements
- Wet season (June 1 – September 30) fertilizer ban
- Other *(please specify)*

An aerial photograph of a coastal residential area, featuring numerous houses with swimming pools and palm trees, set against a backdrop of a blue sky with scattered clouds and a clear blue ocean. The entire image is overlaid with a semi-transparent blue filter. The text "THANK YOU" is centered in the upper half of the image.

THANK YOU

RESOLUTION NO. 945

A RESOLUTION OF THE COMMISSION OF THE TOWN OF JUPITER ISLAND, MARTIN COUNTY, FLORIDA, MODIFYING RESOLUTION NO. 929 RELATING TO THE BUILDING PERMIT FEES; PROVIDING AN EFFECTIVE DATE.

WHEREAS, due to regulatory requirements, there is a need to revise the schedule of Subdivision review fees charged to applicants seeking to subdivide their property; and

WHEREAS, due to dissolution of the Impact Review Committee (IRC) and Board of Adjustment (BOA) and the creation of the Development Review Board (DRB), there is a need to revise the Schedule of Fees for applicants seeking approval from the DRB; and

WHEREAS, the Town Manager and Staff, after careful review, have recommended a revision of the Building Permit Fees, which the Town Commission finds to be in the best interest of the Town to adopt.

NOW, THEREFORE, BE RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF JUPITER ISLAND, MARTIN COUNTY, FLORIDA AS FOLLOWS:

Section 1. Resolution No. 929 is hereby amended at Section 1 to read as follows:

Section 1. The Town shall charge the following fees for the applications indicated:

<u>Application</u>	<u>Fee</u>
Building Permit	1.50% of the cost of the improvements
Private Provide Plan Review	Less 25% of permit fee
Private Provider Inspection	Less 25% of permit fee
Short Term Rental/Vacation Rental	\$ 500.00
Development Review Board	\$1,000.00
Subdivision Application	\$4,000.00

Appeal to Town Commission	\$1,000.00
Letter of No Objection	\$ 100.00
Rezoning of Land	\$3,000.00
Zoning Code Text Amendment	\$3,000.00
Comprehensive Plan Text Amendment	\$4,000.00
Comprehensive Plan Amendment/ Land Use Change: Basic Fee Plan Additional fees may be determined to complete the process	\$5,000.00

The fees above do not include any additional fees required for all costs associated with consultants and legal fees for analysis, study and report of any application determined by the Director of Building, Planning and Zoning to require such review, which fees will be the responsibility of the applicant.

Section 2. This Resolution shall take effect immediately upon its adoption

THIS RESOLUTION WAS PASSED AND ADOPTED in a regular session of the Commission this ____ day of _____. 2025.

TOWN OF JUPITER ISLAND

MAYOR

VICE MAYOR

COMMISSIONER

COMMISSIONER

ATTEST:

COMMISSIONER

TOWN CLERK



MEMORANDUM

TO: The Mayor and Town Commissioners
THRU: Robert Garlo, Town Manager *RG*
FROM: Matthew Pazanski, Finance/HR Director *[Signature]*
DATE: October 20, 2025
SUBJECT: Resolution No. 946 – Approving Amendment to Retirement Plans

Background

The Town maintains retirement plans for the Town and SMRU employees. During recent discussions with the Town Commission staff proposed changes to the plans to enhance the plans for the benefit of the employees.

Discussion

Attached is Resolution No. 946 outlining the following changes to the retirement plans:

1. amend the Plans to include Overtime Pay in the definition of Compensation, and
2. to modify the Normal Retirement Age (NRA) from age 65 to age to 62.

The cost of the Overtime Pay change for approximately 60 employees is estimated at \$14,500 a year based on the FY 2025 earnings report. The average cost over the past 10 years would be approximately \$9,200 a year.

The NRA change would not generate any additional annual costs for the Town. Cost may be incurred as it relates to employee turnover, but at that late stage of an employee's career attrition is anticipated.

Additional documents attached to Resolution No. 946 include the two (2) Adoptions Agreements, the Basic Plan Documents, the two (2) Summary Plan Descriptions, and the Qualified Domestic Relations Order Procedure, all required items of the plans. As they are numerous, these documents are on file in the Town Clerk's office for your review.

Recommendation

Staff recommends the Town Commission consider a motion to approve Resolution No. 946 Amending and Restating the Retirement Plans and authorize the Town Manager to execute the required documents, agreements or other instruments.

RESOLUTION NO. 946

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF JUPITER ISLAND, FLORIDA, RATIFYING AND APPROVING THE AMENDMENTS AND RESTATEMENTS OF THE TOWN OF JUPITER ISLAND 401(A) PLAN AND THE TOWN OF JUPITER ISLAND RETIREMENT PLAN FOR SMRU EMPLOYEES, NON-DISCRETIONARY TRUST AGREEMENTS, AND OTHER ASSOCIATED DOCUMENTS WITH RESPECT TO EACH SUCH PLAN.

WHEREAS, the Town of Jupiter Island (“Town”) previously established the Town of Jupiter Island 401(a) Plan (the “General Plan”), and the Town of Jupiter Island Retirement Plan for SMRU Employees (the “SMRU Plan”) (hereinafter sometimes referred to together as “the Plans”);

WHEREAS, the Town has the power and authority to amend the General Plan, and the SMRU Plan, each under the terms of the respective Plan;

WHEREAS, the Town has previously authorized the retention of the Newport Group, Inc., an Ascensus Group company to provide certain administrative services with respect to the Plans;

WHEREAS, the Town desires to amend the Plan to include overtime pay in the definition of Compensation and to modify the Normal Retirement Age (NRA) from age 65 to age to 62;

WHEREAS, the Town wishes to ratify and confirm all actions taken, including, without limitation, the execution of any documents, agreements or other instruments by the Mayor and/or the Town Manager, in connection with the amendment and restatement of each of the Plans.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION:

SECTION 1. That the amended and restated General Plan in the form of the Basic Plan Document and the Adoption Agreement attached as exhibit A is hereby ratified and approved, effective October 1, 2025.

SECTION 2. That the amended and restated SMRU Plan in the form of the Basic Plan Document and the Adoption Agreement attached as Exhibit B is hereby ratified and approved, effective October 1, 2025.

SECTION 3. That the Mayor and the Town Manager be, and each individually hereby is, authorized and directed from time to time to take or cause to be taken such actions and to execute or cause to be executed such documents, agreements or other instruments as shall be necessary or desirable to carry out the intent and purposes of the actions taken with respect to the Plans, and the foregoing resolutions.

SECTION 4. The undersigned further certifies that attached hereto are true copies of the Plans, the Basic Plan Documents, the Summary Plan Description, and the Qualified Domestic Relations Order Procedure which are hereby approved and adopted.

DULY PASSED AND ADOPTED THIS 29th day of October, 2025.

Mayor

Vice Mayor

Town Commissioner

Town Commissioner

Town Commissioner

ATTEST:

Town Clerk

**NEWPORT GROUP, INC.
NON-STANDARDIZED GOVERNMENTAL 401(A) PRE-APPROVED PLAN**

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**ARTICLE I
DEFINITIONS**

As used in this Plan, the following words and phrases shall have the meanings set forth herein unless a different meaning is clearly required by the context:

1.1 "Account" means any separate notational account established and maintained by the Administrator for each Participant under the Plan. To the extent applicable, a Participant may have any (or all) of the following notational Accounts:

- (a) "Combined Account" means the account representing the Participant's total interest under the Plan resulting from Employer contributions. In addition, Forfeitures are part of the Combined Account to the extent they are reallocated.
- (b) "Mandatory Contribution Account" means the account established hereunder to which mandatory Employee contributions made pursuant to Section 4.8 are allocated, to the extent such contributions are not picked-up by the Employer pursuant to Code §414(h). A Participant's Mandatory Contribution Account shall be fully Vested at all times.
- (c) "Rollover Account" means the account established hereunder to which amounts transferred from a qualified plan or individual retirement account in accordance with Section 4.6 are allocated.
- (d) "Transfer Account" means the account established hereunder to which amounts transferred to this Plan from a direct plan-to-plan transfer in accordance with Section 4.7 are allocated.
- (e) "Voluntary Contribution Account" means the account established hereunder to which after-tax voluntary Employee contributions made pursuant to Section 4.9 are allocated.

1.2 "Administrator" means the Employer unless another person, entity or committee has been designated by the Employer pursuant to Section 2.2 to administer the Plan on behalf of the Employer.

1.3 "Adoption Agreement" means the separate agreement which is executed by the Employer and sets forth the elective provisions of this Plan as specified by the Employer.

1.4 "Affiliated Employer" means any entity required to be aggregated with the Employer pursuant to Code §414.

1.5 "Alternate Payee" means an alternate payee pursuant to a qualified domestic relations order that meets the requirements of Code §414(p).

1.6 "Anniversary Date" means the last day of the Plan Year.

1.7 "Annuity Starting Date" means, with respect to any Participant, the first day of the first period for which an amount is paid as an annuity, or, in the case of a benefit not payable in the form of an annuity, the first day on which all events have occurred which entitles the Participant to such benefit.

1.8 "Beneficiary" means the person (or entity) to whom all or a portion of a deceased Participant's interest in the Plan is, or may become, payable upon the Participant's death as identified in records maintained by the Plan, subject to the restrictions of Sections 6.2 and 6.6.

1.9 "Code" means the Internal Revenue Code of 1986, as it may be amended from time to time and includes applicable Internal Revenue Service (IRS) guidance.

1.10 "Compensation" means, with respect to any Participant, the amount determined in accordance with the following provisions, except as otherwise provided in the Adoption Agreement.

- (a) **Base definition.** One of the following, as elected in the Adoption Agreement:
 - (1) Information required to be reported under Code §§6041, 6051 and 6052 (Wages, tips and other compensation as reported on Form W-2). Compensation means wages, within the meaning of Code §3401(a), and all other payments of compensation to an Employee by the Employer (in the course of the Employer's trade or business) for which the Employer is required to furnish the Employee a written statement under Code §§6041(d), 6051(a)(3) and 6052. Compensation must be determined without regard to any rules under Code §3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code §3401(a)(2)).

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(2) Code §3401(a) Wages. Compensation means an Employee's wages within the meaning of Code §3401(a) for the purposes of income tax withholding at the source but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code §3401(a)(2)).

(3) 415 safe harbor compensation. Compensation means wages, salaries, Military Differential Pay, and fees for professional services and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer maintaining the Plan to the extent that the amounts are includible in gross income (including, but not limited to, commissions paid salespersons, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, and reimbursements, or other expense allowances under a nonaccountable plan (as described in Regulation §1.62-2(c))), and excluding the following:

- (i) Employer contributions to a plan of deferred compensation which are not includible in the Employee's gross income for the taxable year in which contributed, or Employer contributions under a simplified employee pension plan to the extent such contributions are excludable from the Employee's gross income, or any distributions from a plan of deferred compensation;
- (ii) Amounts realized from the exercise of a nonqualified stock option, or when restricted stock (or property) held by the Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;
- (iii) Amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option; and
- (iv) Other amounts which receive special tax benefits, such as premiums for group term life insurance (but only to the extent that the premiums are not includible in the gross income of the Employee and are not salary reduction amounts under Code §125), whether or not the contributions are actually excludable from the gross income of the Employee.

(b) **Paid during "determination period."** Compensation shall include only that Compensation which is actually paid to the Participant during the "determination period." Except as otherwise provided in this Plan, the "determination period" is the period elected by the Employer in the Adoption Agreement. If the Employer makes no election, the "determination period" shall be the Plan Year.

(c) **Inclusion of deferrals.** Notwithstanding the above, unless otherwise elected in the Adoption Agreement, Compensation shall include all of the following types of elective contributions and all of the following types of deferred compensation:

(1) Elective contributions that are made by the Employer on behalf of a Participant that are not includible in gross income under Code §§125, 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k) and 403(b). If specified in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), amounts under Code §125 shall be deemed to include any amounts not available to a Participant in cash in lieu of group health coverage because the Participant is unable to certify that he or she has other health coverage. An amount will be treated as an amount under Code §125 pursuant to the preceding sentence only if the Employer does not request or collect information regarding the Participant's other health coverage as part of the enrollment process for the health plan.

(2) Compensation deferred under an eligible deferred compensation plan within the meaning of Code §457(b).

(3) Employee contributions described in Code §414(h)(2) that are picked up by the employing unit and thus are treated as Employer contributions.

(d) **Post-severance compensation – Code §415 Regulations.** The Administrator shall adjust Compensation for amounts that would otherwise be included in the definition of Compensation but are paid by the later of 2 1/2 months after a Participant's severance from employment with the Employer or the end of the Plan Year that includes the date of the Participant's severance from employment with the Employer, in accordance with the following, as elected in the Compensation Section of the Adoption Agreement. The preceding time period, however, does not apply with respect to payments described in Subsections (4) and (5) below. Any other payment of compensation paid after severance of employment that is not described in the following types of compensation is not considered Compensation, even if payment is made within the time period specified above.

(1) **Regular pay.** Compensation shall include regular pay after severance of employment (to the extent otherwise included in the definition of Compensation) if:

- (i) The payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and
- (ii) The payment would have been paid to the Participant prior to a severance from employment if the Participant had continued in employment with the Employer.

(2) **Leave cash-outs.** Compensation shall include leave cash-outs if those amounts would have been included in the definition of Compensation if they were paid prior to the Participant's severance from employment with the Employer, and the amounts are for unused accrued bona fide sick, vacation, or other leave, but only if the Participant would have been able to use the leave if employment had continued.

(3) **Deferred compensation.** Compensation shall include deferred compensation if those amounts would have been included in the definition of Compensation if they were paid prior to the Participant's severance from employment with the Employer, and the amounts are received pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid at the same time if the Participant had continued in employment with the Employer and only to the extent the payment is includible in the Participant's gross income.

(4) **Military Differential pay.** Compensation shall include payments to an individual who does not currently perform services for the Employer by reason of qualified military service (as that term is used in Code §414(u)(1)) 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 Employer rather than entering qualified military service.

(5) **Disability pay.** Compensation shall include compensation paid to a Participant who is permanently and totally disabled, as defined in Code §22(e)(3), provided, as elected by the Employer in the Compensation Section of the Adoption Agreement, salary continuation applies to all Participants who are permanently and totally disabled.

(e) **Compensation Dollar limitation.** For any Plan Year (or other applicable determination period) Compensation in excess of \$275,000 shall be disregarded for all purposes. The dollar amount shall be adjusted by the Commissioner for increases in the cost-of-living in accordance with Code §401(a)(17)(B). The cost-of-living adjustment in effect for a calendar year applies to any "determination period" beginning with or within such calendar year. If a "determination period" consists of fewer than twelve (12) months, the \$275,000 annual Compensation limit will be multiplied by a fraction, the numerator of which is the number of months in the "determination period," and the denominator of which is twelve (12). In applying any Plan limitation on the amount of matching contributions, where such limits are expressed as a percentage of Compensation, the Administrator may apply the Compensation limit under this Section annually, even if the matching contribution formula is applied on any time interval which is less than the full Plan Year or the Administrator may pro rate the Compensation limit.

In the case of an "eligible Participant," the dollar limitation under Code §401(a)(17) shall not apply to the extent the amount under the Plan would be reduced below the amount which was allowed to be taken into account under the Plan as in effect on July 1, 1993. For purposes of this provision, an "eligible Participant" is an individual who first became a Participant before the first Plan Year beginning after the earlier of (i) the Plan Year in which the Plan was amended to reflect Code §401(a)(17), or (ii) December 31, 1995.

(f) **Non-eligible Employee.** If, in the Adoption Agreement, the Employer elects to exclude a class of Employees from the Plan, then Compensation for any Employee who becomes eligible or ceases to be eligible to participate during a "determination period" shall only include Compensation while the Employee is an Eligible Employee.

(g) **Amendment.** If, in connection with the adoption of any amendment, the definition of Compensation has been modified, then, except as otherwise provided herein, for Plan Years prior to the Plan Year which includes the adoption date of such amendment, Compensation means compensation determined pursuant to the terms of the Plan then in effect.

(h) **Affiliated Employers.** Affiliated Employers are treated as one Employer for purposes of Compensation. If, however, one or more Affiliated Employers are Participating Employers and the Plan (including the Adoption Agreement or a participation agreement) allocate Employer Contributions separately among the Employees directly employed by a Participating Employer, then, in computing such allocations, Compensation paid by other Participating Employers is excluded Compensation.

1.11 "Contract" or "Policy" means any life insurance policy, retirement income policy, or annuity contract (group or individual) issued by the Insurer. In the event of any conflict between the terms of this Plan and the terms of any contract purchased hereunder, the Plan provisions shall control.

1.12 "Custodian" means a person or entity that has custody of all or any portion of the Plan assets.

1.13 "Directed Trustee" means a Trustee who, with respect to the investment of Plan assets, is subject to the direction of the Administrator, the Employer, a properly appointed Investment Manager, or Plan Participant.

1.14 "Discretionary Trustee" means a Trustee who has the authority and discretion to invest, manage or control any portion of the Plan assets.

1.15 "Early Retirement Date" means the date specified in the Adoption Agreement on which a Participant has satisfied the requirements specified in the Adoption Agreement (Early Retirement Age). If elected in the Adoption Agreement, a Participant shall become fully Vested upon satisfying such requirements if the Participant is still employed at the Early Retirement Age.

A Participant who severs from employment after satisfying any service requirement but before satisfying the age requirement for Early Retirement Age and who thereafter reaches the age requirement contained herein shall be entitled to receive benefits under this Plan (other than any accelerated vesting and allocations of Employer contributions) as though the requirements for Early Retirement Age had been satisfied.

1.16 "Effective Date" means the date this Plan, including any restatement or amendment of this Plan, is effective. Where the Plan is restated or amended, a reference to Effective Date is the effective date of the restatement or amendment, except where the context indicates a reference to an earlier Effective Date. If any provision of this Plan is retroactively effective, the provisions of this Plan generally control. However, if the provision of this Plan is different from the provision of the Employer's prior plan document and, after the retroactive Effective Date of this Plan, the Employer operated in compliance with the provisions of the prior plan, then the provision of such prior plan is incorporated into this Plan for purposes of determining whether the Employer operated the Plan in compliance with its terms, provided operation in compliance with the terms of the prior plan do not violate any qualification requirements under the Code, Regulations, or other IRS guidance.

The Employer may designate special effective dates for individual provisions under the Plan where provided in the Adoption Agreement or under Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections). If one or more qualified retirement plans have been merged into this Plan, the provisions of the merging plan(s) will remain in full force and effect until the effective date of the plan merger(s).

1.17 "Eligible Employee" means any Eligible Employee as elected in the Adoption Agreement and as provided herein.

(a) **"Reclassified Employees."** An individual shall not be an Eligible Employee (unless otherwise elected in Appendix A to the Adoption Agreement) if such individual is a "Reclassified Employee." A "Reclassified Employee" is any person the Employer does not treat as a common law employee or as a self-employed individual (including, but not limited to, independent contractors, persons the Employer pays outside of its payroll system and out-sourced workers) for federal income tax withholding purposes under Code §3401(a), irrespective of whether there is a binding determination that the individual is an Employee or a Leased Employee of the Employer. Self-Employed Individuals are not "Reclassified Employees."

(b) **Affiliated Employers.** Employees of an Affiliated Employer will not be treated as Eligible Employees prior to the date the Affiliated Employer adopts the Plan as a Participating Employer.

(c) **Union Employees.** If, in the Adoption Agreement, the Employer elects to exclude union employees, then Employees whose employment is governed by a collective bargaining agreement between the Employer and "employee representatives" under which retirement benefits were the subject of good faith bargaining, shall not be eligible to participate in this Plan to the extent of employment covered by such agreement, unless the agreement provides for coverage in the Plan (see Section 4.1(d)). For this purpose, the term "employee representatives" does not include any organization more than half of whose members are employees who are owners, officers, or executives of the Employer. If a Participant performs services both as a collectively bargained Employee and as a non-collectively bargained Employee, then the Participant's Hours of Service in each respective category are treated separately.

(d) **Nonresident aliens.** If, in the Adoption Agreement, the Employer elects to exclude nonresident aliens, then Employees who are nonresident aliens (within the meaning of Code §7701(b)(1)(B)) who received no earned income (within the meaning of Code §911(d)(2)) from the Employer which constitutes income from sources within the United States (within the meaning of Code §861(a)(3)) shall not be eligible to participate in this Plan. In addition, this paragraph shall also apply to exclude from participation in the Plan an Employee who is a nonresident alien (within the meaning of Code §7701(b)(1)(B)) but who receives earned income (within the meaning of Code §911(d)(2)) from the Employer that constitutes income from sources within the United States (within the meaning of Code §861(a)(3)), if all of the Employee's earned income from the Employer from sources within the United States is exempt from United States income tax under an applicable income tax convention. The preceding sentence will apply only if all Employees described in the preceding sentence are excluded from the Plan.

1.18 "Employee" means any person who is employed by the Employer. The term "Employee" shall also include any person who is an employee of an Affiliated Employer and any Leased Employee deemed to be an Employee as provided in Code §414(n) or (o).

1.19 "Employer" means the governmental entity specified in the Adoption Agreement, any successor which shall maintain this Plan and any predecessor which has maintained this Plan. In addition, unless the context means otherwise, the term "Employer" shall include any Participating Employer which shall adopt this Plan. This plan may only be adopted a state or local governmental entity, or agency thereof, including an Indian tribal government, and may not be adopted by any other entity, including a federal government and any agency or instrumentality thereof.

1.20 "**Fiscal Year**" means the Employer's accounting year.

1.21 "**Forfeiture**" means that portion of a Participant's Account that is not Vested and is disposed of in accordance with the provisions of the Plan.

A Forfeiture will occur on the following, as elected by the Employer in the Adoption Agreement:

- (a) The last day of the Plan Year in which a Participant incurs five (5) consecutive 1-Year Breaks in Service, or
- (b) The distribution of the entire Vested portion of the Participant's Account of a Participant who has severed employment with the Employer. For purposes of this provision, if the Participant has a Vested benefit of zero, then such Participant shall be deemed to have received a distribution of such Vested benefit as of the year in which the severance of employment occurs. For this purpose, a Participant's Vested benefit shall not include: (i) qualified voluntary employee contributions within the meaning of Code §72(o)(5)(B), and (ii) the Participant's Rollover Account.
- (c) As soon as reasonable practical after the date a Participant severs employment.

Regardless of the preceding, if a Participant is eligible to share in the allocation of Forfeitures in the year in which the Forfeiture would otherwise occur, then the Forfeiture will not occur until the end of the first Plan Year for which the Participant is not eligible to share in the allocation of Forfeitures. Furthermore, the term "Forfeiture" shall also include amounts deemed to be Forfeitures pursuant to any other provision of this Plan.

1.22 "**Former Employee**" means an individual who has severed employment with the Employer or an Affiliated Employer.

1.23 "**415 Compensation**" means, with respect to any Participant, such Participant's (a) Wages, tips and other compensation on Form W-2, (b) Code §3401(a) wages or (c) 415 safe harbor compensation as elected in the Adoption Agreement for purposes of Compensation (and as defined in Subsections 1.10(a)(1)-3 respectively). 415 Compensation shall be based on the full Limitation Year regardless of when participation in the Plan commences. Furthermore, regardless of any election made in the Adoption Agreement, 415 Compensation shall include any elective deferral (as defined in Code §§402(e)(3), 402(k) and 402(h)(1)(B)) and any amount which is contributed or deferred by the Employer at the election of the Participant and which is not includible in the gross income of the Participant by reason of Code §§125, 457, and 132(f)(4). If the Plan contains pick-up provisions (certain contributions designated as employee contributions, that are then "picked-up" by the Employer), then those pick-up contributions are not includible as Compensation for purposes of IRC §415 & Reg. §1.415-2(d)(2)(i). In addition, Military Differential Pay is treated as 415 Compensation.

(a) **Deemed 125 compensation.** If elected in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), 415 Compensation shall also include deemed §125 compensation. Deemed §125 compensation is an amount that is excludable under §106 that is not available to a participant in cash in lieu of group health coverage under a §125 arrangement solely because the participant is unable to certify that he or she has other health coverage. An amount will be treated as an amount under Code §125 pursuant to the preceding sentence only if the Employer does not request or collect information regarding the Participant's other health coverage as part of the enrollment process for the health plan.

(b) **Post-severance compensation.** The Administrator shall adjust 415 Compensation for amounts that would otherwise be included in the definition of 415 Compensation but are paid by the later of 2 1/2 months after a Participant's severance from employment with the Employer or the end of the Limitation Year that includes the date of the Participant's severance from employment with the Employer, in accordance with the following, as elected in the Compensation Section of the Adoption Agreement. The preceding time period, however, does not apply with respect to payments described in Subsections (4) and (5) below. Any other payment of compensation paid after severance of employment that is not described in the following types of compensation is not considered 415 Compensation, even if payment is made within the time period specified above.

(1) **Regular pay.** 415 Compensation shall include regular pay after severance of employment (to the extent otherwise included in the definition of 415 Compensation) if:

- (i) The payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and
- (ii) The payment would have been paid to the Participant prior to a severance from employment if the Participant had continued in employment with the Employer.

(2) **Leave cash-outs.** 415 Compensation shall include leave cash-outs if those amounts would have been included in the definition of 415 Compensation if they were paid prior to the Participant's severance from employment with the Employer, and the amounts are for unused accrued bona fide sick, vacation, or other leave, but only if the Participant would have been able to use the leave if employment had continued.

(3) **Deferred compensation.** 415 Compensation shall include deferred compensation if those amounts would have been included in the definition of 415 Compensation if they were paid prior to the Participant's severance from employment with the Employer, and the amounts are received pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid if the Participant had continued in employment with the Employer and only to the extent the payment is includible in the Participant's gross income.

(4) **Military Differential Pay.** 415 Compensation shall include payments to an individual who does not currently perform services for the Employer by reason of qualified military service (as that term is used in Code §414(u)(1)) 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 Employer rather than entering qualified military service.

(5) **Disability pay.** 415 Compensation shall include compensation paid to a Participant who is permanently and totally disabled, as defined in Code §22(e)(3), provided, as elected by the Employer in the Compensation Section of the Adoption Agreement, salary continuation applies to all Participants who are permanently and totally disabled for a fixed or determinable period, or the Participant was not a highly compensated employee (within the meaning of Code §414(q)) immediately before becoming disabled.

(c) **Back pay.** Back pay, within the meaning of Regulations §1.415(c)-2(g)(8), shall be treated as Compensation for the Limitation Year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.

(d) **Dollar limitation.** 415 Compensation will be limited to the same dollar limitations set forth in Section 1.10(e) adjusted in such manner as permitted under Code §415(d).

(e) **Amendment.** Except as otherwise provided herein, if, in connection with the adoption of any amendment, the definition of 415 Compensation has been modified, then for Plan Years prior to the Plan Year which includes the adoption date of such amendment, 415 Compensation means compensation determined pursuant to the terms of the Plan then in effect.

1.24 "Hour of Service" means (a) each hour for which an Employee is directly or indirectly compensated or entitled to compensation by the Employer for the performance of duties during the applicable computation period (these hours will be credited to the Employee for the computation period in which the duties are performed); (b) each hour for which an Employee is directly or indirectly compensated or entitled to Compensation by the Employer (irrespective of whether the employment relationship has terminated) for reasons other than performance of duties (such as vacation, holidays, sickness, incapacity (including disability), jury duty, lay-off, military duty or leave of absence) during the applicable computation period; (c) each hour for which back pay is awarded or agreed to by the Employer without regard to mitigation of damages (these hours will be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment is made). The same Hours of Service shall not be credited both under (a) or (b), as the case may be, and under (c).

Notwithstanding (b) above, (1) no more than 501 Hours of Service will be credited to an Employee on account of any single continuous period during which the Employee performs no duties (whether or not such period occurs in a single computation period); (2) an hour for which an Employee is directly or indirectly paid, or entitled to payment, on account of a period during which no duties are performed is not required to be credited to the Employee if such payment is made or due under a plan maintained solely for the purpose of complying with applicable workers' compensation, or unemployment compensation or disability insurance laws; and (3) Hours of Service are not required to be credited for a payment which solely reimburses an Employee for medical or medically related expenses incurred by the Employee. Furthermore, for purposes of (b) above, a payment shall be deemed to be made by or due from the Employer regardless of whether such payment is made by or due from the Employer directly, or indirectly through, among others, a trust fund, or insurer, to which the Employer contributes or pays premiums and regardless of whether contributions made or due to the trust fund, insurer, or other entity are for the benefit of particular Employees or are on behalf of a group of Employees in the aggregate.

Hours of Service will be credited for employment with all Affiliated Employers and for any individual considered to be a Leased Employee pursuant to Code §414(n) or 414(o) and the Regulations thereunder.

Hours of Service will be determined using the actual hours method unless one of the methods below is elected in the Adoption Agreement. If the **actual hours** method is used to determine Hours of Service, an Employee is credited with the actual Hours of Service the Employee completes with the Employer or the number of Hours of Service for which the Employee is paid (or entitled to payment).

If the **days worked** method is elected, an Employee will be credited with ten (10) Hours of Service if under the Plan such Employee would be credited with at least one (1) Hour of Service during the day.

If the **weeks worked** method is elected, an Employee will be credited with forty-five (45) Hours of Service if under the Plan such Employee would be credited with at least one (1) Hour of Service during the week.

If the **semi-monthly payroll periods worked** method is elected, an Employee will be credited with ninety-five (95) Hours of Service if under the Plan such Employee would be credited with at least one (1) Hour of Service during the semi-monthly payroll period.

If the **months worked** method is elected, an Employee will be credited with one hundred ninety (190) Hours of Service if under the Plan such Employee would be credited with at least one (1) Hour of Service during the month.

If the **bi-weekly payroll periods worked** method is elected, an Employee will be credited with ninety (90) Hours of Service if under the Plan such Employee would be credited with at least one (1) Hour of Service during the bi-weekly payroll period.

1.25 "Insurer" means any legal reserve insurance company which has issued or shall issue one or more Contracts or Policies under the Plan.

1.26 "Investment Manager" means a person or entity which renders investment advice for a fee or other compensation, direct or indirect, with respect to any monies or property of the Plan and which is appointed in accordance with Section 2.1(b).

1.27 "Joint and Survivor Annuity" means an immediate annuity for the life of a Participant with a survivor annuity for the life of the Participant's Spouse which is not less than fifty percent (50%), nor more than one hundred percent (100%) of the amount of the annuity payable during the joint lives of the Participant and the Participant's Spouse which can be purchased with the Participant's Vested interest in the Plan reduced by any outstanding loan balances pursuant to Section 7.4.

1.28 "Late Retirement Date" means the date of, or the first day of the month or the Anniversary Date coinciding with or next following, whichever corresponds to the election in the Adoption Agreement for the Normal Retirement Date, a Participant's actual retirement after having reached the Normal Retirement Date.

1.29 "Leased Employee" means any person (other than an Employee of the recipient Employer) who, pursuant to an agreement between the recipient Employer and any other person or entity ("leasing organization"), has performed services for the recipient (or for the recipient and related persons determined in accordance with Code §414(n)(6)) on a substantially full time basis for a period of at least one year, and such services are performed under primary direction or control by the recipient Employer. Contributions or benefits provided a Leased Employee by the leasing organization which are attributable to services performed for the recipient Employer shall be treated as provided by the recipient Employer. Furthermore, Compensation for a Leased Employee shall only include compensation from the leasing organization that is attributable to services performed for the recipient Employer.

A Leased Employee shall not be considered an employee of the recipient Employer if: (a) such employee is covered by a money purchase pension plan providing: (1) a non-integrated employer contribution rate of at least ten percent (10%) of compensation, as defined in Code §415(c)(3), (2) immediate participation, and (3) full and immediate vesting; and (b) leased employees do not constitute more than twenty percent (20%) of the recipient Employer's nonhighly compensated workforce.

1.30 "Limitation Year" means the "determination period" used to determine Compensation. However, the Employer may elect a different Limitation Year in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections). All qualified plans maintained by the Employer must use the same Limitation Year. Furthermore, unless there is a change to a new Limitation Year, the Limitation Year will be a twelve (12) consecutive month period. In the case of an initial Limitation Year, the Limitation Year will be the twelve (12) consecutive month period ending on the last day of the period specified in the Adoption Agreement. If the Limitation Year is amended to a different twelve (12) consecutive month period, the new "Limitation Year" must begin on a date within the "Limitation Year" in which the amendment is made. The Limitation Year may only be changed by a Plan amendment. Furthermore, if the Plan is terminated effective as of a date other than the last day of the Plan's Limitation Year, then the Plan is treated as if the Plan had been amended to change its Limitation Year.

1.31 "Military Differential Pay" means any differential wage payments made to an individual that represents an amount which, when added to the individual's military pay, approximates the amount of Compensation that was paid to the individual while working for the Employer. An individual receiving a differential wage payment, as defined by Code §3401(h)(2), is treated as an Employee of the Employer making the payment.

1.32 "Nonelective Contribution" means the Employer's contributions to the Plan.

1.33 "Normal Retirement Age" means the age elected in the Adoption Agreement at which time a Participant's Account shall be nonforfeitable (if elected in the Adoption Agreement and if the Participant is employed by the Employer on or after that date). For money purchase pension plans, if the employer enforces a mandatory retirement age, then the Normal Retirement Age is the lesser of that mandatory age or the age specified in the Adoption Agreement. Upon attaining Normal Retirement Age or the stated age and completion of the required years of service and any other reasonable requirements set forth in the Plan, the Plan will provide for full vesting of an Employee's interest.

1.34 "Normal Retirement Date" means the date elected in the Adoption Agreement.

1.35 "1-Year Break in Service" means, if the Hour of Service method is used, the applicable computation period that is used to determine a Year of Service during which an Employee or Former Employee has not completed more than 500 Hours of Service. However, if the Employer selected, in the Service Crediting Method Section of the Adoption Agreement, to define a Year of Service as less than 1,000

Hours of Service, then the 500 Hours of Service in this definition of 1-Year Break in Service shall be proportionately reduced. Further, solely for the purpose of determining whether an Employee has incurred a 1-Year Break in Service, Hours of Service shall be recognized for "authorized leaves of absence" and "maternity and paternity leaves of absence." For this purpose, Hours of Service shall be credited for the computation period in which the absence from work begins, only if credit therefore is necessary to prevent the Employee from incurring a 1-Year Break in Service, or, in any other case, in the immediately following computation period. The Hours of Service credited for a "maternity or paternity leave of absence" shall be those which would normally have been credited but for such absence, or, in any case in which the Administrator is unable to determine such hours normally credited, eight (8) Hours of Service per day. The total Hours of Service required to be credited for a "maternity or paternity leave of absence" shall not exceed the number of Hours of Service needed to prevent the Employee from incurring a 1-Year Break in Service.

"Authorized leave of absence" means an unpaid, temporary cessation from active employment with the Employer pursuant to an established policy, whether occasioned by illness, military service, or any other reason.

A "maternity or paternity leave of absence" means an absence from work for any period by reason of the Employee's pregnancy, birth of the Employee's child, placement of a child with the Employee in connection with the adoption of such child, or any absence for the purpose of caring for such child for a period immediately following such birth or placement.

If the elapsed time method is elected in the Service Crediting Method Section of the Adoption Agreement, then a "1-Year Break in Service" means a twelve (12) consecutive month period beginning on the severance from service date or any anniversary thereof and ending on the next succeeding anniversary of such date; provided, however, that the Employee or Former Employee does not perform an Hour of Service for the Employer during such twelve (12) consecutive month period.

1.36 "Participant" means any Employee or Former Employee who has satisfied the requirements of Sections 3.1 and 3.2 and entered the Plan and is eligible to accrue benefits under the Plan. In addition, the term "Participant" also includes any individual who was a Participant (as defined in the preceding sentence) and who must continue to be taken into account under a particular provision of the Plan (e.g., because the individual has an Account balance in the Plan).

1.37 "Participant Directed Account" means that portion of a Participant's interest in the Plan with respect to which the Participant has directed the investment in accordance with the Participant Direction Procedures.

1.38 "Participant Direction Procedures" means such instructions, guidelines or policies, the terms of which are incorporated herein, as shall be established pursuant to Section 4.10 and observed by the Administrator and applied and provided to Participants who have Participant Directed Accounts.

1.39 "Participating Employer" means an Employer which, with the consent of the "lead Employer" adopts the Plan pursuant to Section 10.1 or Article XI. In addition, unless the context means otherwise, the term "Employer" shall include any Participating Employer which shall adopt this Plan.

1.40 "Period of Service" means the aggregate of all periods of service commencing with an Employee's first day of employment or reemployment with the Employer or an Affiliated Employer and ending on the first day of a Period of Severance, or for benefit accrual purposes, ending on the severance from service date. The first day of employment or reemployment is the first day the Employee performs an Hour of Service. An Employee who incurs a Period of Severance of twelve (12) months or less will also receive service-spanning credit by treating any such period as a Period of Service for purposes of eligibility and vesting (but not benefit accrual). For purposes of benefit accrual, a Participant's whole year Periods of Service is equal to the sum of all full and partial periods of service, whether or not such service is continuous or contiguous, expressed in the number of whole years represented by such sum. For this purpose, fractional periods of a year will be expressed in terms of days.

Periods of Service with any Affiliated Employer shall be recognized. Furthermore, Periods of Service with any predecessor employer that maintained this Plan shall be recognized. Periods of Service with any other predecessor employer shall be recognized as elected in the Adoption Agreement.

In determining Periods of Service for purposes of vesting under the Plan, Periods of Service will be excluded as elected in the Adoption Agreement and as specified in Section 3.5.

In the event the method of crediting service is amended from the Hour of Service method to the elapsed time method, an Employee will receive credit for a Period of Service consisting of:

- (a) A number of years equal to the number of Years of Service credited to the Employee before the computation period during which the amendment occurs; and
- (b) The greater of (1) the Periods of Service that would be credited to the Employee under the elapsed time method for service during the entire computation period in which the transfer occurs or (2) the service taken into account under the Hour of Service method as of the date of the amendment.

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In addition, the Employee will receive credit for service subsequent to the amendment commencing on the day after the last day of the computation period in which the transfer occurs.

1.41 "Period of Severance" means a continuous period of time during which an Employee is not employed by the Employer. Such period begins on the date the Employee retires, quits or is discharged, or if earlier, the twelve (12) month anniversary of the date on which the Employee was otherwise first absent from service.

In the case of an individual who is absent from work for "maternity or paternity" reasons, the twelve (12) consecutive month period beginning on the first anniversary of the first day of such absence shall not constitute a one year Period of Severance. For purposes of this paragraph, an absence from work for "maternity or paternity" reasons means an absence (a) by reason of the pregnancy of the individual, (b) by reason of the birth of a child of the individual, (c) by reason of the placement of a child with the individual in connection with the adoption of such child by such individual, or (d) for purposes of caring for such child for a period beginning immediately following such birth or placement.

1.42 "Plan" means this instrument hereinafter referred to as Newport Group, Inc. Non-Standardized Governmental 401(a) Pre-Approved Plan (Basic Plan Document #03 and the Adoption Agreement) as adopted by the Employer, including all amendments thereto and any appendix which is specifically permitted pursuant to the terms of the Plan.

1.43 "Plan Year" means the Plan's accounting year as specified in the Adoption Agreement. Unless there is a Short Plan Year, the Plan Year will be a twelve-consecutive month period.

1.44 "Pre-Retirement Survivor Annuity" means an immediate annuity for the life of a Participant's Spouse, the payments under which must be equal to the benefit which can be provided with the percentage, as specified in the Adoption Agreement, of the Participant's Vested interest in the Plan as of the date of death. If no election is made in the Adoption Agreement, the percentage shall be equal to fifty percent (50%). Furthermore, if less than one hundred percent (100%) of the Participant's Vested interest in the Plan is used to provide the Pre-Retirement Survivor Annuity, a proportionate share of each of the Participant's Accounts subject to the Pre-Retirement Survivor Annuity shall be used to provide the Pre-Retirement Survivor Annuity.

1.45 "Regulation" means the Income Tax Regulations as promulgated by the Secretary of the Treasury or a delegate of the Secretary of the Treasury, and as amended from time to time.

1.46 "Retirement Date" means the date as of which a Participant retires for reasons other than Total and Permanent Disability, regardless of whether such retirement occurs on a Participant's Normal Retirement Date, Early Retirement Date or Late Retirement Date (see Section 6.1).

1.47 "Short Plan Year" means, if specified in the Adoption Agreement or as the result of an amendment, a Plan Year of less than a twelve (12) month period. If there is a Short Plan Year, the following rules shall apply in the administration of this Plan. In determining whether an Employee has completed a Year of Service (or Period of Service if the elapsed time method is used) for benefit accrual purposes in the Short Plan Year, the number of the Hours of Service (or months of service if the elapsed time method is used) required shall be proportionately reduced based on the number of days (or months) in the Short Plan Year.

1.48 "Spouse" means, a spouse as determined under federal tax law. In addition, with respect to benefits or rights not mandated by law, Spouse also includes a spouse as elected in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections).

1.49 "Terminated Participant" means a person who has been a Participant, but whose employment has been terminated with the Employer (including an Affiliated Employer) or applicable Participating Employer, other than by death, Total and Permanent Disability or retirement.

1.50 "Total and Permanent Disability" means, unless otherwise specified in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months. The disability of a Participant shall be determined by a licensed physician. However, if the condition constitutes total disability under the federal Social Security Acts, the Administrator may rely upon such determination that the Participant is Totally and Permanently Disabled for the purposes of this Plan. The determination shall be applied uniformly to all Participants.

1.51 "Trustee" means any person or entity that has agreed to serve as Trustee pursuant to the terms of the Trust agreement, or any successors thereto. The Employer may designate Trustees by business position or title. In addition, unless the context means, or the Plan provides, otherwise, the term "Trustee" shall mean the Insurer if the Plan is fully insured. The Employer has no reliance on the IRS opinion letter with respect to the separate Trust agreement.

1.52 "Trust Fund" means, if the Plan is funded with a trust, the assets of the Plan and Trust as the same shall exist from time to time.

1.53 "Valuation Date" means the date or dates specified in the Adoption Agreement. Regardless of any election to the contrary, for purposes of the determination and allocation of earnings and losses, the Valuation Date shall include the Anniversary Date and may include any other date or dates deemed necessary or appropriate by the Administrator for the valuation of Participants' Accounts during the Plan Year, which may include any day that the Trustee (or Insurer), any transfer agent appointed by the Trustee (or Insurer) or the Employer, or any stock exchange used by such agent, are open for business.

1.54 "Vested" means the nonforfeitable portion of any Account maintained on behalf of a Participant.

1.55 "Year of Service" means the computation period of twelve (12) consecutive months, herein set forth, and during which an Employee has completed at least 1,000 Hours of Service (unless a different number of Hours of Service is specified in the Adoption Agreement).

For purposes of eligibility for participation, the initial computation period shall begin with the date on which the Employee first performs an Hour of Service (employment commencement date). Unless otherwise elected in the Service Crediting Method Section of the Adoption Agreement, the succeeding computation periods shall begin on the anniversary of the Employee's employment commencement date. However, unless otherwise elected in the Adoption Agreement, if one (1) Year of Service or less is required as a condition of eligibility, then the computation period after the initial computation period shall shift to the current Plan Year which includes the anniversary of the date on which the Employee first performed an Hour of Service, and subsequent computation periods shall be the Plan Year. If there is a shift to the Plan Year, an Employee who is credited with the number of Hours of Service to be credited with a Year of Service in both the initial eligibility computation period and the first Plan Year which commences prior to the first anniversary of the Employee's initial eligibility computation period will be credited with two (2) Years of Service for purposes of eligibility to participate.

If two (2) (or more) Years of Service are required as a condition of eligibility, a Participant will only have completed two (2) (or more) Years of Service for eligibility purposes upon completing two (2) or more consecutive Years of Service without an intervening 1-Year Break in Service.

For vesting purposes, and all other purposes not specifically addressed in this Section, the computation period shall be the period elected in the Service Crediting Method Section of the Adoption Agreement. If no election is made in the Service Crediting Method Section of the Adoption Agreement, then the computation period shall be the Plan Year.

In determining Years of Service for purposes of vesting under the Plan, Years of Service will be excluded as elected in the Adoption Agreement and as specified in Section 3.5.

Years of Service and 1-Year Breaks in Service for eligibility purposes will be measured on the same eligibility computation period. Years of Service and 1-Year Breaks in Service for vesting purposes will be measured on the same vesting computation period.

Years of Service with any Affiliated Employer shall be recognized. Furthermore, Years of Service with any predecessor employer that maintained this Plan shall be recognized. Years of Service with any other employer shall be recognized as elected in the Adoption Agreement.

In the event the method of crediting service is amended from the elapsed time method to the Hour of Service method, an Employee will receive credit for Years of Service equal to:

- (a) The number of Years of Service equal to the number of 1-year Periods of Service credited to the Employee as of the date of the amendment; and
- (b) In the computation period which includes the date of the amendment, a number of Hours of Service (using the Hours of Service equivalency method, if any, elected in the Adoption Agreement) to any fractional part of a year credited to the Employee under this Section as of the date of the amendment.

ARTICLE II ADMINISTRATION

2.1 POWERS AND RESPONSIBILITIES OF THE EMPLOYER

- (a) **Appointment of Trustee (or Insurer) and Administrator.** In addition to the general powers and responsibilities otherwise provided for in this Plan, the Employer shall be empowered to appoint and remove one or more Trustees (or Insurers) and Administrators from time to time as it deems necessary for the proper administration of the Plan to ensure that the Plan is being operated for the exclusive benefit of the Participants and their Beneficiaries in accordance with the terms of the Plan and the Code. The Employer may appoint counsel, specialists, advisers, agents (including any nonfiduciary agent) and other persons as the Employer deems necessary or desirable in connection with the exercise of its fiduciary duties under this Plan. The Employer may compensate such agents or advisers from the assets of the Plan as fiduciary expenses (but not including any business (settlor) expenses of the Employer), to the extent not paid by the Employer.

(b) **Appointment of Investment Manager.** Unless prohibited by the terms of the Trust agreement, the Employer may appoint, at its option, one or more Investment Managers, investment advisers, or other agents to provide investment direction to the Trustee (or Insurer) with respect to any or all of the Plan assets. Such appointment shall be given by the Employer in writing in a form acceptable to the Trustee (or Insurer) and shall specifically identify the Plan assets with respect to which the Investment Manager or other agent shall have the authority to direct the investment.

(c) **Indemnity.** To the extent permitted by the Code, and unless otherwise specified in a separate agreement, the Employer will indemnify and hold harmless the Administrator, officers, directors, shareholders, employees, and agents of the Employer; the Plan; the Trustees, Fiduciaries, Participants and Beneficiaries of the Plan, as well as their respective successors and assigns, against any cause of action, loss, liability, damage, cost, or expense of any nature whatsoever (including, but not limited to, attorney's fees and costs, whether or not suit is brought, as well as IRS plan disqualifications, and other sanctions or compliance fees) arising out of or relating to the Employer's noncompliance with any of the Plan's terms or requirements; any intentional or negligent act or omission the Employer commits with regard to the Plan; and any omission or provision of incorrect information with regard to the Plan which causes the Plan to fail to satisfy the requirements of a tax-qualified plan. This indemnity provision shall continue to apply to the Employer with respect to the period the entity was maintaining this Plan, even if the Employer ceases to maintain the Plan.

2.2 DESIGNATION OF ADMINISTRATIVE AUTHORITY

The Employer may appoint one or more Administrators. If the Employer does not appoint an Administrator, the Employer will be the Administrator. Any person, including, but not limited to, the Employees of the Employer, shall be eligible to serve as an Administrator. Any person so appointed shall signify acceptance by filing written or electronic acceptance with the Employer. An Administrator may resign by delivering a written resignation to the Employer or be removed by the Employer by delivery of written notice of removal, to take effect at a date specified therein, or upon delivery to the Administrator if no date is specified. Upon the resignation or removal of an Administrator, the Employer may designate in writing a successor to this position.

2.3 ALLOCATION AND DELEGATION OF RESPONSIBILITIES

If more than one person is appointed as Administrator, then the responsibilities of each Administrator may be specified by the Employer and accepted in writing by each Administrator. If no such delegation is made by the Employer, then the Administrators may allocate the responsibilities among themselves, in which event the Administrators shall notify the Employer and the Trustee (or Insurer) in writing of such action and specify the responsibilities of each Administrator. The Trustee (or Insurer) thereafter shall accept and rely upon any documents executed by the appropriate Administrator until such time as the Employer or the Administrators file with the Trustee (or Insurer) a written revocation of such designation.

2.4 POWERS AND DUTIES OF THE ADMINISTRATOR

The primary responsibility of the Administrator is to administer the Plan for the exclusive benefit of the Participants and their Beneficiaries, subject to the specific terms of the Plan. The Administrator shall administer the Plan in accordance with its terms and shall have the power and discretion to construe the terms of the Plan and determine all questions arising in connection with the administration, interpretation, and application of the Plan. Benefits under this Plan will be paid only if the Administrator decides in its discretion that the applicant is entitled to them. Any such determination by the Administrator shall be conclusive and binding upon all persons. The Administrator may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan; provided, however, that any procedure, discretionary act, interpretation or construction shall be done based upon uniform principles consistently applied and shall be consistent with the intent that the Plan continue to be deemed a qualified plan under the terms of Code §401(a). The Administrator shall have all powers necessary or appropriate to accomplish its duties under this Plan.

The Administrator shall be charged with the duties of the general administration of the Plan and the powers necessary to carry out such duties as set forth under the terms of the Plan, including, but not limited to, the following:

- (a) the discretion to determine all questions relating to the eligibility of an Employee to participate or remain a Participant hereunder and to receive benefits under the Plan;
- (b) the authority to review and settle all claims against the Plan, including claims where the settlement amount cannot be calculated or is not calculated in accordance with the Plan's benefit formula. This authority specifically permits the Administrator to settle disputed claims for benefits and any other disputed claims made against the Plan;
- (c) to compute, certify, and direct agents of the Plan with respect to the amount and the kind of benefits to which any Participant shall be entitled hereunder;
- (d) to authorize and direct the Trustee (or Insurer) with respect to all discretionary or otherwise directed disbursements from the Trust Fund;
- (e) to maintain all necessary records for the administration of the Plan;

- (f) to interpret the provisions of the Plan and to make and publish such rules for regulation of the Plan that are consistent with the terms hereof;
- (g) to determine the size and type of any Contract to be purchased from any Insurer, and to designate the Insurer from which such Contract shall be purchased;
- (h) to compute and certify to the Employer and to the Trustee (or Insurer) from time to time the sums of money necessary or desirable to be contributed to the Plan;
- (i) to consult with the Employer and agents of the Plan regarding the short and long-term liquidity needs of the Plan;
- (j) to assist Participants regarding their rights, benefits, or elections available under the Plan; and
- (k) to determine the validity of, and take appropriate action with respect to, any "qualified domestic relations order" received by it.

2.5 RECORDS AND REPORTS

The Administrator shall keep a record of all actions taken and shall keep all other books of account, records, and other data that may be necessary for proper administration of the Plan and shall be responsible for supplying all information and reports to the Internal Revenue Service, Participants, Beneficiaries and others as required by applicable law.

2.6 APPOINTMENT OF ADVISERS

The Administrator may appoint counsel, specialists, advisers, agents (including nonfiduciary agents such as third party administrative services providers and recordkeepers) and other persons as the Administrator deems necessary or desirable in connection with the administration of this Plan, including but not limited to agents and advisers to assist with the administration and management of the Plan, and thereby to provide, among such other duties as the Administrator may appoint, assistance with maintaining Plan records and the providing of investment information to the Plan's investment fiduciaries and, if applicable, to Plan Participants.

2.7 INFORMATION FROM EMPLOYER

The Employer shall supply full and timely information to the Administrator on all pertinent facts as the Administrator may require in order to perform its functions hereunder and the Administrator shall advise appropriate agents of the Plan of such of the foregoing facts as may be pertinent to the agent's duties with respect to the Plan. The Administrator may rely upon such information as is supplied by the Employer and shall have no duty or responsibility to verify such information.

2.8 PAYMENT OF EXPENSES

All reasonable expenses of administration may be paid out of the Plan assets unless paid by the Employer. Such expenses shall include any expenses incident to the functioning of the Administrator, or any person or persons retained or appointed by any named fiduciary incident to the exercise of their duties under the Plan, including, but not limited to, fees of accountants, counsel, Investment Managers, agents (including nonfiduciary agents such as third party administrative services providers and recordkeepers) appointed for the purpose of assisting the Administrator or Trustee (or Insurer) in carrying out the instructions of Participants as to the directed investment of their Accounts (if permitted) and other specialists and their agents and other costs of administering the Plan. If liquid assets of the Plan are insufficient to cover the fees of the Trustee (or Insurer) or the Administrator, then Plan assets shall be liquidated to the extent necessary for such fees. In the event any part of the Plan assets becomes subject to tax, all taxes incurred will be paid from the Plan assets. Until paid, the expenses shall constitute a liability of the Trust Fund.

Expenses may be charged to Account. Unless specifically prohibited under statute, regulation or other guidance of general applicability, the Administrator may charge to the Account of an individual Participant a reasonable charge to offset the cost of making a distribution to the Participant, Beneficiary, or Alternate Payee.

2.9 MAJORITY ACTIONS

Except where there has been an allocation and delegation of administrative authority pursuant to Section 2.3, if there is more than one Administrator, then they shall act by a majority of their number, but may authorize one or more of them to sign all papers on their behalf.

2.10 CLAIMS PROCEDURES

- (a) **Non-ERISA provisions.** Sections 2.10(a) and (b) apply unless (1) the Administrator has adopted other Plan provisions or other claims procedures that override all or a portion of the provisions set forth in this Plan Section 2.10, or (2) the Employer has elected in the Adoption Agreement to apply all or some of Subsections (c) – (g) below (which are based on provisions of the Employee Retirement Security Act even though ERISA does not apply to this Plan).

Any person who believes that he or she is entitled to a benefit under the Plan shall file with the Administrator a written notice of claim for such benefit within 45 days of such right accruing or shall forever waive entitlement to such benefit. Within 120 days after its receipt of such written notice of claim, the Administrator shall either grant or deny such claim provided, however, any delay on the part of the Administrator in arriving at a decision shall not adversely affect benefits payable under a granted claim. The Administrator may, however, implement claims procedures in addition to those provided in this Plan. The implementation of such procedures shall not be considered a Plan amendment that affects an Employer's reliance on this pre-approved plan.

The Administrator and all persons determining or reviewing claims have full discretion to determine benefit claims under the Plan. Any interpretation, determination or other action of such persons shall be subject to review only if it is arbitrary or capricious or otherwise an abuse of discretion. Any review of a final decision or action of the persons reviewing a claim shall be based only on such evidence presented to or considered by such persons at the time they made the decision that is the subject of review.

(b) **Plan Administrator discretion; court review.** The Administrator and all persons determining or reviewing claims have full discretion to determine benefit claims under the Plan. Any interpretation, determination or other action of such persons shall be subject to review only if it is arbitrary or capricious or otherwise an abuse of discretion. Any review of a final decision or action of the persons reviewing a claim shall be based only on such evidence presented to or considered by such persons at the time they made the decision that is the subject of review.

(c) **Initial Claim.** Claims for benefits under the Plan may be filed in writing with the Administrator. Written or electronic notice of the disposition of a claim shall be furnished to the claimant within ninety (90) days (45 days if the claim involves disability benefits and disability is not based on the Social Security Acts) after the application is filed, or such period as is required by applicable law or Department of Labor regulation. Any electronic notification shall comply with the standards imposed by Department of Labor Regulation §2520.104b-1(c)(1)(i), (iii) and (iv) or any subsequent guidance. In the event the claim is denied, the reasons for the denial shall be specifically set forth in the notice in language calculated to be understood by the claimant, pertinent provisions of the Plan shall be cited, and, where appropriate, an explanation as to how the claimant can perfect the claim will be provided. In addition, the claimant shall be furnished with an explanation of the Plan's claims review procedure.

(d) **Claims review.** Any Employee, Former Employee, or Beneficiary of either, who has been denied a benefit by a decision of the Administrator pursuant to Section 2.10 shall be entitled to request the Administrator to give further consideration to the claim by filing with the Administrator a written request. Such request, together with a written statement of the reasons why the claimant believes such claim should be allowed, shall be filed with the Administrator no later than sixty (60) days after receipt of the written notification provided for in this Section 2.10(c). A final decision as to the allowance of the claim shall be made by the Administrator within sixty (60) days (45 days if the claim involves disability benefits and disability is not based on the Social Security Acts) of receipt of the appeal (unless there has been an extension of sixty (60) days (45 days if the claim involves disability benefits and disability is not based on the Social Security Acts) due to special circumstances, provided the delay and the special circumstances occasioning it are communicated to the claimant within the sixty (60) day period (45 days if the claim involves disability benefits and disability is not based on the Social Security Acts)). Such communication shall be written in a manner calculated to be understood by the claimant and shall include specific reasons for the decision and specific references to the pertinent Plan provisions on which the decision is based. The communication may be written or electronic (provided the electronic communication complies with the standards imposed by Department of Labor Regulation §2520.104b-1(c)(1)(i), (iii) and (iv) or any subsequent guidance). Notwithstanding the preceding, to the extent any of the time periods specified in this Section are amended by law or Department of Labor regulation, then the time frames specified herein shall automatically be changed in accordance with such law or regulation.

(e) **Deadline to file claim.** To be considered timely under the Plan's claims procedures, a claim must be filed under Sections 2.10(c) or (d) above within one year after the claimant knew or reasonably should have known of the principal facts upon which the claim is based. Knowledge of all facts that the Participant knew or reasonably should have known shall be imputed to the claimant for the purpose of applying this deadline.

(f) **Exhaustion of administrative remedies.** The exhaustion of the claims procedures is mandatory for resolving every claim and dispute arising under this Plan. As to such claims and disputes: (1) no claimant shall be permitted to commence any legal action to recover Plan benefits or to enforce or clarify rights under the Plan or under any other provision of law, whether or not statutory, until the claims procedures set forth in Subsections (a) and (b) above have been exhausted in their entirety; and (2) in any such legal action all explicit and all implicit determinations by the Administrator (including, but not limited to, determinations as to whether the claim, or a request for a review of a denied claim, was timely filed) shall be afforded the maximum deference permitted by law.

(g) **Deadline to file action.** No legal action to recover Plan benefits or to enforce or clarify rights under the Plan or under any other provision of law, whether or not statutory, may be brought by any claimant on any matter pertaining to this Plan unless the legal action is commenced in the proper forum before the earlier of: (1) thirty (30) months after the claimant knew or reasonably should have known of the principal facts on which the claim is based, or (2) six (6) months after the claimant has exhausted the claims procedure under this Plan. Knowledge of all facts that the Participant knew or reasonably should have known shall be imputed to every claimant who is or claims to be a Beneficiary of the Participant or otherwise claims to derive an entitlement by reference to the Participant for purposes of applying the previously specified periods.

**ARTICLE III
ELIGIBILITY**

3.1 CONDITIONS OF ELIGIBILITY

An Eligible Employee shall be eligible to participate hereunder on the date such Employee has satisfied the conditions of eligibility, if any, elected in the Adoption Agreement.

3.2 EFFECTIVE DATE OF PARTICIPATION

(a) **General rule.** An Eligible Employee who has satisfied the conditions of eligibility pursuant to Section 3.1 shall become a Participant effective as of the date elected in the Adoption Agreement.

(b) **Rehired Employee.** This Subsection only applies to the extent the Employer elects to apply the Break-in-Service rules in Appendix A to the Adoption Agreement. If the Break-in-Service rules do not apply, then a rehired Employee is treated as a new hire. If the Break-in-Service rules do apply, then if an Eligible Employee is not employed on the date determined pursuant to (a) above, but is reemployed before a 1-Year Break in Service has occurred, then such Eligible Employee shall become a Participant on the date of reemployment or, if later, the date that the Employee would have otherwise entered the Plan had the Employee not terminated employment. If such Employee incurs a 1-Year Break in Service, then eligibility will be determined under the 1-Year Break in Service rules set forth in Section 3.5.

(c) **Recognition of predecessor service.** Unless specifically provided otherwise in the Adoption Agreement, an Eligible Employee who satisfies the Plan's eligibility requirement conditions by reason of recognition of service with a predecessor employer will become a Participant as of the day the Plan credits service with a predecessor employer or, if later, the date the Employee would have otherwise entered the Plan had the service with the predecessor employer been service with the Employer.

(d) **Noneligible to eligible class.** If an Employee, who has satisfied the Plan's eligibility requirements and would otherwise have become a Participant, shall go from a classification of a noneligible Employee to an Eligible Employee, such Employee shall become a Participant on the date such Employee becomes an Eligible Employee or, if later, the date that the Employee would have otherwise entered the Plan had the Employee always been an Eligible Employee.

(e) **Eligible to noneligible class.** If an Employee, who has satisfied the Plan's eligibility requirements and would otherwise become a Participant, shall go from a classification of an Eligible Employee to a noneligible class of Employees, such Employee shall become a Participant in the Plan on the date such Employee again becomes an Eligible Employee, or, if later, the date that the Employee would have otherwise entered the Plan had the Employee always been an Eligible Employee. However, if such Employee incurs a 1-Year Break in Service, eligibility will be determined under the 1-Year Break in Service rules set forth in Section 3.5 (if applicable to the Plan).

3.3 DETERMINATION OF ELIGIBILITY

The Administrator shall determine the eligibility of each Employee for participation in the Plan based upon information furnished by the Employer. Such determination shall be conclusive and binding upon all persons, as long as the same is made pursuant to the Plan.

3.4 TERMINATION OF ELIGIBILITY

In the event a Participant shall go from a classification of an Eligible Employee to an ineligible Employee, such Participant shall continue to vest in the Plan for each Year of Service (or Period of Service, if the elapsed time method is used) completed while an ineligible Employee, until such time as the Participant's Account is forfeited or distributed pursuant to the terms of the Plan. Additionally, the Participant's interest in the Plan shall continue to share in the earnings of the Trust Fund in the same manner as Participants.

3.5 REHIRED EMPLOYEES AND 1-YEAR BREAKS IN SERVICE

(a) **Application of Break-in Service rules.** The Break-in-Service rules set forth in this Section only apply if the Employer elects to apply the Break-in-Service rules in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections). If the Employer does not elect to apply the Break-in-Service rules, then rehired Employees are treated as new hires.

(b) **Rehired Participant/immediate re-entry.** If any Former Employee who had been a Participant is reemployed by the Employer, then the Employee shall become a Participant as of the reemployment date, unless the Employee is not an Eligible Employee or unless the Employee does not satisfy the eligibility conditions taking into account prior service to the extent such prior service is not disregarded pursuant to Section 3.5(e) below. If such prior service is disregarded, then the rehired Eligible Employee shall be treated as a new hire.

(c) **Rehired Eligible Employee who satisfied eligibility.** If any Eligible Employee had satisfied the Plan's eligibility requirements but, due to a severance of employment, did not become a Participant, then such Eligible Employee shall become a Participant as of the

later of (1) the entry date on which he or she would have entered the Plan had there been no severance of employment, or (2) the date of his or her re-employment. Notwithstanding the preceding, if the rehired Eligible Employee's prior service is disregarded pursuant to Section 3.5(e) below, then the rehired Eligible Employee shall be treated as a new hire.

(d) **Rehired Eligible Employee who had not satisfied eligibility.** If any Eligible Employee who had not satisfied the Plan's eligibility requirements is rehired after severance from employment, then such Eligible Employee shall become a Participant in the Plan in accordance with the eligibility requirements set forth in the Adoption Agreement and the Plan. However, in applying any shift in an eligibility computation period, the Eligible Employee is not treated as a new hire unless prior service is disregarded in accordance with Section 3.5(e) below.

(e) **Reemployed after five (5) 1-Year Breaks in Service ("rule of parity" provisions).** If the Employer elects in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections) to apply the "rule of parity" provisions, then if any Employee is reemployed after five (5) 1-Year Breaks in Service has occurred, Years of Service (or Periods of Service if the elapsed time method is being used) shall include Years of Service (or Periods of Service if the elapsed time method is being used) prior to the 5-Year Break in Service subject to the rules set forth below. The Employer may elect in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections) to make the provisions of this paragraph applicable for purposes of eligibility and/or vesting.

(1) In the case of a Former Employee who under the Plan does not have a nonforfeitable right to any interest in the Plan resulting from Employer contributions, Years of Service (or Periods of Service) before a period of 1-Year Breaks in Service will not be taken into account if the number of consecutive 1-Year Breaks in Service equals or exceeds the greater of (i) five (5) or (ii) the aggregate number of pre-break Years of Service (or Periods of Service). Such aggregate number of Years of Service (or Periods of Service) will not include any Years of Service (or Periods of Service) disregarded under the preceding sentence by reason of prior 1-Year Breaks in Service;

(2) A Former Employee who has not had Years of Service (or Periods of Service) before a 1-Year Break in Service disregarded pursuant to (1) above, shall participate in the Plan as of the date of reemployment, or if later, as of the date the Former Employee would otherwise enter the Plan pursuant to Sections 3.1 and 3.2 taking into account all service not disregarded.

(f) **Vesting after five (5) 1-Year Breaks in Service.** If the Employer elects in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections) to apply the Break-in-Service rules, then if a Participant incurs five (5) consecutive 1-Year Breaks in Service, the Vested portion of such Participant's Account attributable to pre-break service shall not be increased as a result of post-break service. In such case, separate accounts will be maintained as follows:

- (1) one account for nonforfeitable benefits attributable to pre-break service; and
- (2) one account representing the Participant's Employer-derived Account balance in the Plan attributable to post-break service.

(g) **Waiver of allocation or contribution conditions.** If the Employer elects in the Adoption Agreement to waive allocations or contributions due to retirement (early or normal retirement), then a Participant shall only be entitled to one such waiver. Accordingly, if a Participant retires and allocation or contribution conditions are waived, then the Plan will not waive the allocation or contribution conditions if the Participant is rehired and then retires again.

3.6 ELECTION NOT TO PARTICIPATE

An Employee may, subject to the approval of the Employer, elect voluntarily not to participate in any component of the Plan before the Employee first becomes eligible to participate in any qualified plan (subject to Code §401(a)), or any other plan or arrangement of the employer that is described in Code section 219(g)(5)(A) (whether or not terminated) maintained by the Employer. Such election must be made upon inception of the Plan or such other plan or arrangement or at any time prior to the time the Employee first becomes eligible to participate under any such plan maintained by the Employer. The election not to participate must be irrevocable and communicated to the Employer, in writing, within a reasonable period of time before the date the Employee would have otherwise entered the Plan. Notwithstanding anything in this Section to the contrary, if any prior Plan document of this Plan contained a provision permitting an Employee to make a revocable election not to participate and an Employee made such revocable election not to participate while that prior Plan document was in effect, then such Employee's waiver shall continue to be in effect.

3.7 OMISSION OF ELIGIBLE EMPLOYEE; INCLUSION OF INELIGIBLE EMPLOYEE

If, in any Plan Year, any Employee who should be included as a Participant in the Plan is erroneously omitted and discovery of such omission is not made until after a contribution by the Employer for the year has been made and allocated, or any person who should not have been included as a Participant in the Plan is erroneously included, then the Employer may take corrective actions consistent with the IRS Employee Plans Compliance Resolution System (i.e., Rev. Proc. 2018-52, Rev. Proc. 2019-19, or any subsequent guidance).

ARTICLE IV
CONTRIBUTION AND ALLOCATION

4.1 FORMULA FOR DETERMINING EMPLOYER'S CONTRIBUTION

(a) For a Money Purchase Plan

All contributions made by the Employer will be made in cash. For each Plan Year, the Employer will contribute to the Plan the following:

- (1) The amount of any mandatory Employee contributions and after-tax voluntary Employee contributions made by Participants; plus
- (2) On behalf of each Participant eligible to share in allocations, for each year of such Participant's participation in this Plan, the Employer will contribute the amount specified in the Adoption Agreement; plus
- (3) If elected in the Adoption Agreement, a matching contribution equal to the amount specified in the Adoption Agreement of each Participant eligible to share in the allocations of the matching contribution, which amount shall be deemed an Employer matching contribution.

(b) For a 401(a) Plan

For each Plan Year, the Employer will (or may with respect to any discretionary contributions) contribute to the Plan:

- (1) The amount of any mandatory Employee contributions and after-tax voluntary Employee contributions; plus
- (2) If elected in the Adoption Agreement, a matching contribution equal to the amount specified in the Adoption Agreement of each Participant eligible to share in the allocations of the matching contribution, which amount shall be deemed an Employer matching contribution; plus
- (3) If elected in the Adoption Agreement, an Employer contribution equal to a specified contribution or a discretionary amount determined each year by the Employer.

(c) **Frozen Plans.** The Employer may designate that the Plan is a frozen Plan at the Contribution Types Section of the Adoption Agreement. As a frozen Plan, the Employer will not make any Employer contributions with respect to Compensation earned after the date the Plan is frozen. In addition, once a Plan is frozen, no additional Employees shall become Participants.

(d) **Union Employees.** Regardless of any provision in this Plan to the contrary, Employees whose employment is governed by a collective bargaining agreement between the Employer and "employee representatives" under which retirement benefits were the subject of good faith bargaining shall be eligible to participate in this Plan to the extent of employment covered by such agreement provided the agreement provides for coverage in the Plan. The benefits, including but not limited to, contributions, allocations and vesting, under this Plan shall be those set forth in the Adoption Agreement. For this purpose, the term "employee representatives" does not include any organization more than half of whose members are employees who are owners, officers, or executives of the Employer. If a Participant performs services both as a collectively bargained Employee and as a non-collectively bargained Employee, then the Participant's Hours of Service and Compensation in each respective category are treated separately for purposes of the Plan.

(e) **Social Security Replacement Plan.** The Employer may elect under the Adoption Agreement to indicate its intention to qualify this Plan as a Social Security Replacement Plan under Code §3121(b)(7)(F). If the Employer makes the election to qualify the Plan as a Social Security Replacement Plan, the Plan will allocate a minimum contribution amount (Employer and Employee Contributions) of seven and one-half percent (7.5%) of Compensation. The Plan will consider each Participant a member of a retirement system that provides benefits comparable to the benefits he or she would have received under Social Security. In the case of part-time, seasonal and temporary Employees, the benefit will be nonforfeitable.

4.2 TIME OF PAYMENT OF EMPLOYER'S CONTRIBUTION

Unless otherwise provided by contract or law, the Employer may make its contribution to the Plan for a particular Plan Year at such time as the Employer, in its sole discretion, determines. If the Employer makes a contribution for a particular Plan Year after the close of that Plan Year, the Employer will designate to the Administrator the Plan Year for which the Employer is making its contribution.

4.3 ALLOCATION OF CONTRIBUTION, FORFEITURES AND EARNINGS

(a) **Separate accounting.** The Administrator shall establish and maintain an Account in the name of each Participant to which the Administrator shall credit as of each Anniversary Date, or other Valuation Date, all amounts allocated to each such Participant as set forth herein.

(b) **Allocation of contributions.** The Employer shall provide the Administrator with all information required by the Administrator to make a proper allocation of the Employer's contribution, if any, for each Plan Year. Within a reasonable period of time after the date of receipt by the Administrator of such information, the Administrator shall allocate any contributions as follows:

(1) **Money Purchase Pension Plan.** For a Money Purchase Plan:

(i) The Employer's contribution shall be allocated to each Participant's Account in the manner set forth in Section 4.1 herein and as specified in the Adoption Agreement.

(ii) Notwithstanding the preceding provisions, a Participant shall only be eligible to share in the allocations of the Employer's contribution for the year if the Participant is an Eligible Employee at any time during the year and the conditions set forth in the Adoption Agreement are satisfied.

(2) **401(a) Plan.** For a 401(a) Plan (which is a profit sharing plan within the meaning of Code §401(a)):

(i) The Employer's contribution shall be allocated to each Participant's Account in accordance with the allocation method that corresponds with the elections in the Adoption Agreement. The Employer shall provide the Administrator with all information required by the Administrator to make a proper allocation of the Employer's contribution for each Plan Year. Within a reasonable period of time after the date of receipt by the Administrator of such information, the allocation shall be made in accordance with the elections in the Adoption Agreement.

(ii) Notwithstanding the preceding provision, a Participant shall only be eligible to share in the allocations of the Employer's contribution for the year if the Participant is an Eligible Employee at any time during the year and the conditions set forth in the Adoption Agreement are satisfied.

(c) **Gains or losses.** Except as otherwise provided in Section 4.10 with respect to Participant Directed Accounts, as of each Valuation Date, before allocation of any Employer contributions and Forfeitures, any earnings or losses (net appreciation or net depreciation) of the Trust Fund (exclusive of assets segregated for distribution) shall be allocated in accordance with such rules and procedures that are established by the Administrator and that are applied in a uniform and nondiscriminatory manner based upon the investments of the Trust Fund and the Participants' accounts to which the net income is allocated. For purposes of this Section, the term "net income" means the net of any interest, dividends, unrealized appreciation and depreciation, capital gains and losses, and investment expenses of the Trust Fund determined on each Valuation Date. However, Participants' accounts which have been segregated for investment purposes (including any Participant Directed Accounts) will only have the net income earned thereon allocated thereto. Policy dividends or credits will be allocated to the Participant's Account for whose benefit the Policy is held.

Recapture account. The Administrator in its discretion may use a "Recapture Account" to pay non-settlor Plan expenses and may allocate funds in the "Recapture Account" (or excess funds therein after payment of Plan expenses) as earnings or as otherwise permitted by applicable law. The Administrator will exercise its discretion in a reasonable, uniform and nondiscriminatory manner. A "Recapture Account" is an account designated to receive amounts which a Plan service provider receives in the form of 12b-1 fees, sub-transfer agency fees, shareholder servicing fees or similar amounts (also known as "revenue sharing"), which are received by the service provider from a source other than the Plan and which the service provider may remit to the Plan.

Late trading and market timing settlement. In the event the Plan becomes entitled to a settlement from a mutual fund or other investment relating to late trading, market timing or other activities, the Administrator will allocate the settlement proceeds to Participants and Beneficiaries in accordance with Department of Labor Field Assistance Bulletin 2006-01 or other applicable law.

(d) **Contracts.** Participants' Accounts shall be debited for any insurance or annuity premiums paid, if any, and credited with any dividends or interest received on Contracts.

(e) **Forfeitures.** Forfeitures must be disposed of no later than the last day of the Plan Year following the Plan Year in which the Forfeiture occurs. The Employer may direct the Administrator to use Forfeitures to satisfy any contribution that may be required pursuant to Section 6.10 or to pay any Plan expenses. With respect to a Money Purchase Plan, any remaining Forfeitures will be disposed of in accordance with the elections in the Adoption Agreement. With respect to all other plans, the Employer must direct the Administrator to use any remaining Forfeitures in accordance with any combination of the following methods, including a different method based on the source of such Forfeitures. Forfeitures may be:

- (1) Added to any Employer discretionary contribution and allocated in the same manner
- (2) Used to reduce any Employer contribution

- (3) Added to any Employer matching contribution and allocated as an additional matching contribution
- (4) Allocated to all Participants in the same proportion that each Participant's Compensation for the Plan Year bears to the Compensation of all Participants for such year

If Forfeitures are allocated to Participants (rather than used to reduce Employer contributions) then the Employer must also direct the Administrator as to which Participants are eligible to share in such allocation.

(f) **Delay in processing transactions.** Notwithstanding anything in this Section to the contrary, all information necessary to properly reflect a given transaction may not be available until after the date specified herein for processing such transaction, in which case the transaction will be reflected when such information is received and processed. Subject to express limits that may be imposed under the Code, the processing of any contribution, distribution or other transaction may be delayed for any legitimate business reason (including, but not limited to, failure of systems or computer programs, failure of the means of the transmission of data, force majeure, the failure of a service provider to timely receive values or prices, and correction for errors or omissions or the errors or omissions of any service provider). The processing date of a transaction will be binding for all purposes of the Plan.

4.4 MAXIMUM ANNUAL ADDITIONS

(a) **Calculation of "annual additions."**

(1) If a Participant does not participate in, and has never participated in another qualified plan maintained by the "employer," or a welfare benefit fund (as defined in Code §419(e)) maintained by the "employer," or an individual medical benefit account (as defined in Code §415(l)(2)) maintained by the "employer," or a simplified employee pension (as defined in Code §408(k)) maintained by the "employer" which provides "annual additions," the amount of "annual additions" which may be credited to the Participant's Accounts for any Limitation Year shall not exceed the lesser of the "maximum permissible amount" or any other limitation contained in this Plan. If the "employer" contribution that would otherwise be contributed or allocated to the Participant's Accounts would cause the "annual additions" for the Limitation Year to exceed the "maximum permissible amount," the amount contributed or allocated will be reduced so that the "annual additions" for the Limitation Year will equal the "maximum permissible amount," and any amount in excess of the "maximum permissible amount" which would have been allocated to such Participant may be allocated to other Participants.

(2) Prior to determining the Participant's actual 415 Compensation for the Limitation Year, the "employer" may determine the "maximum permissible amount" for a Participant on the basis of a reasonable estimation of the Participant's 415 Compensation for the Limitation Year, uniformly determined for all Participants similarly situated.

(3) As soon as is administratively feasible after the end of the Limitation Year, the Administrator shall determine the "maximum permissible amount" for each Participant for such Limitation Year on the basis of the Participant's actual 415 Compensation for such Limitation Year.

(b) **"Annual additions" if a Participant is in more than one plan.**

(1) Except as provided in Subsection (c) below, this Subsection applies if, in addition to this Plan, a Participant is covered under another "employer" maintained qualified defined contribution plan, welfare benefit fund (as defined in Code §419(e)), individual medical benefit account (as defined in Code §415(l)(2)), or simplified employee pension (as defined in Code §408(k)), which provides "annual additions," during any Limitation Year. The "annual additions" which may be credited to a Participant's Accounts under this Plan for any such Limitation Year shall not exceed the "maximum permissible amount" reduced by the "annual additions" credited to a Participant's Accounts under the other plans and welfare benefit funds, individual medical benefit accounts, and simplified employee pensions for the same Limitation Year. If the "annual additions" with respect to the Participant under other defined contribution plans and welfare benefit funds maintained by the "employer" are less than the "maximum permissible amount" and the "employer" contribution that would otherwise be contributed or allocated to the Participant's Accounts under this Plan would cause the "annual additions" for the Limitation Year to exceed this limitation, the amount contributed or allocated will be reduced so that the "annual additions" under all such plans and welfare benefit funds for the Limitation Year will equal the "maximum permissible amount," and any amount in excess of the "maximum permissible amount" which would have been allocated to such Participant may be allocated to other Participants. If the "annual additions" with respect to the Participant under such other defined contribution plans, welfare benefit funds, individual medical benefit accounts and simplified employee pensions in the aggregate are equal to or greater than the "maximum permissible amount," no amount will be contributed or allocated to the Participant's Account under this Plan for the Limitation Year.

(2) Prior to determining the Participant's actual 415 Compensation for the Limitation Year, the "employer" may determine the "maximum permissible amount" for a Participant on the basis of a reasonable estimation of the Participant's 415 Compensation for the Limitation Year, uniformly determined for all Participants similarly situated.

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(3) As soon as is administratively feasible after the end of the Limitation Year, the Administrator shall determine the "maximum permissible amount" for each Participant for such Limitation Year on the basis of the Participant's actual 415 Compensation for the Limitation Year.

(4) If, pursuant to Section 4.4(b)(2), a Participant's "annual additions" under this Plan and such other plans would result in an "excess amount" for a Limitation Year, the "excess amount" will be deemed to consist of the "annual additions" last allocated, except that "annual additions" attributable to a simplified employee pension will be deemed to have been allocated first, followed by "annual additions" to a welfare benefit fund or individual medical benefit account, and then by "annual additions" to a plan subject to Code §412, regardless of the actual allocation date.

(5) If an "excess amount" was allocated to a Participant on an allocation date of this Plan which coincides with an allocation date of another plan, the "excess amount" attributed to this Plan will be the product of:

- (i) the total "excess amount" allocated as of such date, times
- (ii) the ratio of (A) the "annual additions" allocated to the Participant for the Limitation Year as of such date under this Plan to (B) the total "annual additions" allocated to the Participant for the Limitation Year as of such date under this and all the other qualified defined contribution plans.

(c) **Coverage under another plan.** If the Participant is covered under another qualified defined contribution plan maintained by the "employer," "annual additions" which may be credited to the Participant's Accounts under this Plan for any Limitation Year will be limited in accordance with Section 4.4(b), unless the "employer" provides other limitations in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections).

(d) **Time when "annual additions" credited.** An "annual addition" is credited to the Account of a Participant for a particular Limitation Year if it is allocated to the Participant's Account under the Plan as of any date within that Limitation Year. However, an amount is not deemed allocated as of any date within a Limitation Year if such allocation is dependent upon participation in the Plan as of any date subsequent to such date.

For purposes of this subparagraph, "employer" contributions are treated as credited to a Participant's Account for a particular Limitation Year only if the contributions are actually made to the Plan no later than the 15th day of the tenth calendar month following the end of the calendar year or Fiscal Year (as applicable, depending on the basis on which the Employer keeps its books) with or within which the particular Limitation Year ends.

(e) **Definitions.** For purposes of this Section, the following terms shall be defined as follows:

(1) **"Annual additions"** means the sum credited to a Participant's Accounts for any Limitation Year of (a) "employer" contributions, (b) Employee contributions (except as provided below), (c) Forfeitures, (d) amounts allocated to an individual medical benefit account, as defined in Code §415(l)(2), which is part of a pension or annuity plan maintained by the "employer," (e) amounts derived from contributions paid or accrued which are attributable to post-retirement medical benefits allocated to the separate account of a key employee (as defined in Code §419A(d)(3)) under a welfare benefit fund (as defined in Code §419(e)) maintained by the "employer" and (f) allocations under a simplified employee pension. Except, however, the Compensation percentage limitation referred to in paragraph (e)(5)(ii) below shall not apply to: (1) any contribution for medical benefits (within the meaning of Code §419A(f)(2)) after separation from service which is otherwise treated as an "annual addition," or (2) any amount otherwise treated as an "annual addition" under Code §415(l)(1).

(i) **Restorative payments.** "Annual additions" for purposes of Code §415 and this Section shall not include restorative payments. A restorative payment is a payment made to restore losses to a Plan resulting from actions by a fiduciary for which there is reasonable risk of liability for breach of a fiduciary duty under applicable federal or state law, where Participants who are similarly situated are treated similarly with respect to the payments. Generally, payments are restorative payments only if the payments are made in order to restore some or all of the Plan's losses due to an action (or a failure to act) that creates a reasonable risk of liability for such a breach of fiduciary duty (other than a breach of fiduciary duty arising from failure to remit contributions to the Plan). Payments made to the Plan to make up for losses due merely to market fluctuations and other payments that are not made on account of a reasonable risk of liability for breach of a fiduciary duty are not restorative payments and generally constitute contributions that are considered "annual additions."

(ii) **Other amounts.** "Annual additions" for purposes of Code §415 and this Section shall not include: (A) The direct transfer of a benefit or employee contributions from a qualified plan to this Plan; (B) Rollover contributions (as described in Code §§401(a)(31), 402(c)(1), 403(a)(4), 403(b)(8), 408(d)(3), and 457(e)(16)); (C) Repayments of loans made to a Participant from the Plan; and (D) Repayments of amounts described in Code §411(a)(7)(B) (in accordance with Code §411(a)(7)(C)) and Code §411(a)(3)(D) or repayment of contributions to a governmental plan (as defined in Code §414(d)) as described in Code §415(k)(3), as well as Employer restorations of benefits that are required pursuant to such repayments.

- (2) **"Defined contribution dollar limitation"** means \$56,000 (or the amount as adjusted under Code §415(d)).
- (3) **"Employer"** means, for purposes of this Section, the Employer that adopts this Plan and all Affiliated Employers.
- (4) **"Excess amount"** means the excess of the Participant's "annual additions" for the Limitation Year over the "maximum permissible amount."
- (5) **"Maximum permissible amount"** means, except to the extent permitted under this Plan and Code §414(v), the maximum "annual addition" that may be contributed or allocated to a Participant's Accounts under the Plan for any Limitation Year, which shall not exceed the lesser of:
 - (i) the "defined contribution dollar limitation," or
 - (ii) one hundred percent (100%) of the Participant's 415 Compensation for the Limitation Year.

The 415 Compensation Limitation referred to in (ii) shall not apply to any contribution for medical benefits after separation from service (within the meaning of Code §§401(h) or 419A(f)(2)) which is otherwise treated as an "annual addition."

If a short Limitation Year is created because of an amendment changing the Limitation Year to a different twelve (12) consecutive month period, the "maximum permissible amount" will not exceed the "defined contribution dollar limitation" multiplied by a fraction, the numerator of which is the number of months in the short Limitation Year and the denominator of which is twelve (12).

(f) **Special rules.**

(1) **Aggregation of plans.** For purposes of applying the limitations of Code §415, all defined contribution plans (without regard to whether a plan has been terminated) ever maintained by the "employer" (or a "predecessor employer") under which the Participant receives "annual additions" (including voluntary employee contribution accounts in a defined benefit plan, mandatory contributions to a defined benefit plan, individual medical benefit accounts under §401(h), key employee accounts under a welfare benefit plan described in §419, and simplified employee pensions under §408(k)) of the employer or a predecessor employer, whether or not terminated, will be treated as one defined contribution plan for purposes of the limitations under §415(c). Where the employer is a member of a controlled group of corporations or commonly controlled trades or businesses, or a member of an affiliated service group, within the meaning of §§414(b), (c) or (m) and §415(g) and (h), the plan must provide that all such employers are treated as a single employer for purposes of the Plan's application of the §415 limitations. Notwithstanding the preceding, multiemployer plans are not aggregated with other multiemployer plans for purposes of §415. For purposes of this Section:

(i) A former "employer" is a "predecessor employer" with respect to a participant in a plan maintained by an "employer" if the "employer" maintains a plan under which the participant had accrued a benefit while performing services for the former "employer", but only if that benefit is provided under the plan maintained by the "employer". For this purpose, the "formerly affiliated plan" rules in Regulation §1.415(f)-1(b)(2) apply as if the "employer" and "predecessor employer" constituted a single employer under the rules described in Regulation §1.415(a)-1(f)(1) and (2) immediately prior to the "cessation of affiliation" (and as if they constituted two, unrelated employers under the rules described in Regulation §1.415(a)-1(f)(1) and (2) immediately after the "cessation of affiliation") and "cessation of affiliation" was the event that gives rise to the "predecessor employer" relationship, such as a transfer of benefits or plan sponsorship.

(ii) With respect to an "employer" of a Participant, a former entity that antedates the "employer" is a "predecessor employer" with respect to the Participant if, under the facts and circumstances, the "employer" constitutes a continuation of all or a portion of the trade or business of the former entity.

(2) **Break-up of an affiliated employer or an affiliated service group.** For purposes of aggregating plans for Code §415, a "formerly affiliated plan" of an "employer" is taken into account for purposes of applying the Code §415 limitations to the "employer," but the "formerly affiliated plan" is treated as if it had terminated immediately prior to the "cessation of affiliation." For purposes of this paragraph, a "formerly affiliated plan" of an "employer" is a plan that, immediately prior to the "cessation of affiliation," was actually maintained by one or more of the entities that constitute the "employer" (as determined under the employer affiliation rules described in Regulation §1.415(a)-1(f)(1) and (2)), and immediately after the "cessation of affiliation," is not actually maintained by any of the entities that constitute the "employer" (as determined under the employer affiliation rules described in Regulation §1.415(a)-1(f)(1) and (2)). For purposes of this paragraph, a "cessation of affiliation" means the event that causes an entity to no longer be aggregated with one or more other entities as a single "employer" under the employer affiliation rules described in Regulation §1.415(a)-1(f)(1) and (2) (such as the sale of a subsidiary outside a controlled group), or that causes a plan to not actually be maintained by any of the entities that constitute the "employer" under the employer affiliation rules of Regulation §1.415(a)-1(f)(1) and (2) (such as a transfer of plan sponsorship outside of a controlled group).

(3) **Mid-year aggregation.** Two or more defined contribution plans that are not required to be aggregated pursuant to Code §415(f) and the Regulations thereunder as of the first day of a Limitation Year do not fail to satisfy the requirements of Code §415 with respect to a Participant for the Limitation Year merely because they are aggregated later in that Limitation Year, provided that no "annual additions" are credited to the Participant's Account after the date on which the plans are required to be aggregated.

4.5 ADJUSTMENT FOR EXCESS ANNUAL ADDITIONS

Notwithstanding any provision of the Plan to the contrary, if the "annual additions" (as defined in Section 4.4) are exceeded for any Participant, then the Plan may only correct such excess in accordance with the Employee Plans Compliance Resolution System (EPCRS) as set forth in Rev. Proc. 2018-52, Rev. Proc. 2019-19, or any superseding guidance.

4.6 ROLLOVERS

(a) **Acceptance of "rollovers" into the Plan.** If elected in the Adoption Agreement and with the consent of the Administrator, the Plan may accept a "rollover," provided the "rollover" will not jeopardize the tax-exempt status of the Plan or create adverse tax consequences for the Employer. The amounts rolled over shall be separately accounted for in a "Participant's Rollover Account." A Participant's Rollover Account shall be fully Vested at all times and shall not be subject to Forfeiture for any reason. For purposes of this Section, the term Participant shall include any Eligible Employee who is not yet a Participant, if, pursuant to the Adoption Agreement, "rollovers" are permitted to be accepted from Eligible Employees. In addition, for purposes of this Section the term Participant shall also include Former Employees if elected in the Adoption Agreement. Regardless of whether new loans are permitted, if the Plan permits rollovers, the Administrator may, in a uniform and nondiscriminatory manner, accept rollovers of loans into this Plan if the terms of such loans meet the requirements of being definite, have a reasonable rate of interest, and/or have a definite repayment period (e.g., an asset purchase acquisition whereby the Employer may choose to accept the rollover of Participant loans from a prior employer in a uniform and nondiscriminatory manner).

(b) **Treatment of "rollovers" under the Plan.** Amounts in a Participant's Rollover Account shall be held by the Trustee (or Insurer) pursuant to the provisions of this Plan and may not be withdrawn by, or distributed to the Participant, in whole or in part, except as elected in the Adoption Agreement and Subsection (c) below. The Trustee (or Insurer) shall have no duty or responsibility to inquire as to the propriety of the amount, value or type of assets transferred, nor to conduct any due diligence with respect to such assets; provided, however, that such assets are otherwise eligible to be held by the Trustee (or Insurer) under the terms of this Plan.

(c) **Distribution of "rollovers."** At such time as the conditions set forth in the Adoption Agreement have been satisfied, the Administrator, at the election of the Participant, shall direct the distribution of up to the entire amount credited to the Rollover Account maintained on behalf of such Participant. Any distribution of amounts held in a Participant's Rollover Account shall be made in a manner which is consistent with and satisfies the provisions of Sections 6.5 and 6.6. Furthermore, unless otherwise elected in the Adoption Agreement, such amounts shall be considered to be part of a Participant's benefit in determining whether an involuntary cash-out of benefits may be made without Participant consent.

(d) **"Rollovers" maintained in a separate account.** The Administrator may direct that "rollovers" made after a Valuation Date be segregated into a separate account for each Participant until such time as the allocations pursuant to this Plan have been made, at which time they may remain segregated, invested as part of the general Trust Fund or, if elected in the Adoption Agreement, directed by the Participant.

(e) **Limits on accepting "rollovers."** Prior to accepting any "rollovers" to which this Section applies, the Administrator may require the Employee to establish (by providing opinion of counsel or otherwise) that the amounts to be rolled over to this Plan meet the requirements of this Section. The Employer may instruct the Administrator, operationally, to limit the source of "rollover" contributions that may be accepted by the Plan.

(f) **Definitions.** For purposes of this Section, the following definitions shall apply:

(1) A "rollover" means: (i) amounts transferred to this Plan directly from another "eligible retirement plan;" (ii) distributions received by an Employee from other "eligible retirement plans" which are eligible for tax-free rollover to an "eligible retirement plan" and which are transferred by the Employee to this Plan within sixty (60) days following receipt thereof; and (iii) any other amounts which are eligible to be rolled over to this Plan pursuant to the Code or any other federally enacted legislation.

(2) An "eligible retirement plan" means an individual retirement account described in Code §408(a), an individual retirement annuity described in Code §408(b) (other than an endowment contract), a qualified trust (an employees' trust described in Code §401(a) which is exempt from tax under Code §501(a)), an annuity plan described in Code §403(a), an eligible deferred compensation plan described in Code §457(b) which is maintained by an eligible employer described in Code §457(e)(1)(A), and an annuity contract described in Code §403(b).

(g) **Pre-Participation Rollovers.** If an Eligible Employee makes a Rollover Contribution to the Plan prior to satisfying the Plan's eligibility conditions or prior to reaching his or her Entry Date, then the Administrator will treat the Employee as a limited Participant

(as described in Rev. Rul. 96-48). A limited Participant does not share in the Plan's allocation of Employer Contributions nor Forfeitures until the Employee actually becomes a Participant in the Plan.

4.7 PLAN-TO-PLAN TRANSFERS FROM QUALIFIED PLANS

(a) **Transfers into this Plan.** With the consent of the Administrator, amounts may be transferred (within the meaning of Code §414(l)) to this Plan from other tax qualified plans under Code §401(a), provided the plan from which such funds are transferred permits the transfer to be made and the transfer will not jeopardize the tax-exempt status of the Plan or Trust or create adverse tax consequences for the Employer. Prior to accepting any transfers to which this Section applies, the Administrator may require an opinion of counsel that the amounts to be transferred meet the requirements of this Section. The amounts transferred shall be set up in a separate account herein referred to as a "Participant's Transfer Account." Furthermore, for vesting purposes, the Participant's Transfer Account may be treated as a separate "Participant's Account."

(b) **Accounting of transfers.** Amounts in a Participant's Transfer Account shall be held by the Trustee (or Insurer) pursuant to the provisions of this Plan and may not be withdrawn by, or distributed to the Participant, in whole or in part, except as elected in the Adoption Agreement and Subsection (d) below, provided the restrictions of Subsection (c) below and Section 6.16 are satisfied. The Trustee (or Insurer) shall have no duty or responsibility to inquire as to the propriety of the amount, value or type of assets transferred, nor to conduct any due diligence with respect to such assets; provided, however, that such assets are otherwise eligible to be held by the Trustee (or Insurer) under the terms of this Plan. Notwithstanding anything in this Section to the contrary, transferred amounts are not required to be separately accounted for and may be combined with the corresponding Account maintained in this Plan provided all rights, benefits and features and other attributes are identical with respect to each account, or are identical after the combination.

(c) **Distribution of plan-to-plan transfer amounts.** At Normal Retirement Date, or such other date when the Participant or the Participant's Beneficiary shall be entitled to receive benefits, the Participant's Transfer Account shall be used to provide additional benefits to the Participant or the Participant's Beneficiary. Any distribution of amounts held in a Participant's Transfer Account shall be made in a manner which is consistent with and satisfies the provisions of Sections 6.5 and 6.6. Furthermore, such amounts shall be considered to be part of a Participant's benefit in determining whether an involuntary cash-out of benefits may be made without Participant consent.

(d) **Segregation.** The Administrator may direct that Employee transfers made after a Valuation Date be segregated into a separate account for each Participant until such time as the allocations pursuant to this Plan have been made, at which time they may remain segregated, invested as part of the general Trust Fund or, if elected in the Adoption Agreement, directed by the Participant.

(e) **Pre-Participation Transfers.** The Administrator has the discretion to accept a Transfer of plan assets on behalf of an Employee prior to the date the Employee satisfies the Plan's eligibility conditions or prior to reaching the Entry Date in a uniform and nondiscretionary manner. If the Plan accepts such a direct transfer of plan assets, then the Administrator will treat the Employee as a limited Participant pursuant to Section 4.6(g).

4.8 MANDATORY EMPLOYEE CONTRIBUTIONS

(a) **Mandatory Employee contributions.** An Employer may elect in the Adoption Agreement to provide for mandatory Employee contributions. If the Employer elects to provide for such contributions, each Participant will make a mandatory Employee contribution in the amount elected in the Adoption Agreement. Alternatively, the Employer may elect to provide a range of mandatory Employee contribution percentages from which the Participant may choose to contribute. Under this option, the Employee, if required as a condition of employment, must make an irrevocable election to contribute a percentage of his or her Compensation no later than his or her effective date of participation. If not required as a condition of employment, such mandatory Employee contribution election shall be made prior to participation in the Plan. During the period of the Participant's participation in the Plan, the Participant may not revoke the election and receive cash in lieu of the contribution, nor may the Participant change the amount of the mandatory Employee contribution. Amounts attributable to mandatory Employee contributions shall be fully Vested.

(b) **Employer pick-up contribution.** Unless otherwise elected in the Adoption Agreement, the Employer will "pick-up" the mandatory Employee contributions and will pay the mandatory Employee contributions to the Plan as an Employer contribution. This provision is effective only after the Employer provides for the treatment of the mandatory Employee contributions as described in this paragraph, through a person authorized to take such action, and evidenced in writing by minutes of a meeting, resolution, ordinance, or other formal action by the Employer, which will effectuate the "pick-up" provision. Furthermore, as of the date of the "pick-up," Participants are not permitted to opt-out of the "pick-up" or to receive the mandatory Employee contributions directly instead of having them paid to the Plan. Mandatory Employee contributions that are "picked-up" by the Employer are excludible from the Employee's gross income.

4.9 AFTER-TAX VOLUNTARY EMPLOYEE CONTRIBUTIONS

(a) **After-tax voluntary Employee contributions.** If elected in the Adoption Agreement, each Participant may, in accordance with procedures established by the Administrator, elect to make after-tax voluntary Employee contributions to this Plan. Such contributions

must generally be paid to the Trustee (or Insurer) within a reasonable period of time after being received by the Employer. An after-tax voluntary Employee contribution is any contribution made to the Plan by or on behalf of a Participant that is included in the Participant's gross income in the year in which made and that is separately accounted for under the Plan.

(b) **Full vesting.** The balance in each Participant's Voluntary Contribution Account shall be fully Vested at all times and shall not be subject to Forfeiture for any reason.

(c) **Distribution at any time.** A Participant may elect at any time to withdraw after-tax voluntary Employee contributions from such Participant's Voluntary Contribution Account and the actual earnings thereon in a manner which is consistent with and satisfies the provisions of Section 6.5. If the Administrator maintains sub-accounts with respect to after-tax voluntary Employee contributions (and earnings thereon) which were made on or before a specified date, a Participant shall be permitted to designate which sub-account shall be the source for the withdrawal. Forfeitures of Employer contributions shall not occur solely as a result of an Employee's withdrawal of after-tax voluntary Employee contributions.

(d) **Used to provide benefits.** At Normal Retirement Date, or such other date when the Participant or the Participant's Beneficiary is entitled to receive benefits, the Participant's Voluntary Contribution Account shall be used to provide additional benefits to the Participant or the Participant's Beneficiary.

4.10 PARTICIPANT DIRECTED INVESTMENTS

(a) **Directed investment options allowed.** If permitted by the Administrator and the terms of the Trust, Participants may direct the Trustee (or Insurer) as to the investment of all or a portion of their individual Account balances in accordance with the Plan's procedures. Participants may direct the Trustee (or Insurer), in writing (or in such other form which is acceptable to the Trustee (or Insurer)), to invest their accounts in specific assets, specific funds or other investments permitted under the Plan and the Participant Direction Procedures. That portion of the Account of any Participant that is subject to investment direction of such Participant will be considered a Participant Directed Account.

(b) **Establishment of Participant Direction Procedures.** The Administrator will establish Participant Direction Procedures, to be applied in a uniform manner, setting forth the permissible investment options under this Section, how often changes between investments may be made, and any other limitations and provisions that the Administrator may impose on a Participant's right to direct investments.

(c) **Administrative discretion.** The Administrator may, in its discretion, include or exclude by amendment or other action from the Participant Direction Procedures such instructions, guidelines or policies as it deems necessary or appropriate to ensure proper administration of the Plan, and may interpret the same accordingly.

(d) **Allocation of gains or losses.** As of each Valuation Date, all Participant Directed Accounts shall be charged or credited with the net earnings, gains, losses and expenses as well as any appreciation or depreciation in the market value using publicly listed fair market values when available or appropriate as follows:

- (1) to the extent the assets in a Participant Directed Account are accounted for as pooled assets or investments, the allocation of earnings, gains and losses of each Participant's Account shall be based upon the total amount of funds so invested in a manner proportionate to the Participant's share of such pooled investment; and
- (2) to the extent the assets in a Participant Directed Account are accounted for as segregated assets, the allocation of earnings, gains on and losses from such assets shall be made on a separate and distinct basis.

(e) **Plan will follow investment directions.** Investment directions will be processed as soon as administratively practicable after proper investment directions are received from the Participant. No guarantee is made by the Plan, Employer, Administrator or Trustee (or Insurer) that investment directions will be processed on a daily basis, and no guarantee is made in any respect regarding the processing time of an investment direction. Notwithstanding any other provision of the Plan, the Employer, Administrator or Discretionary Trustee (or Insurer) reserves the right to not value an investment option on any given Valuation Date for any reason deemed appropriate by the Employer, Administrator or Discretionary Trustee (or Insurer). Furthermore, the processing of any investment transaction may be delayed for any legitimate business reason (including, but not limited to, failure of systems or computer programs, failure of the means of the transmission of data, the failure of a service provider to timely receive values or prices, and correction for errors or omissions or the errors or omissions of any service provider) or force majeure. The processing date of a transaction will be binding for all purposes of the Plan and considered the applicable Valuation Date for an investment transaction.

(f) **Other documents required by directed investments.** Any information regarding investments available under the Plan, to the extent not required to be described in the Participant Direction Procedures, may be provided to Participants in one or more documents (or in any other form, including, but not limited to, electronic media) which are separate from the Participant Direction Procedures and are not thereby incorporated by reference into this Plan.

4.11 QUALIFIED MILITARY SERVICE

(a) **USERRA.** 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 Code §414(u). Furthermore, loan repayments may be suspended under this Plan as permitted under Code §414(u)(4).

(b) **Benefit accrual.** If the Employer elects in the Adoption Agreement to apply this Subsection, then effective as of the date specified in the Adoption Agreement, for benefit accrual purposes, the Plan treats an individual who becomes Totally and Permanently disabled while performing "qualified military service" (as defined in Code §414(u)) with respect to the Employer as if the individual had resumed employment in accordance with the individual's reemployment rights under Uniformed Services Employment and Reemployment Rights Act of 1994, as amended (USERRA), on the day preceding Total and Permanent Disability and terminated employment on the actual date of death or Total and Permanent Disability.

The Plan will determine the amount of after-tax voluntary Employee contributions of an individual treated as reemployed under this Section for purposes of applying paragraph Code §414(u)(8)(C) on the basis of the individual's average actual after-tax voluntary Employee contributions for the lesser of: (1) the 12-month period of service with the Employer immediately prior to "qualified military service" (as defined in Code §414(u)); or (2) the actual length of continuous service with the Employer.

(c) **Death benefits.** If a Participant dies while performing "qualified military service" (as defined in Code §414(u)), the Participant's Beneficiary is entitled to any additional benefits (other than benefit accruals relating to the period of "qualified military service" but including vesting credit for such period and any other ancillary life insurance or other survivor benefits) provided under the Plan as if the Participant had resumed employment and then terminated employment on account of death. Moreover, the Plan will credit the Participant's "qualified military service" as service for vesting purposes, as though the Participant had resumed employment under Uniformed Services Employment and Reemployment Rights Act of 1994, as amended (USERRA) immediately prior to the Participant's death.

(d) **Military Differential Pay.** The following applies with respect to Military Differential Pay: (1) an individual receiving Military Differential Pay is treated as an Employee of the Employer making the payment; (2) the Military Differential Pay is treated as 415 Compensation (and Compensation unless otherwise elected in the Adoption Agreement); and (3) the Plan is not treated as failing to meet the requirements of any provision described in Code §414(u)(1)(C) (or corresponding Plan provisions) by reason of any contribution or benefit which is based on the Military Differential Pay. The Administrator operationally may determine, for purposes of the provisions described in Code §414(u)(1)(C), whether to take into account any matching contributions, attributable to Military Differential Pay.

(e) **Deemed Severance.** Notwithstanding Subsection (b)(1) above, if elected in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), a Participant who performs service in the uniformed services (as defined in Code §414(u)(12)(B)) on active duty for a period of more than thirty (30) days, the Participant will be deemed to have a severance from employment solely for purposes of eligibility for distribution of amounts not attributable to Employer contributions to a money purchase pension plan. However, the Plan will not distribute such a Participant's Account on account of this deemed severance unless the Participant specifically elects to receive a benefit distribution hereunder. If a Participant elects to receive a distribution on account of this deemed severance, then the individual may not make an after-tax voluntary Employee contribution during the six (6) month period beginning on the date of the distribution. If a Participant would be entitled to a distribution on account of a deemed severance, and a distribution on account of another Plan provision, then the other Plan provision will control and the six (6) month suspension will not apply.

4.12 INSTRUCTIONS TO ADMINISTRATOR AND NOTIFICATION TO PARTICIPANTS

For Plan Years beginning after the end of the Plan Year in which this document is first adopted, if a "Flexible Discretionary Match" contribution formula applies (i.e., a formula that provides an Employer with discretion regarding how to *allocate* a matching contribution to Participants) and the Employer makes a "Flexible Discretionary Match" to the Plan, the Employer must provide the Plan Administrator or Trustee written instructions describing (1) how the "Flexible Discretionary Match" formula will be allocated to Participants (e.g., a uniform percentage of Elective Deferrals or a flat dollar amount), (2) the computation period(s) to which the "Flexible Discretionary Match" formula applies, and (3) if applicable, a description of each business location or business classification subject to separate "Flexible Discretionary Match" allocation formulas. Such instructions must be provided no later than the date on which the "Flexible Discretionary Match" is made to the Plan. A summary of these instructions must be communicated to Participants who receive an allocation of the "Flexible Discretionary Match" no later than 60 days following the date on which the last "Flexible Discretionary Match" contribution is made to the Plan for the Plan Year.

Solely for purposes of this Section, a matching contribution is to be considered as being a "Flexible Discretionary Match" contribution unless the Employer has provided a definitely determinable allocation formula for the matching contribution on the Adoption Agreement. In order to be definitely determinable, then the components of the allocation formula described in the preceding sentence must be specified on the Adoption Agreement and cannot themselves be discretionary. Thus, regardless of whether the contribution formula for the matching contribution is fixed or discretionary, the provisions of the preceding paragraph apply unless the amount to be allocated to the Participant for the Plan Year can be determined without any discretion on the part of the Employer.

**ARTICLE V
VALUATIONS**

5.1 VALUATION OF THE TRUST FUND

The Administrator shall direct the Trustee (or Insurer), as of each Valuation Date, to determine the net worth of the assets comprising the Trust Fund as it exists on the Valuation Date. In determining such net worth, the Trustee (or Insurer) shall value the assets comprising the Trust Fund at their fair market value as of the Valuation Date and may deduct all expenses for which the Trustee (or Insurer) has not yet been paid by the Employer or the Trust Fund. The Trustee (or Insurer), when determining the net worth of the assets, may update the value of any shares held in a Participant Directed Account by reference to the number of shares held on behalf of the Participant, priced at the market value as of the Valuation Date.

5.2 METHOD OF VALUATION

Except as otherwise provided in the Trust agreement, in determining the fair market value of securities held in the Trust Fund which are listed on a registered stock exchange, the Administrator shall direct the Trustee (or Insurer) to value the same at the prices they were last traded on such exchange preceding the close of business on the Valuation Date. If such securities were not traded on the Valuation Date, or if the exchange on which they are traded was not open for business on the Valuation Date, then the securities shall be valued at the prices at which they were last traded prior to the Valuation Date. Any unlisted security held in the Trust Fund shall be valued at its bid price next preceding the close of business on the Valuation Date, which bid price shall be obtained from a registered broker or an investment banker. In determining the fair market value of assets other than securities for which trading or bid prices can be obtained, the Trustee, the Administrator (if the Trustee is a directed Trustee), or Insurer may appraise such assets itself (assuming it has the appropriate expertise), or in its discretion, employ one or more appraisers for that purpose and rely on the values established by such appraiser or appraisers.

**ARTICLE VI
DETERMINATION AND DISTRIBUTION OF BENEFITS**

6.1 DETERMINATION OF BENEFITS UPON RETIREMENT

Every Participant may terminate employment with the Employer and retire for purposes hereof on the Participant's Normal Retirement Date or Early Retirement Date. However, a Participant may postpone the severance of employment with the Employer to a later date, in which event the participation of such Participant in the Plan, including the right to receive allocations pursuant to Section 4.3, shall continue until such Participant's Retirement Date. Upon a Participant's Retirement Date, or if elected in the Adoption Agreement, the attainment of Normal Retirement Date without severance of employment with the Employer (subject to Section 6.11), or as soon thereafter as is practicable, the Administrator shall direct the distribution, at the election of the Participant (unless a distribution is mandatory under the other terms of the Plan), of the Participant's entire Vested interest in the Plan in accordance with Section 6.5.

6.2 DETERMINATION OF BENEFITS UPON DEATH

(a) **100% vesting on death.** Upon the death of a Participant before the Participant's Retirement Date or other severance of employment, all amounts credited to such Participant's Combined Account shall, if elected in the Adoption Agreement, become fully Vested. The Administrator shall direct, in accordance with the provisions of Sections 6.6 and 6.7, the distribution of the deceased Participant's Vested accounts to the Participant's Beneficiary.

(b) **Distribution upon death.** Upon the death of a Participant, the Administrator shall direct, in accordance with the provisions of Sections 6.6 and 6.7, the distribution of any remaining Vested amounts credited to the accounts of such deceased Participant to such Participant's Beneficiary.

(c) **Determination of death benefit by Administrator.** The Administrator may require such proper proof of death and such evidence of the right of any person to receive payment of the value of the account of a deceased Participant as the Administrator may deem desirable. The Administrator's determination of death and of the right of any person to receive payment shall be conclusive.

(d) **Beneficiary designation.** Each Participant must designate a Beneficiary on a form and in such manner as provided by the Administrator.

(e) **Spousal consent to alternative Beneficiary.** This Subsection applies if the Employer has elected in the Adoption Agreement either to apply the Joint and Survivor Annuity rules or to provide that a Participant's Spouse is the Beneficiary unless the Spouse consents to an alternative Beneficiary. Unless otherwise elected in the manner prescribed in Section 6.6, the Beneficiary of the Pre-Retirement Survivor Annuity (or if applicable, the entire death benefit) shall be the Participant's surviving Spouse. Except, however, the Participant may designate a Beneficiary other than the Spouse if:

- (1) the Participant and the Participant's Spouse have validly waived the Pre-Retirement Survivor Annuity in the manner prescribed in Section 6.6, and the Spouse has waived the right to be the Participant's Beneficiary,

- (2) the Participant is legally separated or has been abandoned (within the meaning of local law) and the Participant has a court order to such effect (and there is no "qualified domestic relations order" as defined in Code §414(p) which provides otherwise),
- (3) the Participant has no Spouse, or
- (4) the Spouse cannot be located.

In such event, the designation of a Beneficiary shall be made on a form satisfactory to the Administrator. A Participant may at any time revoke a designation of a Beneficiary or change a Beneficiary by filing written (or in such other form as permitted by the IRS) notice of such revocation or change with the Administrator. However, the Participant's Spouse must again consent in writing (or in such other form as permitted by the IRS) to any change in Beneficiary unless the original consent acknowledged that the Spouse had the right to limit consent only to a specific Beneficiary and that the Spouse voluntarily elected to relinquish such right.

(f) **Beneficiary if no Beneficiary elected by Participant.** In the event no valid designation of Beneficiary exists, or if the Beneficiary with respect to a portion of a Participant's death benefit is not alive at the time of the Participant's death and no contingent Beneficiary has been designated, then such portion of the death benefit will be paid in the following order of priority, unless the Employer specifies a different order of priority in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), to:

- (1) The Participant's surviving Spouse;
- (2) The Participant's issue, per stirpes;
- (3) The Participant's surviving parents, in equal shares; or
- (4) The Participant's estate.

If the Beneficiary does not predecease the Participant, but dies prior to distribution of the death benefit, the death benefit will be paid to the Beneficiary's "designated Beneficiary" (or if there is no "designated Beneficiary," to the Beneficiary's estate). For purposes of these provisions, and with respect to any Beneficiary designations, adopted children shall be treated as children.

(g) **Divorce revokes spousal Beneficiary designation.** Notwithstanding anything in this Section to the contrary, unless otherwise elected in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections) or prohibited by applicable State law, if a Participant has designated the Spouse as a Beneficiary, then a divorce decree that relates to such Spouse shall revoke the Participant's designation of the Spouse as a Beneficiary unless the decree or a "qualified domestic relations order" (within the meaning of Code §414(p)) provides otherwise or a subsequent Beneficiary designation is made.

(h) **Insured death benefit.** If the Plan provides an insured death benefit and a Participant dies before any insurance coverage to which the Participant is entitled under the Plan is effected, the death benefit from such insurance coverage shall be limited to the premium which was or otherwise would have been used for such purpose.

(i) **Plan terms control.** In the event of any conflict between the terms of this Plan and the terms of any Contract issued hereunder, the Plan provisions shall control.

6.3 DETERMINATION OF BENEFITS IN EVENT OF DISABILITY

In the event of a Participant's Total and Permanent Disability prior to the Participant's Retirement Date or other severance of employment, all amounts credited to such Participant's Combined Account shall, if elected in the Adoption Agreement, become fully Vested. In the event of a Participant's Total and Permanent Disability, the Participant's entire Vested interest in the Plan will be distributable and may be distributed in accordance with the provisions of Sections 6.5 and 6.7.

6.4 DETERMINATION OF BENEFITS UPON TERMINATION

(a) **Payment on severance of employment.** If a Participant's employment with the Employer and any Affiliated Employer is severed for any reason other than death, Total and Permanent Disability, or attainment of the Participant's Retirement Date, then such Participant shall be entitled to such benefits as are provided herein.

Distribution of the funds due to a Terminated Participant shall be made on the occurrence of an event which would result in the distribution had the Terminated Participant remained in the employ of the Employer (upon the Participant's death, Total and Permanent Disability, Early or Normal Retirement). However, at the election of the Participant, the Administrator shall direct that the entire Vested portion of the Terminated Participant's Combined Account be payable to such Terminated Participant provided the conditions, if any, set forth in the Adoption Agreement have been satisfied. Any distribution under this paragraph shall be made in a manner which is consistent with and satisfies the provisions of Section 6.5.

Regardless of whether distributions in kind are permitted, in the event the amount of the Vested portion of the Terminated Participant's Combined Account equals or exceeds the fair market value of any insurance Contracts, the Administrator may direct the Trustee (or Insurer), when agreed to by the Terminated Participant, to assign, transfer, and set over to such Terminated Participant all Contracts on such Terminated Participant's life in such form or with such endorsements, so that the settlement options and forms of payment are consistent with the provisions of Section 6.5. In the event that the Terminated Participant's Vested portion does not at least equal the fair market value of the Contracts, if any, the Terminated Participant may pay over to the Trustee (or Insurer) the sum needed to make the distribution equal to the value of the Contracts being assigned or transferred, or the Trustee (or Insurer), pursuant to the Participant's election, may borrow the cash value of the Contracts from the Insurer so that the value of the Contracts is equal to the Vested portion of the Terminated Participant's Combined Account and then assign the Contracts to the Terminated Participant.

Notwithstanding the above, unless otherwise elected in the Adoption Agreement, if the value of a Terminated Participant's Vested benefit derived from Employer and Employee contributions does not exceed \$5,000 (or such lower amount as elected in the Adoption Agreement), the Administrator shall direct that the entire Vested benefit be paid to such Participant in a single lump-sum as soon as practical without regard to the consent of the Participant, provided the conditions, if any, set forth in the Adoption Agreement have been satisfied. A Participant's Vested benefit shall not include (1) qualified voluntary employee contributions within the meaning of Code §72(o)(5)(B) and (2) if selected in the Conditions for Distributions Upon Severance of Employment Section of the Adoption Agreement, the Participant's Rollover Account. If a mandatory distribution is made pursuant to this paragraph and such distribution is greater than \$1,000 and the Participant does not elect to have such distribution paid directly to an "eligible retirement plan" specified by the Participant in a "direct rollover" in accordance with Section 6.14 or to receive the distribution directly, then the Administrator shall transfer such amount to an individual retirement account described in Code §408(a) or an individual retirement annuity described in Code §408(b) designated by the Administrator. However, if the Participant elects to receive or make a "direct rollover" of such amount, then the Administrator shall direct the Trustee (or Insurer) to cause the entire Vested benefit to be paid to such Participant in a single lump sum, or make a "direct rollover" pursuant to Section 6.14, provided the conditions, if any, set forth in the Adoption Agreement have been satisfied. The Administrator may establish a procedure as to whether a Participant who fails to make an affirmative election with respect to a mandatory distribution of \$1,000 or less is treated as having made or not made a "direct rollover" election. For purposes of determining whether the \$1,000 threshold set forth in this paragraph is met, the mandatory distribution includes amounts in a Participant's Rollover Account. For purposes of determining whether the \$5,000 threshold in this paragraph is met, a Participant's Rollover Account is taken into account unless otherwise elected in the Adoption Agreement.

(b) **Vesting schedule.** The Vested portion of any Participant's Account shall be a percentage of such Participant's Account determined on the basis of the Participant's number of Years of Service (or Periods of Service if the elapsed time method is elected) according to the vesting schedule specified in the Adoption Agreement. However, a Participant's entire interest in the Plan shall be non-forfeitable upon the Participant's Normal Retirement Age (if the Participant is employed by the Employer on or after such date). In addition, Employee contributions (voluntary and mandatory) and contributions for sick leave/vacation leave conversions shall be fully Vested.

6.5 DISTRIBUTION OF BENEFITS

(a) **Forms of distributions.** Subject to the Joint and Survivor Annuity requirements in Subsection (e) below (if the Employer elects to apply such provisions), the Administrator, pursuant to the election of the Participant, shall direct the distribution to a Participant or Beneficiary any amount to which the Participant or Beneficiary is entitled under the Plan in one or more of the following methods which are permitted pursuant to the Adoption Agreement.

- (1) One lump-sum payment in cash or in property, provided that if a distribution of property is permitted, it shall be limited to property that is specifically allocated and identifiable with respect to such Participant.
- (2) Partial withdrawals.
- (3) Payments over a period certain in monthly, quarterly, semi-annual, or annual cash installments. The period over which such payment is to be made shall not extend beyond the earlier of the Participant's life expectancy (or the joint life expectancy of the Participant and the Participant's designated Beneficiary). Once payments have begun, a Participant may elect to accelerate the payments (reduce the term and increase payments).
- (4) Purchase of or providing an annuity. However, such annuity may not be in any form that will provide for payments over a period extending beyond either the life of the Participant (or the lives of the Participant and the Participant's designated Beneficiary) or the life expectancy of the Participant (or the life expectancy of the Participant and the Participant's designated Beneficiary).

(b) **Consent to distributions.** Benefits may not be paid without a Participant's consent if the value of the Participant's Accounts exceed the dollar threshold specified in the Adoption Agreement. If the value of the Participant's Accounts does not exceed such threshold, then the Administrator may only distribute such benefit in a lump-sum. For purposes of this Subsection, the Participant's Accounts shall not include, if selected in the Conditions for Distributions Upon Severance of Employment Section of the Adoption Agreement, the Participant's Rollover Account.

(c) **Required minimum distributions (Code §401(a)(9)).** Notwithstanding any provision in the Plan to the contrary, the distribution of a Participant's benefits, whether under the Plan or through the purchase of an annuity Contract, shall be made in accordance with the requirements of Section 6.8.

(d) **Annuity Contracts.** All annuity Contracts under this Plan shall be non-transferable when distributed. Furthermore, the terms of any annuity Contract purchased and distributed to a Participant or Spouse shall comply with all of the requirements of this Plan.

(e) **Qualified Joint and Survivor Annuity.**

(1) The provisions of this Subsection (e) apply if the Employer elects to apply the Joint and Survivor Annuity rules in the Adoption Agreement. A Participant who is married on the Annuity Starting Date and who does not die before the Annuity Starting Date shall receive the value of all Plan benefits in the form of a Joint and Survivor Annuity. The Joint and Survivor Annuity is an annuity that commences immediately and shall be equal in value to a single life annuity. Such joint and survivor benefits following the Participant's death shall continue to the Spouse during the Spouse's lifetime at a rate equal to either fifty percent (50%), seventy-five percent (75%) (or, sixty-six and two-thirds percent (66 2/3%) if the Insurer used to provide the annuity does not offer a joint and seventy-five percent (75%) survivor annuity), or one hundred percent (100%) of the rate at which such benefits were payable to the Participant. Unless otherwise elected in the Adoption Agreement, a joint and fifty percent (50%) survivor annuity shall be considered the designated qualified Joint and Survivor Annuity and the normal form of payment for the purposes of this Plan. However, the Participant may, without spousal consent, elect an alternative Joint and Survivor Annuity, which alternative shall be equal in value to the designated qualified Joint and Survivor Annuity. An unmarried Participant shall receive the value of such Participant's benefit in the form of a life annuity. Such unmarried Participant, however, may elect to waive the life annuity. The election must comply with the provisions of this Section as if it were an election to waive the Joint and Survivor Annuity by a married Participant, but without fulfilling the spousal consent requirement. The Participant may elect to have any annuity provided for in this Section distributed upon the attainment of the "earliest retirement age" under the Plan. The "earliest retirement age" is the earliest date on which, under the Plan, the Participant could elect to receive retirement benefits.

(2) Any election to waive the Joint and Survivor Annuity must be made by the Participant in writing (or in such other form as permitted by the IRS) during the election period and be consented to in writing (or in such other form as permitted by the IRS) by the Participant's Spouse. If the Spouse is legally incompetent to give consent, the Spouse's legal guardian, even if such guardian is the Participant, may give consent. Such election shall designate a Beneficiary (or a form of benefits) that may not be changed without spousal consent (unless the consent of the Spouse expressly permits designations by the Participant without the requirement of further consent by the Spouse). Such Spouse's consent shall be irrevocable and must acknowledge the effect of such election and be witnessed by a Plan representative or a notary public. Such consent shall not be required if it is established to the satisfaction of the Administrator that the required consent cannot be obtained because there is no Spouse, the Spouse cannot be located, or other circumstances that may be prescribed by Regulations. The election made by the Participant and consented to by such Participant's Spouse may be revoked by the Participant in writing (or in such other form as permitted by the IRS) without the consent of the Spouse at any time during the election period. A revocation of a prior election shall cause the Participant's benefits to be distributed as a Joint and Survivor Annuity. The number of revocations shall not be limited. Any new election must comply with the requirements of this paragraph. A former Spouse's waiver shall not be binding on a new Spouse.

(3) The election period to waive the Joint and Survivor Annuity shall be the one-hundred eighty (180) day period ending on the Annuity Starting Date.

(4) For purposes of this Section and Section 6.6, Spouse or surviving Spouse means the Spouse or surviving Spouse of the Participant, provided that a former Spouse will be treated as the Spouse or surviving Spouse and a current Spouse will not be treated as the Spouse or surviving Spouse to the extent provided under a "qualified domestic relations order" as described in Code §414(p).

(5) With regard to the election, except as otherwise provided herein, the Administrator shall, in accordance with Regulation §1.417(a)(3)-1, provide to the Participant no less than thirty (30) days and no more than one-hundred eighty (180) days before the Annuity Starting Date a written (or such other form as permitted by the IRS) explanation of:

- (i) the terms and conditions of the qualified Joint and Survivor Annuity and the "qualified optional survivor annuity" that is payable in lieu of the qualified Joint and Survivor Annuity,
- (ii) the Participant's right to make and the effect of an election to waive the Joint and Survivor Annuity,
- (iii) the right of the Participant's Spouse to consent to any election to waive the Joint and Survivor Annuity, and
- (iv) the right of the Participant to revoke such election, and the effect of such revocation.

(6) Any distribution provided for in this Section may commence less than thirty (30) days after the notice required by Code §417(a)(3) is given provided the following requirements are satisfied:

(i) the Administrator clearly informs the Participant that the Participant has a right to a period of thirty (30) days after receiving the notice to consider whether to waive the Joint and Survivor Annuity and to elect (with spousal consent) a form of distribution other than a Joint and Survivor Annuity;

(ii) the Participant is permitted to revoke any affirmative distribution election at least until the Annuity Starting Date or, if later, at any time prior to the expiration of the seven (7) day period that begins the day after the explanation of the Joint and Survivor Annuity is provided to the Participant;

(iii) the Annuity Starting Date is after the time that the explanation of the Joint and Survivor Annuity is provided to the Participant. However, the Annuity Starting Date may be before the date that any affirmative distribution election is made by the Participant and before the date that the distribution is permitted to commence under (iv) below; and

(iv) distribution in accordance with the affirmative distribution election does not commence before the expiration of the seven (7) day period that begins the day after the explanation of the Joint and Survivor Annuity is provided to the Participant.

(f) **Qualified Joint and Survivor Annuity but not the normal form.** The provisions of this Section apply if the Employer has elected in the Adoption Agreement to apply the Joint and Survivor Annuity requirement to a Participant, but the Qualified Joint and Survivor Annuity is not the normal form of distribution.

(1) The Joint and Survivor Annuity provisions of Section 6.5(e) shall not apply if a Participant does not elect an annuity form of distribution. Furthermore, Subsection (3) below shall not apply if a Participant elects an annuity form of distribution.

(2) Notwithstanding anything in Sections 6.2 and 6.6 to the contrary, upon the death of a Participant, the automatic form of distribution will be a lump-sum rather than a Qualified Pre-Retirement Survivor Annuity. Furthermore, the Participant's Spouse will be the Beneficiary of the Participant's entire Vested interest in the Plan unless an election is made to waive the Spouse as Beneficiary. The other provisions in Section 6.2 shall be applied by treating the death benefit in this Subsection as though it is a Qualified Pre-Retirement Survivor Annuity.

(3) Except to the extent otherwise provided in this Section, the provisions of Sections 6.2 and 6.5 regarding spousal consent shall be inoperative with respect to this Plan.

(4) The distribution may commence less than thirty (30) days after the notice required under Regulation §1.411(a)-11(c) is given, provided:

(i) the Administrator clearly informs the Participant that the Participant has a right to a period of at least thirty (30) days after the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option), and

(ii) the Participant, after receiving the notice, affirmatively elects a distribution.

6.6 DISTRIBUTION OF BENEFITS UPON DEATH

(a) **Consent.** If the value of the death benefit derived from Employer and Employee contributions does not exceed \$5,000, the Administrator shall direct the distribution of such amount to the Participant's Beneficiary in a single lump-sum as soon as practicable. If the value exceeds \$5,000, an immediate distribution of the entire amount may be made to the Beneficiary, provided such Beneficiary consents to the distribution.

(b) **Forms of distribution.** Death benefits may be paid to a Participant's Beneficiary in one of the following optional forms of benefits subject to the rules specified in Section 6.8 and the elections made in the Adoption Agreement. Such optional forms of distributions may be elected by the Participant. However, if no optional form of distribution was elected by the Participant prior to death, then the Participant's Beneficiary may elect the form of distribution.

(1) One lump-sum payment in cash or in property that is allocated to the Accounts of the Participant at the time of the distribution.

(2) Partial withdrawals.

(3) Payment in monthly, quarterly, semi-annual, or annual cash installments over a period to be determined by the Participant or the Participant's Beneficiary. In order to provide such installment payments, the Administrator may (A) segregate the aggregate

amount thereof in a separate, federally insured savings account, certificate of deposit in a bank or savings and loan association, money market certificate or other liquid short-term security or (B) purchase a nontransferable annuity Contract for a term certain (with no life contingencies) providing for such payment. After periodic installments commence, the Beneficiary shall have the right to reduce the period over which such periodic installments shall be made, and the cash amount of such periodic installments shall be adjusted accordingly.

(4) In the form of an annuity over the life expectancy of the Beneficiary.

(c) **Required minimum distributions (Code §401(a)(9)).** Notwithstanding any provision in the Plan to the contrary, distributions upon the death of a Participant shall comply with the requirements of Section 6.8.

(d) **Payment to a child.** For purposes of this Section, any amount paid to a child of the Participant will be treated as if it had been paid to the surviving Spouse if the amount becomes payable to the surviving Spouse when the child reaches the age of majority.

(e) **Voluntary Contribution Account.** In the event that less than one hundred percent (100%) of a Participant's interest in the Plan is distributed to such Participant's Spouse, the portion of the distribution attributable to the Participant's Voluntary Contribution Account shall be in the same proportion that the Participant's Voluntary Contribution Account bears to the Participant's total interest in the Plan.

(f) **Qualified Pre-Retirement Survivor Annuity (QPSA).** The provisions of this Subsection (f) apply if the Employer elects to apply the Joint and Survivor Annuity rules in the Adoption Agreement. Unless otherwise elected as provided below, a Vested Participant who dies before the Annuity Starting Date and who has a surviving Spouse shall have the Pre-Retirement Survivor Annuity paid to the surviving Spouse. The Participant's Spouse may direct that payment of the Pre-Retirement Survivor Annuity commence within a reasonable period after the Participant's death. If the Spouse does not so direct, payment of such benefit will commence at the time the Participant would have attained the later of Normal Retirement Age or age 62. However, the Spouse may elect a later commencement date. Any distribution to the Participant's Spouse shall be subject to the rules specified in Section 6.8.

(1) **Election to waive QPSA.** Any election to waive the Pre-Retirement Survivor Annuity before the Participant's death must be made by the Participant in writing (or in such other form as permitted by the IRS) during the election period and shall require the Spouse's irrevocable consent in the same manner provided for in Section 6.5(e)(2). Further, the Spouse's consent must acknowledge the specific non-Spouse Beneficiary. Notwithstanding the foregoing, the non-Spouse Beneficiary need not be acknowledged, provided the consent of the Spouse acknowledges that the Spouse has the right to limit consent only to a specific Beneficiary and that the Spouse voluntarily elects to relinquish such right.

(2) **Time to waive QPSA.** The election period to waive the Pre-Retirement Survivor Annuity shall begin on the first day of the Plan Year in which the Participant attains age 35 and end on the date of the Participant's death. An earlier waiver (with spousal consent) may be made provided a written (or such other form as permitted by the IRS) explanation of the Pre-Retirement Survivor Annuity is given to the Participant and such waiver becomes invalid at the beginning of the Plan Year in which the Participant turns age 35. In the event a Participant separates from service prior to the beginning of the election period, the election period shall begin on the date of such separation from service.

(3) **QPSA notice.** With regard to the election, the Administrator shall provide each Participant within the applicable election period, with respect to such Participant (and consistent with Regulations), a written (or such other form as permitted by the IRS) explanation of the Pre-Retirement Survivor Annuity containing comparable information to that required pursuant to Section 6.5(e)(5). For the purposes of this paragraph, the term "applicable period" means, with respect to a Participant, whichever of the following periods ends last:

- (i) The period beginning with the first day of the Plan Year in which the Participant attains age 32 and ending with the close of the Plan Year preceding the Plan Year in which the Participant attains age 35;
- (ii) A reasonable period after the individual becomes a Participant;
- (iii) A reasonable period ending after the Plan no longer fully subsidizes the cost of the Pre-Retirement Survivor Annuity with respect to the Participant; or
- (iv) A reasonable period ending after Code §401(a)(11) applies to the Participant.

For purposes of applying this Subsection, a reasonable period ending after the enumerated events described in (ii), (iii) and (iv) is the end of the two (2) year period beginning one (1) year prior to the date the applicable event occurs and ending one (1) year after that date. In the case of a Participant who separates from service before the Plan Year in which age 35 is attained, notice shall be provided within the two (2) year period beginning one (1) year prior to separation and ending one (1) year after separation. If such a Participant thereafter returns to employment with the Employer, the "applicable period" for such Participant shall be redetermined.

6.7 TIME OF DISTRIBUTION

Except as limited by Section 6.8, whenever a distribution is to be made, or a series of payments are to commence, the distribution or series of payments may be made or begun as soon as practicable. Notwithstanding anything in the Plan to the contrary, unless a Participant otherwise elects, payments of benefits under the Plan will begin not later than the later of the sixtieth (60th) day after the close of the Plan Year in which the latest of the following events occurs: (a) the date on which the Participant attains the earlier of age 65 or the Normal Retirement Age specified herein; (b) the tenth (10th) anniversary of the year in which the Participant commenced participation in the Plan; or (c) the date the Participant terminates service with the Employer. The failure of a Participant to request a distribution shall be deemed to be an election to defer the commencement of payment of any benefit until the time otherwise permitted under the Plan.

6.8 REQUIRED MINIMUM DISTRIBUTIONS

(a) General rules

(1) **Effective Date.** Subject to the good faith interpretation standard, the requirements of this Section shall apply to any distribution of a Participant's interest in the Plan and will take precedence over any inconsistent provisions of this Plan.

(2) **Requirements of Treasury Regulations incorporated.** All distributions required under this Section will be determined and made in accordance with the Regulations under Code §401(a)(9) and the minimum distribution incidental benefit requirement of Code §401(a)(9)(G).

(3) **Limits on distribution periods.** As of the first "distribution calendar year," distributions to a Participant may only be made in accordance with the selections made in the Form of Distributions Section of the Adoption Agreement. If such distributions are not made in a single-sum, then they may only be made over one of the following periods: (i) the life of the Participant, (ii) the joint lives of the Participant and a "designated Beneficiary," (iii) a period certain not extending beyond the "life expectancy" of the Participant, or (iv) a period certain not extending beyond the joint life and last survivor expectancy of the Participant and a "designated Beneficiary."

(4) TEFRA Section 242(b)(2) elections.

(i) Notwithstanding the other provisions of this Section, other than the Spouse's right of consent afforded under the Plan, distributions may be made on behalf of any Participant, including a five percent (5%) owner, who has made a designation in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and in accordance with all of the following requirements (regardless of when such distribution commences):

(A) The distribution by the Plan is one which would not have disqualified such Plan under Code §401(a)(9) as in effect prior to amendment by the Deficit Reduction Act of 1984.

(B) The distribution is in accordance with a method of distribution designated by the Participant whose interest in the Plan is being distributed or, if the Participant is deceased, by a Beneficiary of such Participant.

(C) Such designation was in writing, was signed by the Participant or the Beneficiary, and was made before January 1, 1984.

(D) The Participant had accrued a benefit under the Plan as of December 31, 1983.

(E) The method of distribution designated by the Participant or the Beneficiary specifies the time at which distribution will commence, the period over which distributions will be made, and in the case of any distribution upon the Participant's death, the Beneficiaries of the Participant listed in order of priority.

(ii) A distribution upon death will not be covered by the transitional rule of this Subsection unless the information in the designation contains the required information described above with respect to the distributions to be made upon the death of the Participant.

(iii) For any distribution which commences before January 1, 1984, but continues after December 31, 1983, the Participant, or the Beneficiary, to whom such distribution is being made, will be presumed to have designated the method of distribution under which the distribution is being made if the method of distribution was specified in writing and the distribution satisfies the requirements in (i)(A) and (i)(E) of this Subsection.

(iv) If a designation is revoked, any subsequent distribution must satisfy the requirements of Code §401(a)(9) and the Regulations thereunder. If a designation is revoked subsequent to the date distributions are required to begin, the Plan must distribute by the end of the calendar year following the calendar year in which the revocation occurs the total amount not yet distributed which would have been required to have been distributed to satisfy Code §401(a)(9) and the Regulations thereunder, but for the Section 242(b)(2) election. For calendar years beginning after December 31, 1988, such distributions

must meet the minimum distribution incidental benefit requirements. Any changes in the designation will be considered to be a revocation of the designation. However, the mere substitution or addition of another Beneficiary (one not named in the designation) under the designation will not be considered to be a revocation of the designation, so long as such substitution or addition does not alter the period over which distributions are to be made under the designation, directly or indirectly (for example, by altering the relevant measuring life).

(v) In the case in which an amount is transferred or rolled over from one plan to another plan, the rules in Regulation §1.401(a)(9)-8, Q&A-14 and Q&A-15, shall apply.

(5) **Good faith interpretation standard.** In applying any provision of this section, the Plan will apply a reasonable good faith interpretation of Code §401(a)(9).

(b) **Time and manner of distribution**

(1) **Required beginning date.** 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) **Death of Participant before distributions begin.** If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows as elected in the Distributions Upon Death Section of the Adoption Agreement (or if no election is made, then the Beneficiary may elect either the lifetime method or the five-year method and if the Beneficiary makes no election, the five-year method shall apply):

(i) **Lifetime method (Spouse).** If the Participant's surviving Spouse is the Participant's sole "designated Beneficiary," then, except as otherwise provided herein, distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70 1/2, if later.

(ii) **Lifetime method (non-Spouse).** If the Participant's surviving Spouse is not the Participant's sole "designated Beneficiary," then, except as provided in Section 6.8(b)(3) below, 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) **Five-year method.** If there is no "designated Beneficiary" as of September 30 of the year following the year of the Participant's death or if otherwise elected pursuant to the Adoption Agreement with respect to a "designated Beneficiary," 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) **Death of Spouse.** 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 6.8(b)(2), other than Section 6.8(b)(2)(i), will apply as if the surviving Spouse were the Participant.

For purposes of this Section 6.8(b)(2) and Section 6.8(b)(3), unless Section 6.8(b)(2)(iv) applies, distributions are considered to begin on the Participant's "required beginning date." If Section 6.8(b)(2)(iv) applies, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 6.8(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 6.8(b)(2)(i)), the date distributions are considered to begin is the date distributions actually commence.

(3) **Forms of distribution.** 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 6.8(c) and 6.8(d) and only in a form of distribution provided in Section 6.5 or 6.6, as applicable. 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 §401(a)(9) and the Regulations thereunder.

(c) **Required minimum distributions during Participant's lifetime**

(1) **Amount of required minimum distribution for each "distribution calendar year."** During the Participant's lifetime, the minimum amount that will be distributed for each "distribution calendar year" is the lesser of the following:

(i) the quotient obtained by dividing the "Participant's account balance" by the distribution period in the Uniform Lifetime Table set forth in Regulation §1.401(a)(9)-9, 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 Regulation §1.401(a)(9)-9, using the Participant's and Spouse's attained ages as of the Participant's and Spouse's birthdays in the "distribution calendar year."

(2) **Lifetime required minimum distributions continue through year of Participant's death.** Required minimum distributions will be determined under this Section 6.8(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) **Participant survived by "designated Beneficiary."** 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) **No "designated Beneficiary."** 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) **Participant survived by "designated Beneficiary."** Except as provided in Section 6.8(b)(3), 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 6.8(d)(1).

(ii) **No "designated Beneficiary."** 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) **Death of surviving Spouse before distributions to surviving Spouse are required to begin.** 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 6.8(b)(2)(i), this Section 6.8(d)(2) will apply as if the surviving Spouse were the Participant.

(e) **Definitions.** For purposes of this Section, the following definitions apply:

(1) "Designated Beneficiary" means the individual who is designated as the Beneficiary under the Plan and is the "designated Beneficiary" under Code §401(a)(9) and Regulation §1.401(a)(9)-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,

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the first "distribution calendar year" is the calendar year in which distributions are required to begin under Section 6.8(b). 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 the life expectancy as computed by use of the Single Life Table in Regulation §1.401(a)(9)-9.

(4) "Participant's account balance" means the Participant's 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 the dates in the valuation calendar year after the Valuation Date and decreased by distributions made in the valuation calendar year after the Valuation Date. For this purpose, the Administrator may exclude contributions that are allocated to the account balance as of dates in the valuation calendar year after the Valuation Date, but that are not actually made during the valuation calendar year. 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.

(a) **Reduction for QLACs.** A Participant's account balance is reduced by any QLACs (as defined below). This paragraph applies only to QLACs purchased on or after July 2, 2014.

(b) **Definition of QLAC.** A QLAC is qualifying longevity annuity contract as defined in A-17 of Regulation §1.401(a)(9)-6. Pursuant to such Regulation, a QLAC is an annuity contract that is purchased from an insurance company for a Participant and that, in accordance with the rules of application of paragraph (c) below, satisfies each of the following requirements:

(1) The premiums paid with respect to the contract on a date do not exceed the lesser of the following amounts, determined in accordance with the provisions of paragraph (b) of A-17 of Regulation §1.401(a)(9)-6.

(a) An amount equal to the excess of \$125,000 (as adjusted under paragraph (d)(2) of A-17 of Regulation §1.401(a)(9)-6), over the sum of the premiums paid before that date with respect to the contract, and the premiums paid on or before that date with respect to any other contract that is intended to be a QLAC and that is purchased for the Participant under the Plan, or any other plan, annuity, or account described in Code §401(a), 403(a), 403(b), or 408 or eligible governmental plan under §457(b).

(b) An amount equal to the excess of 25% of the Participant's account balance under the Plan (including the value of any QLAC held under the Plan for the Participant) as of that date, over the sum of the premiums paid before that date with respect to the contract, and the premiums paid on or before that date with respect to any other contract that is intended to be a QLAC and that is held or was purchased for the Participant under the Plan.

(2) The contract provides that distributions under the contract must commence not later than a specified annuity starting date that is no later than the first day of the month next following the eighty-fifth (85th) anniversary of the Employee's birth;

(3) The contract provides that, after distributions under the contract commence, those distributions must satisfy the requirements of paragraph (c) of A-17 of Regulation §1.401(a)(9)-6 (other than the requirement that annuity payments commence on or before the required beginning date (RBD));

(4) The contract does not make available any commutation benefit, cash surrender right, or other similar feature except as otherwise permitted under A-17 of Regulation §1.401(a)(9)-6;

(5) No benefits are provided under the contract after the death of the employee other than the benefits described in paragraph (c) of A-17 of Regulation §1.401(a)(9)-6;

(6) Except as otherwise permitted under A-17 of Regulation §1.401(a)(9)-6, when the contract is issued, the contract (or a rider or endorsement with respect to that contract) states that the contract is intended to be a QLAC; and

(7) The contract is not a variable contract under Code §817, an indexed contract, or a similar contract, except to the extent provided by the Commissioner in revenue rulings, notices, or other guidance published in the Internal Revenue Bulletin.

(c) **Rules of application relating to premiums.**

(1) **Reliance on representations.** For purposes of the limitation on premiums described in paragraphs (b)(1) and (2) above, unless the Administrator has actual knowledge to the contrary, the Administrator may rely on an Employee's representation (made in writing or such other form as may be prescribed by the Commissioner) of the amount of the premiums described in such paragraphs, but only with respect to premiums that are not paid under a plan, annuity, or contract that is maintained by the Employer or an entity that is treated as a single employer with the Employer under Code §414(b), (c), (m), or (o).

(2) **Consequences of excess premiums.** If an annuity contract fails to be a QLAC solely because a premium for the contract exceeds the limits under paragraph (b)(1)(a) above, then the contract is not a QLAC beginning on the date that premium payment is made unless the excess premium is returned to the non-QLAC portion of the Participant's account in accordance with paragraph (d)(1)(ii)(B) of A-17 of Regulation §1.401(a)(9)-6. If the contract fails to be a QLAC, then the value of the contract may not be disregarded under paragraph (a) above as of the date on which the contract ceases to be a QLAC.

If the excess premium is returned (either in cash or in the form of a contract that is not intended to be a QLAC) to the non-QLAC portion of the Participant's account by the end of the calendar year following the calendar year in which the excess premium was originally paid, then the contract will not be treated as exceeding the limits under paragraph (b)(1)(a) above at any time, and the value of the contract will not be included in the employee's account balance under paragraph (a) above. If the excess premium (including the fair market value of an annuity contract that is not intended to be a QLAC, if applicable) is returned to the non-QLAC portion of the Participant's account after the last valuation date for the calendar year in which the excess premium was originally paid, then the Participant's account balance for that calendar year must be increased to reflect that excess premium in the same manner as a Participant's account balance is increased under Regulation §1.401(a)(9)-7, A-2 to reflect a rollover received after the last valuation date.

(3) **Application of 25-percent limit.** For purposes of the 25% limit under paragraph (b)(1)(b) above, a Participant's account balance on the date on which premiums for a contract are paid is the account balance as of the last valuation date preceding the date of the premium payment, adjusted as follows. The account balance is increased for contributions allocated to the account during the period that begins after the valuation date and ends before the date the premium is paid and decreased for distributions made from the account during that period.

(d) **Dollar and age limitations subject to adjustments.** In the case of calendar years beginning on or after January 1, 2015, the \$125,000 amount under paragraph (b)(1)(a) will be adjusted at the same time and in the same manner as the limits are adjusted under Code §415(d), except that the base period shall be the calendar quarter beginning July 1, 2013, and any increase under this paragraph that is not a multiple of \$10,000 will be rounded to the next lowest multiple of \$10,000. The maximum age set forth in paragraph (b)(2) may be adjusted to reflect changes in mortality, with any such adjusted age to be prescribed by the Commissioner in revenue rulings, notices, or other guidance published in the Internal Revenue Bulletin and made available by the Superintendent of Documents.

If a contract fails to be a QLAC because it does not satisfy the dollar limitation in paragraph (b)(1)(a) or the age limitation in paragraph (b)(2), any subsequent adjustment that is made pursuant to this paragraph (d) will not cause the contract to become a QLAC.

(5) "Required beginning date" means, except as otherwise elected in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), with respect to any Participant, April 1 of the calendar year following the later of the calendar year in which the Participant attains age 70 1/2 or the calendar year in which the Participant retires.

6.9 DISTRIBUTION FOR MINOR OR INCOMPETENT INDIVIDUAL

If, in the opinion of the Administrator, a Participant or Beneficiary entitled to a distribution is not able to care for his or her affairs because of a mental condition, a physical condition, or by reason of age in the case of a minor, the Administrator shall direct the distribution to the Participant's or Beneficiary's valid power of attorney, court appointed guardian, or any other person authorized under state law to receive the benefit (including a custodian under a Uniform Transfers or Gifts to Minors Act), upon furnishing evidence of such status satisfactory to the Administrator. The Administrator and the Trustee (or Insurer) do not have any liability with respect to payments so made and neither the Administrator nor the Trustee (or Insurer) has any duty to make inquiry as to the competence of any person entitled to receive payments under the Plan.

6.10 LOCATION OF PARTICIPANT OR BENEFICIARY UNKNOWN

In the event that all, or any portion, of the distribution payable to a Participant or Beneficiary hereunder shall, at the later of the Participant's attainment of age 62 or Normal Retirement Age, remain unpaid solely by reason of the inability of the Administrator to ascertain the whereabouts of such Participant or Beneficiary, the amount so distributable may, in the sole discretion of the Administrator, either be treated as a Forfeiture or be paid directly to an individual retirement account described in Code §408(a) or an individual

retirement annuity described in Code §408(b). Before treating any Participant as being missing, the Administrator must conduct a reasonable and diligent search for the Participant, using one or more of search methods the Plan Administrator determines are appropriate under the circumstances, such as the methods suggested by DOL Field Assistance Bulletin 2014-01. Such search methods include:

- (1) provide a distribution notice to the lost Participant at the Participant's last known address by certified or registered mail;
- (2) check with the administrator of other employee benefit plans of the Employer that may have more up-to-date information regarding the Participant's whereabouts;
- (3) identify and contact the Participant's Designated Beneficiary;
- (4) use one or more free internet search tools;
- (5) attempt contact via email or telephone, or
- (6) use proprietary internet search tools, commercial locator services, credit reporting agencies, information brokers, or other search methods. Regarding search methods (2) and (3) above, if the Plan Administrator encounters privacy concerns, the Plan Administrator may request that the Employer or other plan fiduciary (under (2)), or the Designated Beneficiary (under (3)), contact the Participant or forward a letter requesting that the Participant contact the Plan Administrator.

In addition, if the Plan provides for mandatory distributions and the amount to be distributed to a Participant or Beneficiary does not exceed \$1,000, then the amount distributable may, in the sole discretion of the Administrator, either be treated as a Forfeiture, be paid directly to an individual retirement account described in Code §408(a) or an individual retirement annuity described in Code §408(b) or use the PBGC Missing Participant Program, or any successor program, at the time it is determined that the whereabouts of the Participant or the Participant's Beneficiary cannot be ascertained. In the event a Participant or Beneficiary is located subsequent to the Forfeiture and prior to the time the Plan has been terminated, such benefit shall be restored, first from Forfeitures, if any, and then from an additional Employer contribution if necessary. Upon Plan termination, the portion of the distributable amount that is an "eligible rollover distribution" as defined in Section 6.14(b)(1) may be paid directly to an individual retirement account described in Code §408(a) or an individual retirement annuity described in Code §408(b). However, regardless of the preceding, a benefit that is lost by reason of escheat under applicable state law is not treated as a Forfeiture for purposes of this Section nor as an impermissible forfeiture under the Code.

6.11 IN-SERVICE DISTRIBUTION

If elected in the Adoption Agreement, at such time as the conditions set forth in the Adoption Agreement have been satisfied, then the Administrator, at the election of a Participant who has not severed employment with the Employer, shall direct the distribution of up to the entire Vested amount then credited to the Accounts as elected in the Adoption Agreement maintained on behalf of such Participant. For purposes of this Section, a Participant shall include an Employee who has an Account balance in the Plan. In the event that the Administrator makes such a distribution, the Participant shall continue to be eligible to participate in the Plan on the same basis as any other Employee. Any distribution made pursuant to this Section shall be made in a manner consistent with Section 6.5. Furthermore, if an in-service distribution is permitted from more than one account type, the Administrator may determine any ordering of a Participant's in-service distribution from such accounts. The Administrator may adopt a policy imposing frequency limitations or other reasonable administrative conditions on in-service distributions made pursuant to this Section.

6.12 DISTRIBUTION FOR HARDSHIP

(a) **Hardship events.** If elected in the Adoption Agreement, the Administrator, at the election of the Participant, shall direct the distribution to any Participant in any one Plan Year to an amount necessary to satisfy the Participant's immediate and heavy financial need, determined in accordance with the remaining provisions of this Section. 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. Such distributions may also be made from those Accounts from which such distribution are authorized by the remaining provisions of this Section. For purposes of this Section, a Participant shall include an Employee who has an Account balance in the Plan. Any distribution made pursuant to this Section shall be deemed to be made as of the first day of the Plan Year or, if later, the Valuation Date immediately preceding the date of distribution, and the Account from which the distribution is made shall be reduced accordingly. Withdrawal under this Section shall be authorized only if the distribution is for an immediate and heavy financial need. The Administrator will determine whether there is an immediate and heavy financial need based on the facts and circumstances. An immediate and heavy financial need includes, but is not limited to, a distribution for one of the following:

- (1) Expenses for (or necessary to obtain) medical care (as defined in Code §213(d));
- (2) Costs directly related to the purchase (excluding mortgage payments) of a principal residence for the Participant;
- (3) Payments for burial or funeral expenses for the Participant's deceased parent, Spouse, children or dependents (as defined in Code §152, and without regard to Code §152(d)(1)(B));
- (4) Payment of tuition, related educational fees, and room and board expenses, for up to the next twelve (12) months of post-secondary education for the Participant, the Participant's Spouse, children, or dependents (as defined in Code §152, and without regard to Code §§152(b)(1), (b)(2), and (d)(1)(B));

- (5) Payments necessary to prevent the eviction of the Participant from the Participant's principal residence or foreclosure on the mortgage on that residence; or
- (6) Expenses for the repair of damage to the Participant's principal residence that would qualify for the casualty deduction under Code §165 (determined without regard to whether the loss exceeds 10% of adjusted gross income).

(b) **Beneficiary-based distribution.** If in the Adoption Agreement, then effective as of the date specified in the Adoption Agreement, a Participant's hardship event includes an immediate and heavy financial need of the Participant's "primary Beneficiary under the Plan," that would constitute a hardship event if it occurred with respect to the Participant's Spouse or dependent as defined under Code §152 (such hardship events being limited to educational expenses, funeral expenses and certain medical expenses). For purposes of this Section, a Participant's "primary Beneficiary under the Plan" is an individual who is named as a Beneficiary under the Plan (by the Participant or pursuant to Section 6.2) and has an unconditional right to all or a portion of the Participant's Account balance under the Plan upon the Participant's death.

(c) **Other limits and conditions.** If elected in the Adoption Agreement, no distribution shall be made pursuant to this Section from the Participant's Account until such Account has become fully Vested. Furthermore, if a hardship distribution is permitted from more than one Account, the Administrator may determine any ordering of a Participant's hardship distribution from such Accounts.

(d) **Distribution rules apply.** Any distribution made pursuant to this Section shall be made in a manner which is consistent with and satisfies the provisions of Section 6.5.

6.13 QUALIFIED DOMESTIC RELATIONS ORDER DISTRIBUTION

All benefits provided to a Participant in this Plan shall be subject to the rights afforded to any Alternate Payee under a "qualified domestic relations order." Furthermore, unless otherwise elected in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections) a distribution to an Alternate Payee shall be permitted if such distribution is authorized by a "qualified domestic relations order," even if the affected Participant has not reached the "earliest retirement age." For the purposes of this Section, "qualified domestic relations order" and "earliest retirement age" shall have the meanings set forth under Code §414(p). For purposes of this Section, however, a distribution that is made pursuant to a domestic relations order which meets the requirements of Code §414(p)(1)(A)(i) will be treated as being made pursuant to a "qualified domestic relations order."

A domestic relations order that otherwise satisfies the requirements for a "qualified domestic relations order" will not fail to be a "qualified domestic relations order": (i) solely because the order is issued after, or revises, another domestic relations order or "qualified domestic relations order"; or (ii) solely because of the time at which the order is issued, including issuance after the Annuity Starting Date or after the Participant's death.

6.14 DIRECT ROLLOVERS

(a) **Right to direct rollover.** Notwithstanding any provision of the Plan to the contrary that would otherwise limit a "distributee's" election under this Section, a "distributee" may elect, at the time and in the manner prescribed by the Administrator, to have an "eligible rollover distribution" paid directly to an "eligible retirement plan" specified by the "distributee" in a "direct rollover." However, if less than the entire amount of the "eligible rollover distribution" is being paid directly to an "eligible retirement plan," then the Administrator may require that the amount paid directly to such plan be at least \$500.

(b) **Definitions.** For purposes of this Section, the following definitions shall apply:

(1) **Eligible rollover distribution.** An "eligible rollover distribution" means any distribution described in Code §402(c)(4) and generally includes any distribution of all or any portion of the balance to the credit of the "distributee," except that an "eligible rollover distribution" does not include: (a) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the "distributee" or the joint lives (or joint life expectancies) of the "distributee" and the "distributee's" "designated Beneficiary," or for a specified period of ten (10) years or more; (b) any distribution to the extent such distribution is required under Code §401(a)(9); (c) any hardship distribution; (d) the portion of any other distribution(s) that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); (e) any loans that are treated as deemed distributions under Code §72(p) which are not also an offset distribution; (f) the costs of life insurance coverage (P.S. 58 costs); (g) any other distributions described in Regulation §1.402(c)-2; and any other distribution reasonably expected to total less than \$200 during a year.

Notwithstanding the above, a portion of a distribution shall not fail to be an "eligible rollover distribution" merely because the portion consists of after-tax voluntary Employee contributions which are not includible in gross income. However, such portion may be transferred only to:

- (i) a traditional individual retirement account or annuity described in Code §408(a) or (b) (a "traditional IRA")

- (ii) for taxable years beginning after December 31, 2006, a Roth individual account or annuity described in Code §408A (a "Roth IRA"), or
- (iii) a qualified defined contribution plan or an annuity contract described in Code §401(a) or Code §403(b), respectively, that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

(2) **Eligible retirement plan.** An "eligible retirement plan" is a "traditional IRA," a "Roth IRA," a qualified trust (an employees' trust) described in Code §401(a) which is exempt from tax under Code §501(a), an annuity plan described in Code §403(a), an eligible plan under Code §457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision and which agrees to separately account for amounts transferred into such plan from this Plan, and an annuity contract described in Code §403(b), and for distributions made after December 18, 2015, a SIMPLE IRA to the extent permitted under Code §408(p)(1)(B), that accepts the "distributee's" "eligible rollover distribution." 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 an Alternate Payee. If any portion of an "eligible rollover distribution" is attributable to payments or distributions from a designated Roth account, an "eligible retirement plan" with respect to such portion shall include only another designated Roth account of the individual from whose account the payments or distributions were made, or a Roth IRA of such individual. In the case of a "distributee" who is a non-Spouse designated Beneficiary, (i) the "direct rollover" may be made only to a traditional or Roth individual retirement account or an annuity described in Code §408(b) ("IRA") that is established on behalf of the designated non-Spouse Beneficiary and that will be treated as an inherited IRA pursuant to the provisions of Code §402(c)(11), and (ii) the determination of any required minimum distribution required under Code §401(a)(9) that is ineligible for rollover shall be made in accordance with IRS Notice 2007-7, Q&A 17 and 18.

(3) **Distributee.** A "distributee" includes an Employee or Former Employee. In addition, the Employee's or Former Employee's surviving Spouse and the Employee's or Former Employee's Spouse or former Spouse who is the Alternate Payee, are "distributees" with regard to the interest of the Spouse or former Spouse.

(4) **Direct rollover.** A "direct rollover" is a payment by the Plan to the "eligible retirement plan" specified by the "distributee."

(c) **Participant notice.** A Participant entitled to an "eligible rollover distribution" must receive a written explanation of the right to a "direct rollover," the tax consequences of not making a "direct rollover," and, if applicable, any available special income tax elections. The notice must be provided no less than thirty (30) days and no more than one-hundred eighty (180) days before the Annuity Starting Date. The "direct rollover" notice must be provided to all Participants, unless the total amount the Participant will receive as a distribution during the calendar year is expected to be less than \$200.

(d) **Non-Spouse Beneficiary rollover right.** A non-Spouse Beneficiary who is a "designated Beneficiary" under Code §401(a)(9)(E) and the Regulations thereunder, by a direct trustee-to-trustee transfer ("direct rollover"), may roll over all or any portion an "eligible rollover distribution" to an IRA the Beneficiary establishes for purposes of receiving the distribution.

If the Participant's named Beneficiary is a trust, the Plan may make a direct rollover to an IRA on behalf of the trust, provided the trust satisfies the requirements to be a "designated Beneficiary."

6.15 RESTRICTIONS ON DISTRIBUTION OF ASSETS TRANSFERRED FROM A MONEY PURCHASE PLAN

Notwithstanding any provision of this Plan to the contrary, to the extent that any optional form of benefit under this Plan permits a distribution prior to the Employee's retirement, death, Total and Permanent Disability, or severance from employment, and prior to Plan termination, the optional form of benefit is not available with respect to benefits attributable to assets (including the post-transfer earnings thereon) and liabilities that are transferred, within the meaning of Code §414(l), to this Plan from a money purchase pension plan qualified under Code §401(a) (other than any portion of those assets and liabilities attributable to after-tax voluntary Employee contributions or to a direct or indirect rollover contribution). A Participant may not obtain an in-service distribution with respect to such transferred amounts prior to the earlier of the Participant's Normal Retirement Age or attainment of age 62.

6.16 CORRECTIVE DISTRIBUTIONS

Nothing in this Article shall preclude the Administrator from making a distribution to a Participant, to the extent such distribution is made to correct a qualification defect in accordance with the corrective procedures under the IRS' Employee Plans Compliance Resolution System or any other voluntary compliance programs established by the IRS.

6.17 SERVICE CREDIT PURCHASES

The Administrator, upon Participant request, may direct the transfer of all or a portion of the Participant's Account to a governmental defined benefit plan (as defined in Code §414(d)) in which he or she participates for the purchase of permissive service credit (as defined in Code §415(n)(3)(A)).

6.18 UNCASHED CHECKS

Subject to the provisions of Section 6.10, the Plan Administrator operationally may dispose of an uncashed distribution from the Plan to a lost Participant at the time and in the manner described in this Section). Prior to doing so, the Plan Administrator must make reasonable and diligent efforts to contact the lost Participant, including using such search methods the Plan Administrator determines are appropriate under the circumstances. At the discretion of the Administrator, Plan distributions that remain uncashed, and which the Administrator chooses not to reinvest in the Plan may be: (1) voluntarily remitted to a State unclaimed property department, but no sooner than the appropriate state dormancy period has expired; or (2) deposited for the benefit of the lost Participant either to a: (a) bank account, or (b) individual retirement account if the original distribution was an eligible rollover distribution.

For purposes of this Section 6.18, a distribution is "uncashed" if it remains uncashed by the "cash-by" date on the check or in an accompanying notice, e.g., a date prescribed by the bank or the Plan. This "cash-by" date must be at least forty-five (45) days after the check is issued. If there is no prescribed "cash-by" date, then the amount is considered uncashed if it is not cashed by the check's stale date.

6.19 HEALTH INSURANCE PAYMENTS FOR PUBLIC SAFETY OFFICERS

An "eligible retired public safety officer" may elect annually for that taxable year to have the Plan deduct an amount from a distribution which the "eligible retired public safety officer" otherwise would receive and include in income. The Plan will pay such deducted amounts directly to pay "qualified health insurance premiums" as defined in Code §402(l). Any election made under this Plan must conform to the requirements of Code §402(l). A "qualified retired public safety officer" is a public safety officer (as defined in §1204(9)(A) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C 3796b(9)(A)) who, by reason of disability or attainment of Normal Retirement Age, is separated from service as a public safety officer with the Employer. "Qualified health insurance premiums" means the premiums for coverage for the "eligible retired public safety officer," his or her Spouse, and dependents (as defined in Code §152), by an accident or health plan or qualified long-term care insurance contract (as defined in Code §7702B(b)).

ARTICLE VII TRUST, TRUSTEE AND CUSTODIAN

7.1 CONFLICT WITH PLAN

In the event of any conflicts between the provisions of this Plan and the Trust agreement, the provisions of this Plan control.

7.2 POWERS AND DUTIES OF CUSTODIAN

Subject to the terms of the Trust agreement, the Employer may appoint a Custodian of the Plan assets. The duties of the Custodian are those set forth in the agreement with the Custodian. Any reference in the Plan to a Trustee also is a reference to a Custodian unless the Employer has appointed a Custodian separate from the Trustee or the context of the Plan indicates otherwise.

7.3 LIFE INSURANCE

(a) **Permitted insurance.** To the extent not prohibited under the terms of the Trust agreement, the Trustee (or Insurer), in accordance with operational procedures of the Administrator, shall ratably apply for, own, and pay all premiums on Contracts on the lives of the Participants or, in the case of a 401(a) Plan, on the life of a member of the Participant's family or on the joint lives of a Participant and a member of the Participant's family. Furthermore, if a Contract is purchased on the joint lives of the Participant and another person and such other person predeceases the Participant, then the Contract may not be maintained under this Plan. Any initial or additional Contract purchased on behalf of a Participant shall have a face amount of not less than \$1,000, an amount set forth in the Administrator's procedures, or the limitation of the Insurer, whichever is greater. If a life insurance Contract is to be purchased for a Participant, then the aggregate premium for ordinary life insurance for each Participant must be less than 50% of the aggregate contributions and Forfeitures allocated to the Participant's Combined Account. For purposes of this limitation, ordinary life insurance Contracts are Contracts with both non-decreasing death benefits and non-increasing premiums. If term insurance or universal life insurance is purchased, then the aggregate premium must be 25% or less of the aggregate contributions and Forfeitures allocated to the Participant's Combined Account. If both term insurance and ordinary life insurance are purchased, then the premium for term insurance plus one-half of the premium for ordinary life insurance may not in the aggregate exceed 25% of the aggregate Employer contributions and Forfeitures allocated to the Participant's Combined Account. Notwithstanding the preceding, the limitations imposed herein with respect to the purchase of life insurance shall not apply, in the case of a 401(a) Plan, to the portion of the Participant's Account that has accumulated for at least two (2) Plan Years or to the entire Participant's Account if the Participant has been a Participant in the Plan for at least five (5) years. In addition, amounts transferred to this Plan in accordance with Section 4.6(f)(1)(ii) or (iii) and a Participant's Voluntary Contribution Account may be used to purchase Contracts without limitation. Thus, amounts that are not subject to the limitations contained herein may be used to purchase life insurance on any person in whom a Participant has an insurable interest or on the joint lives of a Participant and any person in whom the Participant has an insurable interest, and without regard to the amount of premiums paid to purchase any life insurance hereunder.

(b) **Contract conversion at retirement.** The Administrator must direct the Trustee (or Insurer) to distribute any Contracts to the Participant or convert the entire value of the Contracts at or before retirement into cash or provide for a periodic income so that no portion of such value may be used to continue life insurance protection beyond the Participant's actual retirement date.

(c) **Limitations on purchase.** No life insurance Contracts shall be required to be obtained on an individual's life if, for any reason (other than the nonpayment of premiums) the Insurer will not issue a Contract on such individual's life.

(d) **Proceeds payable to Plan.** The Trustee (or Insurer) must be the owner of any life insurance Contract purchased under the terms of this Plan. The Contract must provide that the proceeds will be payable to the Trustee (or Insurer); however, the Trustee (or Insurer) shall be required to pay over all proceeds of the Contract to the Participant's "designated Beneficiary" in accordance with the distribution provisions of Article VI as directed by the Administrator. A Participant's Spouse will be the "designated Beneficiary" pursuant to Section 6.2, unless a qualified election has been made in accordance with Sections 6.5 and 6.6 of the Plan, if applicable. Under no circumstances shall the Trust retain any part of the proceeds that are in excess of the cash surrender value immediately prior to death. However, the Trustee (or Insurer) shall not pay the proceeds in a method that would violate the requirements of the Retirement Equity Act of 1984, as stated in Article VI of the Plan, or Code §401(a)(9) and the Regulations thereunder. In the event of any conflict between the terms of this Plan and the terms of any insurance Contract purchased hereunder, the Plan provisions shall control.

(e) **No responsibility for act of Insurer.** The Employer, the Administrator and the Trustee shall not be responsible for the validity of the provisions under a Contract issued hereunder or for the failure or refusal by the Insurer to provide benefits under such Contract. The Employer, Administrator and the Trustee are also not responsible for any action or failure to act by the Insurer or any other person which results in the delay of a payment under the Contract or which renders the Contract invalid or unenforceable in whole or in part.

7.4 LOANS TO PARTICIPANTS

(a) **Permitted Loans.** To the extent not prohibited under the terms of the Trust agreement, the Administrator, the Administrator may, in the Administrator's sole discretion, make loans to Participants. If loans are permitted, then the following shall apply: (1) loans shall be made available to all Participants on a reasonably equivalent basis; (2) loans shall bear a reasonable rate of interest; (3) loans shall be adequately secured; and (4) loans shall provide for periodic repayment over a reasonable period of time. Furthermore, no Participant loan shall exceed the Participant's Vested interest in the Plan. For purposes of this Section, the term Participant shall include any Eligible Employee who is not yet a Participant, if, pursuant to the Adoption Agreement, "rollovers" are permitted to be accepted from Eligible Employees.

(b) **Loan program.** The Administrator shall be authorized to establish a Participant loan program to provide for loans under the Plan. In order for the Administrator to implement such loan program, a separate written document forming a part of this Plan must be adopted, which document shall specifically include, but need not be limited to, the following:

- (1) the identity of the person or positions authorized to administer the Participant loan program;
- (2) a procedure for applying for loans;
- (3) the basis on which loans will be approved or denied;
- (4) limitations, if any, on the types and amounts of loans offered;
- (5) the procedure under the program for determining a reasonable rate of interest;
- (6) the types of collateral which may secure a Participant loan; and
- (7) the events constituting default and the steps that will be taken to preserve Plan assets in the event such default.

(c) **Loan default.** Notwithstanding anything in this Plan to the contrary, if a Participant or Beneficiary defaults on a loan made pursuant to this Section that is secured by the Participant's interest in the Plan, then a Participant's interest may be offset by the amount subject to the security to the extent there is a distributable event permitted by the Code or Regulations. Notwithstanding anything in the Plan's loan policy to the contrary, if a loan is accelerated due to a Participant's termination of employment, then the Plan may direct that the loan note be transferred or directly rolled over to another plan that will accept the transfer or rollover of the note.

(d) **Loans subject to Plan terms.** Notwithstanding anything in this Section to the contrary, if this is an amendment and restatement of an existing Plan, any loans made prior to the date this amendment and restatement is adopted shall be subject to the terms of the Plan in effect at the time such loan was made.

7.5 PLAN-TO-PLAN TRANSFERS

Notwithstanding any other provision contained in this Plan and to the extent not prohibited under the terms of the Trust agreement, the Administrator may direct the Trustee to transfer the interest, if any, of a Participant to another trust forming part of a pension, profit sharing, or stock bonus plan that meets the requirements of Code §401(a), provided that the trust to which such transfers are made permits the transfer to be made and further provided that the terms of the transferee plan properly allocates the funds in each account to a transferee account that preserves all the required features and restrictions applicable to such account under this Plan. However, the transfer of amounts

from this Plan to a nonqualified foreign trust is treated as a distribution and the transfer of assets and liabilities from this Plan to a plan that satisfies Section 1165 of the Puerto Rico Code is also treated as distribution from the transferor plan.

**ARTICLE VIII
AMENDMENT, TERMINATION AND MERGERS**

8.1 AMENDMENT

(a) **General rule on Employer amendment.** The Employer shall have the right at any time to amend this Plan subject to the limitations of this Section. However, any amendment that affects the rights, duties or responsibilities of the Trustee (or Insurer) or Administrator may only be made with the Trustee's (or Insurer's) or Administrator's written consent. Any such amendment shall become effective as provided therein upon its execution. The Trustee (or Insurer) shall not be required to execute any such amendment unless the amendment affects the duties of the Trustee (or Insurer) hereunder.

(b) **Permissible amendments.** The Employer may amend the Plan to accomplish any of the following items without affecting reliance on the opinion letter: (1) change the choice of options in the Adoption Agreement or Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), (2) add certain sample or model amendments published by the Internal Revenue Service or other required good-faith amendments where the IRS has provided that their adoption will not cause the Plan to be treated as an individually designed plan, (3) add a list of any protected benefits" which must be preserved, (4) adjust the limitations under Code §§415, 402(g), 401(a)(17) and 414(q)(1)(B) to reflect annual cost-of-living increases, and (5) change the pre-approved plan Provider's name. "Provider" pursuant to this Section 8 means the entity that contracts with the mass submitter to provide the Basic Plan Document and Adoption Agreement for use by the Employer or, in the alternative, the mass submitter that provides such documents directly to its clients. An Employer that amends the Plan for any other reason, including a waiver of the minimum funding requirement under Code §412(c), will no longer participate in this pre-approved plan and this Plan will be considered to be an individually designed plan for purposes of reliance. A Plan amendment does not include an amendment or substitution of the Trust.

(c) **Provider amendments.** The Employer (and every Participating Employer) expressly delegates authority to the Provider, the right to amend the Plan by submitting a copy of the amendment to each Employer (and Participating Employer) who has adopted this pre-approved plan, after first having received a ruling or favorable determination from the Internal Revenue Service that the pre-approved Plan as amended qualifies under Code §401(a) (unless a ruling or determination is not required by the IRS). The Provider will amend the Plan Documents from time to time in accordance with this Section 8.1(c). For purposes of this Section, the mass submitter shall be recognized as the agent of the Provider. If the Provider does not adopt any amendment made by the mass submitter, it will no longer be identical to, or a minor modifier of, the mass submitter plan.

(d) **Impermissible amendments.** No amendment to the Plan shall be effective if it authorizes or permits any part of the Trust Fund (other than such part as is required to pay taxes and administration expenses) to be used for or diverted to any purpose other than for the exclusive benefit of the Participants or their Beneficiaries or estates; or causes any reduction in the amount credited to the account of any Participant; or causes or permits any portion of the Trust Fund to revert to or become property of the Employer.

8.2 TERMINATION

(a) **Termination of Plan.** The Employer shall have the right at any time to terminate the Plan by delivering to the Trustee (or Insurer) and Administrator written notice of such termination. The Employer has no obligation or liability whatsoever to maintain the Plan for any specific length of time and may terminate the Plan or discontinue contributions under the Plan at any time without liability hereunder for any such discontinuance. Upon any full or partial termination or upon the complete discontinuance of the Employer's Contributions to the Plan (in the case of a Profit Sharing Plan), all amounts credited to the affected Participants' Combined Accounts shall become 100% Vested and shall not thereafter be subject to Forfeiture.

(b) **Distribution of assets.** Upon the full termination of the Plan, the Employer shall direct the distribution of the assets to Participants in a manner that is consistent with and satisfies the provisions of Section 6.5. Distributions to a Participant shall be made in cash (or in property if permitted in the Adoption Agreement) or through the purchase of irrevocable nontransferable deferred commitments from the Insurer.

8.3 MERGER, CONSOLIDATION OR TRANSFER OF ASSETS

This Plan may be merged or consolidated with, or its assets and/or liabilities may be transferred to, any other plan provided the benefits which would be received by a Participant of this Plan, in the event of a termination of the plan immediately after such transfer, merger or consolidation, are at least equal to the benefits the Participant would have received if the Plan had terminated immediately before the transfer, merger or consolidation.

**ARTICLE IX
MISCELLANEOUS**

9.1 EMPLOYER ADOPTIONS

- (a) **Method of adoption.** Any organization may become the Employer hereunder by executing the Adoption Agreement.
- (b) **Separate affiliation.** Except as otherwise provided in this Plan, the affiliation of the Employer and the participation of its Participants shall be separate and apart from that of any other employer and its participants hereunder.

9.2 PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute a contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee 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 Employee at any time regardless of the effect which such discharge shall have upon the Employee as a Participant of this Plan.

9.3 ALIENATION

- (a) **General rule.** Subject to the exceptions provided below and as otherwise permitted by the Code, no benefit which shall be payable to any person (including a Participant or the Participant's Beneficiary) shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge, and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, or charge the same shall be void; and no such benefit shall in any manner be liable for, or subject to, the debts, contracts, liabilities, engagements, or torts of any such person, nor shall it be subject to attachment or legal process for or against such person, and the same shall not be recognized except to such extent as may be required by law.
- (b) **Exception for loans.** Subsection (a) shall not apply to the extent a Participant or Beneficiary is indebted to the Plan by reason of a loan made pursuant to Section 7.4. At the time a distribution is to be made to or for a Participant's or Beneficiary's benefit, such portion of the amount to be distributed as shall equal such indebtedness shall be paid to the Plan, to apply against or discharge such indebtedness. Prior to making a payment, however, the Participant or Beneficiary must be given notice by the Administrator that such indebtedness is to be so paid in whole or part from the Participant's interest in the Plan. If the Participant or Beneficiary does not agree that the indebtedness is a valid claim against the Participant's interest in the Plan, the Participant or Beneficiary shall be entitled to a review of the validity of the claim in accordance with procedures provided in Section 2.10.
- (c) **Exception for QDRO.** Subsection (a) shall not apply to a "qualified domestic relations order" defined in Code §414(p), and those other domestic relations orders permitted to be so treated by the Administrator under the provisions of the Retirement Equity Act of 1984.

9.4 PLAN COMMUNICATIONS, INTERPRETATION AND CONSTRUCTION

- (a) **Applicable law.** This Plan shall be construed and enforced according to the Code and the laws of the state or commonwealth in which the Employer's principal office is located (unless otherwise designated in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections)), other than its laws respecting choice of law, to the extent not pre-empted by federal law.
- (b) **Administrator's discretion.** The Administrator has total and complete discretion to interpret and construe the Plan and to determine all questions arising in the administration, interpretation and application of the Plan. Any determination the Administrator makes under the Plan is final and binding upon any affected person. The Administrator must exercise all of its Plan powers and discretion, and perform all of its duties, in a uniform manner.
- (c) **Communications.** All Participant or Beneficiary notices, designations, elections, consents or waivers must be made in a form the Administrator (or, as applicable, the Trustee or Insurer) specifies or otherwise approves. Any person entitled to notice under the Plan may waive the notice or shorten the notice period unless such actions are contrary to applicable law.
- (d) **Evidence.** Anyone, including the Employer, required to give data, statements or other information relevant under the terms of the Plan ("evidence") may do so by certificate, affidavit, document or other form which the person to act in reliance may consider pertinent, reliable and genuine, and to have been signed, made or presented by the proper party or parties. The Administrator, Trustee and Insurer are protected fully in acting and relying upon any evidence described under the immediately preceding sentence.
- (e) **Plan terms binding.** The Plan is binding upon all parties, including but not limited to, the Employer, Trustee, Insurer, Administrator, Participants and Beneficiaries.
- (f) **Parties to litigation.** Except as otherwise provided by applicable law, a Participant or a Beneficiary is not a necessary party or required to receive notice of process in any court proceeding involving the Plan, the Trust or any fiduciary. Any final judgment (not subject to further appeal) entered in any such proceeding will be binding upon all parties, including the Employer, the Administrator, Trustee, Insurer, Participants and Beneficiaries.

(g) **Fiduciaries not insurers.** The Trustee, Administrator and the Employer in no way guarantee the Plan assets from loss or depreciation. The Employer does not guarantee the payment of any money which may be or becomes due to any person from the Plan. The liability of the Employer, the Administrator and the Trustee to make any distribution from the Trust at any time and all times is limited to the then available assets of the Trust.

(h) **Construction/severability.** The Plan, the Adoption Agreement, the Trust and all other documents to which they refer, will be interpreted consistent with and to preserve tax qualification of the Plan under Code §401(a) and tax exemption of the Trust under Code §501(a) and also consistent with other applicable law. To the extent permissible under applicable law, any provision which a court (or other entity with binding authority to interpret the Plan) determines to be inconsistent with such construction and interpretation, is deemed severed and is of no force or effect, and the remaining Plan terms will remain in full force and effect.

(i) **Uniformity.** All provisions of this Plan shall be interpreted and applied in a uniform manner.

(j) **Headings.** The headings and subheadings of this Plan have been inserted for convenience of reference and are to be ignored in any construction of the provisions hereof.

9.5 GENDER, NUMBER AND TENSE

Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply; whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply; and whenever any words are used herein in the past or present tense, they shall be construed as though they were also used in the other form in all cases where they would so apply.

9.6 LEGAL ACTION

In the event any claim, suit, or proceeding is brought regarding the Trust and/or Plan established hereunder to which the Trustee (or Insurer), the Employer or the Administrator may be a party, and such claim, suit, or proceeding is resolved in favor of the Trustee (or Insurer), the Employer or the Administrator, they shall be entitled to be reimbursed from the Trust Fund for any and all costs, attorney's fees, and other expenses pertaining thereto incurred by them for which they shall have become liable.

9.7 PROHIBITION AGAINST DIVERSION OF FUNDS

(a) **General rule.** Except as provided below and otherwise specifically permitted by law, it shall be impossible by operation of the Plan or of the Trust, by termination of either, by power of revocation or amendment, by the happening of any contingency, by collateral arrangement or by any other means, for any part of the corpus or income of any Trust Fund maintained pursuant to the Plan or any funds contributed thereto to be used for, or diverted to, purposes other than the exclusive benefit of Participants or their Beneficiaries.

(b) **Mistake of fact.** In the event the Employer shall make a contribution under a mistake of fact, the Employer may demand repayment of such contribution at any time within one (1) year following the time of payment and the Trustee (or Insurer) shall return such amount to the Employer within the one (1) year period. Earnings of the Plan attributable to the contributions may not be returned to the Employer but any losses attributable thereto must reduce the amount so returned.

9.8 EMPLOYER'S AND TRUSTEE'S PROTECTIVE CLAUSE

The Employer, Administrator and Trustee, and their successors, shall not be responsible for the validity of any Contract issued hereunder or for the failure on the part of the Insurer to make payments provided by any such Contract, or for the action of any person which may delay payment or render a Contract null and void or unenforceable in whole or in part.

9.9 INSURER'S PROTECTIVE CLAUSE

Except as otherwise agreed upon in writing between the Employer and the Insurer, an Insurer which issues any Contracts hereunder shall not have any responsibility for the validity of this Plan or for the tax or legal aspects of this Plan. The Insurer shall be protected and held harmless in acting in accordance with any written direction of the Administrator or Trustee and shall have no duty to see to the application of any funds paid to the Trustee, nor be required to question any actions directed by the Administrator or Trustee. Regardless of any provision of this Plan, the Insurer shall not be required to take or permit any action or allow any benefit or privilege contrary to the terms of any Contract which it issues hereunder, or the rules of the Insurer.

9.10 RECEIPT AND RELEASE FOR PAYMENTS

Any payment to any Participant, the Participant's legal representative, Beneficiary, or to any guardian or committee appointed for such Participant or Beneficiary in accordance with the provisions of this Plan, including those referenced in Section 6.9, shall, to the extent thereof, be in full satisfaction of all claims hereunder against the Trustee (or Insurer) and the Employer.

9.11 ACTION BY THE EMPLOYER

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by its legally constituted authority.

9.12 APPROVAL BY INTERNAL REVENUE SERVICE

Notwithstanding anything herein to the contrary, if, pursuant to an application for qualification is made by the time prescribed by law or such later date as the Secretary of Treasury may prescribe, the Commissioner of the Internal Revenue Service or the Commissioner's delegate should determine that the Plan does not initially qualify as a tax-exempt plan under Code §§401 and 501, and such determination is not contested, or if contested, is finally upheld, then if the Plan is a new plan, it shall be void ab initio and all amounts contributed to the Plan, by the Employer, less expenses paid, shall be returned within one (1) year and the Plan shall terminate, and the Trustee (or Insurer) shall be discharged from all further obligations. If the disqualification relates to a Plan amendment, then the Plan shall operate as if it had not been amended. If the Employer's Plan fails to attain or retain qualification, such Plan will no longer participate in this pre-approved plan and will be considered an individually designed plan.

9.13 PAYMENT OF BENEFITS

Except as otherwise provided in the Plan, benefits under this Plan shall be paid, subject to Sections 6.11 and 6.12, only upon death, Total and Permanent Disability, normal or early retirement, severance of employment, or termination of the Plan.

9.14 ELECTRONIC MEDIA

The Administrator may use any electronic medium to give or receive any Plan notice, communicate any Plan policy, conduct any written Plan communication, satisfy any Plan filing or other compliance requirement and conduct any other Plan transaction to the extent permissible under applicable law. A Participant or a Participant's Spouse, to the extent authorized by the Administrator, may use any electronic medium to make or provide any Beneficiary designation, election, notice, consent or waiver under the Plan, to the extent permissible under applicable law. Any reference in this Plan to a "form," a "notice," an "election," a "consent," a "waiver," a "designation," a "policy" or to any other Plan-related communication includes an electronic version thereof as permitted under applicable law. Notwithstanding the foregoing, any Participant or Beneficiary notices and consent that are required pursuant to the Code must satisfy Regulation §1.401(a)-21.

9.15 PLAN CORRECTION

The Administrator in conjunction with the Employer may undertake such correction of Plan errors as the Administrator deems necessary, including correction to preserve tax qualification of the Plan under Code §401(a) or to correct a fiduciary breach under state or local law. Without limiting the Administrator's authority under the prior sentence, the Administrator, as it determines to be reasonable and appropriate, may undertake correction of Plan document, operational, demographic and Employer eligibility failures under a method described in the Plan or under the IRS Employee Plans Compliance Resolution System ("EPCRS") or any successor program to EPCRS. Furthermore, the Employer may make corrective contributions pursuant to this Section regardless of whether the Plan otherwise permits such contribution source. In addition, the Plan is authorized to recover benefits from Participants or Beneficiaries that have been improperly distributed.

9.16 NONTRUSTEED PLANS

If the Plan is funded solely with Contracts, then notwithstanding Sections 9.7 and 9.12, no Contract will be purchased under the Plan unless such Contract or a separate definite written agreement between the Employer and the Insurer provides that no value under Contracts providing benefits under the Plan or credits determined by the Insurer (on account of dividends, earnings, or other experience rating credits, or surrender or cancellation credits) with respect to such Contracts may be paid or returned to the Employer or diverted to or used for other than the exclusive benefit of the Participants or their Beneficiaries. However, any contribution made by the Employer because of a mistake of fact must be returned to the Employer within one year of the contribution.

If this Plan is funded by individual Contracts that provide a Participant's benefit under the Plan, such individual Contracts shall constitute the Participant's Account balance. If this Plan is funded by group Contracts, under the group annuity or group insurance Contract, premiums or other consideration received by the Insurer must be allocated to Participants' Accounts under the Plan.

**ARTICLE X
PARTICIPATING EMPLOYERS**

10.1 ELECTION TO BECOME A PARTICIPATING EMPLOYER

Notwithstanding anything herein to the contrary, with the consent of the Employer, any Employer may adopt the Employer's Plan and all of the provisions hereof, and participate herein and be known as a Participating Employer, by a properly executed document evidencing said intent and will of such Participating Employer (a participation agreement). In the event a Participating Employer is not an Affiliated Employer, then the provisions of Article XI shall apply rather than the provision of this Article XI.

10.2 REQUIREMENTS OF PARTICIPATING EMPLOYERS

(a) **Permissible variations of participation agreement.** The participation agreement must identify the Participating Employer and the covered Employees and provide for the Participating Employer's signature. In addition, in the participation agreement, the Employer shall specify which elections, if any, the Participating Employer can modify, and any restrictions on the modifications. Any such modification shall apply only to the Employees of that Participating Employer. The Participating Employer shall make any such modification by selecting the appropriate option on its participation agreement to the Employer's Adoption Agreement. To the extent that the participation agreement does not permit modification of an election, any attempt by a Participating Employer to modify the election shall have no effect on the Plan and the Participating Employer is bound by the Plan terms as selected by the Employer. If a Participating Employer does not make any permissible participation agreement election modifications, then with regard to any election, the Participating Employer is bound by the Adoption Agreement terms as completed by the "lead Employer."

(b) **Holding and investing assets.** The Trustee (or Insurer) may, but shall not be required to, commingle, hold and invest as one Trust Fund all contributions made by Participating Employers, as well as all increments thereof. However, the assets of the Plan shall, on an ongoing basis, be available to pay benefits to all Participants and Beneficiaries under the Plan without regard to the Employer or Participating Employer who contributed such assets.

(c) **Payment of expenses.** Unless the Employer otherwise directs, any expenses of the Plan which are to be paid by the Employer or borne by the Trust Fund shall be paid by each Participating Employer in the same proportion that the total amount standing to the credit of all Participants employed by such Employer bears to the total standing to the credit of all Participants.

10.3 DESIGNATION OF AGENT

Each Participating Employer shall be deemed to be a part of this Plan; provided, however, that with respect to all of its relations with the Trustee (or Insurer) and Administrator for purposes of this Plan, each Participating Employer shall be deemed to have designated irrevocably the Employer as its agent. Unless the context of the Plan clearly indicates otherwise, the word "Employer" shall be deemed to include each Participating Employer as related to its adoption of the Plan.

10.4 EMPLOYEE TRANSFERS

In the event an Employee is transferred between Participating Employers, accumulated service and eligibility shall be carried with the Employee involved. No such transfer shall effect a severance of employment hereunder, and the Participating Employer to which the Employee is transferred shall thereupon become obligated hereunder with respect to such Employee in the same manner as was the Participating Employer from whom the Employee was transferred.

10.5 PARTICIPATING EMPLOYER'S CONTRIBUTION AND FORFEITURES

Any contribution and/or Forfeiture subject to allocation during each Plan Year shall be determined and allocated separately by each Participating Employer and shall be allocated only among the Participants eligible to share in the contribution and Forfeiture allocation of the Employer or Participating Employer making the contribution or by which the forfeiting Participant was employed.

On the basis of the information furnished by the Administrator, the Trustee (or Insurer) shall keep separate books and records concerning the affairs of each Participating Employer hereunder and as to the accounts and credits of the Employees of each Participating Employer. The Trustee (or Insurer) may, but need not, register Contracts so as to evidence that a particular Participating Employer is the interested Employer hereunder, but in the event of an Employee transfer from one Participating Employer to another, the employing Employer shall immediately notify the Trustee (or Insurer) thereof.

10.6 AMENDMENT

Any Participating Employer hereby authorizes the Employer to make amendments on its behalf, unless otherwise agreed among all affected parties. Any such amendment is effective and binding upon existing Participating Employers.

10.7 DISCONTINUANCE OF PARTICIPATION

Any Participating Employer that is an Affiliated Employer shall be permitted to discontinue or revoke its participation in the Plan at any time. At the time of any such discontinuance or revocation, satisfactory evidence thereof and of any applicable conditions imposed shall be delivered to the Trustee (or Insurer). The Trustee (or Insurer) shall thereafter transfer, deliver and assign Contracts and other Trust Fund assets allocable to the Participants of such Participating Employer to such new trustee (or insurer) or custodian as shall have been designated by such Participating Employer, in the event that it has established a separate qualified retirement plan for its employees. If no successor is designated, the Trustee (or Insurer) shall retain such assets for the Employees of said Participating Employer pursuant to the provisions of Article VII hereof. In no such event shall any part of the corpus or income of the Trust Fund as it relates to such Participating Employer be used for or diverted to purposes other than for the exclusive benefit of the Employees of such Participating Employer.

10.8 ADMINISTRATOR'S AUTHORITY

The Administrator shall have authority to make any and all necessary rules or regulations, binding upon all Participating Employers and all Participants, to effectuate the purpose of this Article.

ARTICLE XI MULTIPLE EMPLOYER PROVISIONS

11.1 ELECTION AND OVERRIDING EFFECT

If a Participating Employer that is not an Affiliated Employer adopts this Plan, then the provisions of this Article XI shall apply to each Participating Employer as of the Effective Date specified in its participation agreement and supersede any contrary provisions in the basic Plan document or the Adoption Agreement. If this Article XI applies, then the Plan shall be a multiple employer plan as described in Code §413(c). In this case, the Employer and each Participating Employer acknowledge that the Plan is a multiple employer plan subject to the rules of Code §413(c) and the Regulations thereunder, and specific annual reporting requirements.

11.2 DEFINITIONS

The following definitions shall apply to this Article XI and shall supersede any conflicting definitions in the Plan:

- (a) **Employee.** "Employee" means any common law employee, Leased Employee or other person the Code treats as an employee of a Participating Employer for purposes of the Participating Employer's qualified plan. Either the Adoption Agreement or a participation agreement to the Adoption Agreement may designate any Employee, or class of Employees, as not eligible to participate in the Plan.
- (b) **Lead Employer.** "Lead Employer" means the signatory Employer to the Adoption Agreement execution page, and does not include any Affiliated Employer or Participating Employer. The "lead Employer" has the same meaning as the Employer for purposes of making Plan amendments and other purposes regardless of whether the "lead Employer" is also a Participating Employer under this Article XI. The "lead Employer" may execute a Participation Agreement setting forth elections which are specific to the "lead Employer".

11.3 PARTICIPATING EMPLOYER ELECTIONS

The participation agreement must identify the Participating Employer and the covered Employees and provide for the Participating Employer's signature. In addition, in the participation agreement, the "lead Employer" shall specify which elections, if any, the Participating Employer can modify, and any restrictions on the modifications. Any such modification shall apply only to the employees of that Participating Employer. The Participating Employer shall make any such modification by selecting the appropriate option on its participation agreement to the "lead Employer's" Adoption Agreement. To the extent that the Adoption Agreement does not permit modification of an election, any attempt by a Participating Employer to modify the election shall have no effect on the Plan and the Participating Employer is bound by the Plan terms as selected by the "lead Employer." If a Participating Employer does not make any permissible participation agreement election modifications, then with regard to any election, the Participating Employer is bound by the Adoption Agreement terms as completed by the "lead Employer."

11.4 TESTING

The Administrator shall apply the Code §415 limitation in Section 4.4 for the Plan as a whole.

11.5 COMPENSATION

- (a) **Separate determination.** A Participant's Compensation shall be determined separately for each Participating Employer for purposes of allocations under Article IV.
- (b) **Joint status.** For all Plan purposes, including but not limited to determining the Code §415 limits in Section 4.4, Compensation includes all Compensation paid by or for any Participating Employer.

11.6 SERVICE

An Employee's service includes all Hours of Service and Years of Service with any and all Participating Employers. An Employee who terminates employment with one Participating Employer and immediately commences employment with another Participating Employer has not separated from service or had a severance from employment.

11.7 COOPERATION AND INDEMNIFICATION

(a) **Cooperation.** Each Participating Employer agrees to timely provide all information the Administrator deems necessary to insure the Plan is operated in accordance with the requirements of the Code and will cooperate fully with the "lead Employer," the Plan, the Plan fiduciaries and other proper representatives in maintaining the qualified status of the Plan. Such cooperation will include payment of such amounts into the Plan, to be allocated to employees of the Participating Employer, which are reasonably required to maintain the tax-qualified status of the Plan.

(b) **Indemnity.** Each Participating Employer will indemnify and hold harmless the Administrator, the "lead Employer" and its subsidiaries; officers, directors, shareholders, employees, and agents of the "lead Employer"; the Plan; the Trustees, Participants and Beneficiaries of the Plan, as well as their respective successors and assigns, against any cause of action, loss, liability, damage, cost, or expense of any nature whatsoever (including, but not limited to, attorney's fees and costs, whether or not suit is brought, as well as IRS plan disqualifications, other sanctions or compliance fees and penalties) arising out of or relating to the Participating Employer's noncompliance with any of the Plan's terms or requirements; any intentional or negligent act or omission the Participating Employer commits with regard to the Plan; and any omission or provision of incorrect information with regard to the Plan which causes the Plan to fail to satisfy the requirements of a tax-qualified plan. This indemnity provision shall continue to apply to a Participating Employer with respect to the period such entity was a Participating Employer, even if the Participating Employer withdraws or is removed pursuant to Sections 11.8 or 11.9.

11.8 INVOLUNTARY TERMINATION

Unless the "lead Employer" provides otherwise in an addendum hereto, the "lead Employer" shall have the power to terminate the participation of any Participating Employer (hereafter "Terminated Employer") in this Plan. If and when the "lead Employer" wishes to exercise this power, the following shall occur:

(a) **Notice.** The "lead Employer" shall give the "Terminated Employer" a notice of the "lead Employer's" intent to terminate the "Terminated Employer's" status as a Participating Employer of the Plan. The "lead Employer" will provide such notice not less than thirty (30) days prior to the date of termination unless the "lead Employer" determines that the interest of Plan Participants requires earlier termination.

(b) **Spin-off.** The "lead Employer" shall establish a new defined contribution plan, using the provisions of this Plan with any modifications contained in the "Terminated Employer's" participation agreement, as a guide to establish a new defined contribution plan (the "spin-off plan"). The "lead Employer" will direct the Trustee to transfer (in accordance with the rules of Code §414(l) and the provisions of Section 8.3) the Accounts of the Employees of the "Terminated Employer" to the "spin-off plan." The "Terminated Employer" shall be the Employer, Administrator, and sponsor of the "spin-off plan." The Trustee of the "spin-off plan" shall be the person or entity designated by the "Terminated Employer." However, the "lead Employer" shall have the option to designate an appropriate financial institution as Trustee instead if necessary to protect the interest of the Participants. The "lead Employer" shall have the authority to charge the "Terminated Employer" or the Accounts of the Employees of the "Terminated Employer" a reasonable fee to pay the expenses of establishing the "spin-off plan."

(c) **Alternatives.** The "Terminated Employer," in lieu of creation of the "spin-off plan" under (b) above, has the option to elect a transfer alternative in accordance with this Subsection (c).

(1) **Election.** To exercise the option described in this Subsection, the "Terminated Employer" must inform the "lead Employer" of its choice and must supply any reasonably required documentation as soon as practical. If the "lead Employer" has not received notice of a "Terminated Employer's" exercise of this option within ten (10) days prior to the stated date of termination, the "lead Employer" can choose to disregard the exercise and proceed with the Spin-off.

(2) **Transfer.** If the "Terminated Employer" selects this option, the Administrator shall transfer (in accordance with the rules of Code §414(l) and the provisions of Section 8.3) the Accounts of the Employees of the "Terminated Employer" to a qualified plan the "Terminated Employer" maintains. To exercise this option, the "Terminated Employer" must deliver to the "lead Employer" or Administrator in writing the name and other relevant information of the transferee plan and must provide such assurances that the Administrator shall reasonably require to demonstrate that the transferee plan is a qualified plan.

(d) **Participants.** The Employees of the "Terminated Employer" shall cease to be eligible to accrue additional benefits under the Plan with respect to Compensation paid by the "Terminated Employer," effective as of the date of termination. To the extent that these Employees have accrued but unpaid contributions as of the date of termination, the "Terminated Employer" shall pay such amounts to

the Plan or the "spin-off plan" no later than thirty (30) days after the date of termination, unless the "Terminated Employer" effectively selects the Transfer option under Subsection (c)(2) above.

(e) **Consent.** By its signature on the participation agreement, the "Terminated Employer" specifically consents to the provisions of this Article and agrees to perform its responsibilities with regard to the "spin-off plan," if necessary.

11.9 VOLUNTARY TERMINATION

A Participating Employer (hereafter "withdrawing employer") may voluntarily withdraw from participation in this Plan at any time. If and when a "withdrawing employer" wishes to withdraw, the following shall occur:

(a) **Notice.** The "withdrawing employer" shall inform the "lead Employer" and the Administrator of its intention to withdraw from the Plan. The "withdrawing employer" must give the notice not less than thirty (30) days prior to the effective date of its withdrawal.

(b) **Procedure.** The "withdrawing employer" and the "lead Employer" shall agree upon procedures for the orderly withdrawal of the "withdrawing employer" from the plan. Such procedures may include any of the optional spin-off or transfer options described in Section 11.8.

(c) **Costs.** The "withdrawing employer" shall bear all reasonable costs associated with withdrawal and transfer under this Section.

(d) **Participants.** The Employees of the "withdrawing employer" shall cease to be eligible to accrue additional benefits under the Plan as to Compensation paid by the "withdrawing employer," effective as of the effective date of withdrawal. To the extent that such Employees have accrued but unpaid contributions as of the effective date of withdrawal, the "withdrawing employer" shall contribute such amounts to the Plan or the "spin-off plan" promptly after the effective date of withdrawal, unless the accounts are transferred to a qualified plan the "withdrawing employer" maintains.

11.10 DESIGNATION OF AGENT

Each Participating Employer shall be deemed to be a part of this Plan; provided, however, that with respect to all its relations with the Trustee (or Insurer) and Administrator for purposes of this Plan, each Participating Employer shall be deemed to have designated irrevocably the Employer as its agent. Unless the context of the Plan clearly indicates otherwise, the word "Employer" shall be deemed to include each Participating Employer as related to its adoption of the Plan.

**NEWPORT GROUP, INC.
DEFINED CONTRIBUTION PROTOTYPE PLAN AND TRUST
AND
DEFINED CONTRIBUTION VOLUME SUBMITTER PLAN AND TRUST**

**AMENDMENT TO IMPLEMENT HARDSHIP DISTRIBUTION
PROVISIONS OF THE BIPARTISAN BUDGET ACT OF 2018**

**ARTICLE I
PREAMBLE**

- 1.1 **Adoption and effective date of Amendment.** The prototype sponsor and volume submitter practitioner, on behalf of the adopting employer, adopts this Amendment to the Newport Group, Inc. Defined Contribution Volume Submitter Plan and Trust and Defined Contribution Prototype Plan and Trust ("Plans"). Except as otherwise specified in this Amendment, this Amendment is effective ("the Effective Date") on the first day of the first Plan Year beginning after December 31, 2018, or as soon as administratively feasible thereafter, and in no event later than January 1, 2020. If the adopting employer's plan, prior to this Amendment, does not provide for hardship distributions, then this Amendment will be void and of no effect.
- 1.2 **Superseding of inconsistent provisions.** This Amendment supersedes the provisions of the Plans to the extent those provisions are inconsistent with the provisions of this Amendment. Except as otherwise provided in this Amendment, terms defined in the Plans will have the same meaning in this Amendment.
- 1.3 **Construction.** Except as otherwise provided in this Amendment, any "Section" reference in this Amendment refers only to this Amendment and is not a reference to the Plans. The Article and Section numbering in this Amendment is solely for purposes of this Amendment, and does not relate to the Plans' article, section, or other numbering designations.
- 1.4 **Effect of restatement of Plan.** If the prototype sponsor and volume submitter practitioner restates the Plans using the prototype sponsor and volume submitter practitioner's pre-approved plans based on The Cumulative List of Changes in Plan Qualification Requirements for Pre-approved Defined Contribution Plans for 2017 (Notice 2017-37) or any earlier Cumulative List, then this Amendment shall remain in effect after such restatement unless the provisions in this Amendment are restated or otherwise become obsolete (e.g., if the Plans are restated onto a plan document which incorporates these provisions).
- 1.5 **Adoption by prototype sponsor/volume submitter practitioner.** The prototype sponsor and volume submitter practitioner hereby adopts this Amendment on behalf of all adopting employers. The adoption by the prototype sponsor/volume submitter practitioner becomes applicable with respect to an adopting employer's plan on the Effective Date (or, if later, the Effective Date of the adopting employer's plan), unless the adopting employer individually adopts an alternative amendment, prior to the expiration of the remedial amendment period relating to this Amendment.

**ARTICLE II
ELECTIONS**

Instructions: Complete the elections at Sections 2.1 and 2.2. The default elections in Section 2.3 will apply.

- 2.1 **Termination of deferral suspension.** Hardship distributions made on or after the Effective Date will not trigger a suspension of Elective Deferrals, pursuant to Section 3.1(c). If a Participant received a hardship distribution before the Effective Date, and therefore Elective Deferrals were suspended, will the Participant be able to resume deferrals as soon as practical after the Effective Date?
- a. **YES.** Beginning on the Effective Date, Elective Deferrals will not be suspended on account of a hardship distribution, regardless of the date of the distribution.
- b. **NO.** The Participant's suspension of Elective Deferrals begun before the Effective Date will continue as originally scheduled.

2.2 **Expansion of sources available for a hardship distribution.** Pursuant to Amendment Section 3.2, are QNECs and QMACs available for hardship distributions?

- a. YES. QNECs and QMACs are available for hardship distributions.
- b. NO. QNECs and QMACs are not available for hardship distributions.

2.3 **Default Provisions.** The following provisions apply except to the extent the prototype sponsor and volume submitter practitioner makes a different election in one or more of Sections 2.4 through 2.7.

- a. **After the Effective Date, Participants do not need to take plan loans before taking hardship distributions.**
- b. **After the Effective Date, earnings on Elective Deferrals may be withdrawn on account of a hardship.**
- c. **Hardship needs include residential casualty losses (without regard to whether the casualty was in a federally declared disaster area) and Disaster Losses, effective January 1, 2018 or as soon as practical thereafter.**
- d. **The Effective Date is the first day of the first Plan Year beginning after December 31, 2018, or as soon as administratively feasible thereafter, and in no event later than January 1, 2020.**

Skip Sections 2.4 through 2.7 if you accept the default provisions listed in Section 2.3. Any entry in Sections 2.4 through 2.7 will override those defaults.

2.4 **Loan Requirement.** The provisions of Amendment Section 3.1(b), requiring recipients of hardship distributions to take available nontaxable loans, will NOT apply unless selected below:

- a. Amendment Section 3.1(b) APPLIES (i.e., Participants are required to obtain a Plan loan) indefinitely, unless and until the Plan is further amended.

2.5 **Expansion of sources available for a hardship distribution.** Earnings on amounts attributable to Elective Deferrals are available for hardship distribution, unless selected below:

- a. Earnings on amounts attributable to Elective Deferrals are NOT available for hardship distributions.

2.6 **Hardship needs/events.** The provisions of Amendment Sections 3.3 (relating to residential casualty losses) and 3.4 (relating to Disaster Losses) apply as of January 1, 2018, or as soon as practical thereafter, unless otherwise elected below.

- a. Amendment Section 3.3 will NOT apply (and so casualty losses are limited to federally declared disasters, pursuant to Code §165(h)).
- b. Amendment Section 3.4 will NOT apply (and so the Plan will not make hardship distributions on account of Disaster Losses).

2.7 **Effective Dates.** Unless otherwise selected below, the Effective Date is the first day of the first Plan Year beginning after December 31, 2018, or as soon as administratively feasible thereafter, and in no event later than January 1, 2020. Except as otherwise specified in this Amendment, all provisions are effective on the Effective Date set forth below or as soon as administratively feasible thereafter.

- a. Other general Effective Date: the provisions of Section 3.1(c) and the related election in Section 2.1(b) are effective April 8, 2019, or if later, the first day of the Plan Year beginning after such date (may not be earlier than the first day of the first Plan Year beginning on or after January 1, 2019 or after January 1, 2020).
- b. Special Effective Date for Amendment Section 2.2a: _____ [Enter a special effective date, no sooner than the first day of the 2019 Plan Year.]
- c. Special Effective Date for Amendment Section 2.3a: April 8, 2019, or if later, the first day of the Plan Year beginning after such date [Enter a special effective date, no sooner than the first day of the 2019 Plan Year.]

- d. [X] Special Effective Date for Section 2.3b: April 8, 2019, or if later, the first day of the Plan Year beginning after such date. [Enter a special effective date no sooner than the first day of the 2019 Plan Year.]
- e. [X] Special Effective Date for Amendment Section 2.3c: January 1, 2019 [Enter a special effective date for the expansion of hardship needs/events, no sooner than January 1, 2018.]

ARTICLE III DISTRIBUTION BASED ON HARDSHIP

3.1 Modification of hardship necessity provisions.

a. The Necessity Provisions of the Plan are repealed. Except as otherwise provided in this Section 3.1, the plan will not make a hardship distribution to a Participant unless the Participant has obtained all other currently available distributions (including distributions of ESOP dividends under section Code §404(k), but not hardship distributions) under the plan and all other plans of deferred compensation, whether qualified or nonqualified, maintained by the adopting employer. In addition, for a distribution that is made on or after January 1, 2020 (or such earlier date as the Plan Administrator has implemented the procedure), the Participant must certify (in writing, by an electronic medium as defined in Treas. Reg. §1.401(a)-21(e)(3), or in such other form as authorized in IRS guidance) that he or she has insufficient cash or other liquid assets reasonably available to satisfy the need.

b. If and only if elected in Amendment Section 2.4, before a hardship distribution may be made, a Participant must obtain all nontaxable loans (determined at the time a loan is made) available under the plan and all other plans maintained by the adopting employer.

c. The plan will not suspend the Participant from making Elective Deferrals on account of receipt of a hardship distribution. This provision will apply to hardship distributions made after the Effective Date. Under Amendment Section 2.1, it may also apply, as of the Effective Date, to certain suspensions of Elective Deferrals on account of receipt of a hardship distribution prior to the Effective Date.

3.2 **Modification of amounts that may be withdrawn on account of a hardship.** Except as otherwise elected in Amendment Sections 2.2 and 2.5, earnings on Elective Deferrals, QNECs, and QMACs (and the earnings thereon) may be withdrawn on account of a hardship. The hardship provisions set forth in the plan, except as modified by this Amendment, continue to apply.

3.3 **Residential casualty loss.** Except as otherwise provided in Amendment Section 2.6, effective January 1, 2018 or as soon as practical thereafter, to the extent the plan permits hardship distributions for expenses to repair damage to the Participant's principal residence that would qualify for a casualty loss deduction under Code §165, such amounts will be determined without regard to Code §165(h)(5).

3.4 **Disaster loss.** If the plan is a Deemed Need Plan, as elected by the adopting employer, then except as otherwise provided in Amendment Section 2.6, effective January 1, 2018 or as soon as practical thereafter, the financial needs which can justify a hardship distribution to a Participant are expanded to include Disaster Losses.

ARTICLE IV DEFINITIONS

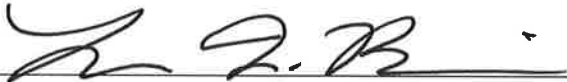
4.1 **Suspensions of Elective Deferrals.** Any reference to suspension of Elective Deferrals means and includes a suspension of Elective Deferrals and/or Employee Contributions to this Plan or any other qualified plan, a 403(b) plan, or an eligible governmental plan (described in Treas. Reg. §1.457-2(f)) of the Employer.

4.2 **QNECs.** A "QNEC" is a Qualified Nonelective Contribution, described in Code §401(m)(4)(C) or a safe harbor nonelective contribution described in Code §401(k)(12)(C). For purposes of this Amendment only, a QACA nonelective contribution described in Code §401(k)(13)(D)(i)(II) will also be treated as though it were a QNEC.

- 4.3 **QMACs.** A “QMAC” is a Qualified Matching Contribution, described in Code §401(d)(3)(D)(ii)(I), or a safe harbor matching contribution described in Code §401(k)(12)(B). For purposes of this Amendment only, a QACA matching contribution described in Code §401(k)(13)(D)(i)(I) will also be treated as though it were a QMAC.
- 4.4 **Necessity Provisions.** The “Necessity Provisions” of the Plan are those provisions which implement the provisions of Treas. Reg. §1.401(k)-1(d)(3)(iv)(B), (C), (D), and (E), as in effect April 1, 2019. These provisions may either reflect the safe harbor “deemed necessary” standards of subparagraph (E) of that regulation, or the non-safe harbor “no alternative means” standards of subparagraphs (B), (C), and (D) of that regulation.
- 4.5 **Deemed Need Plan.** The adopting employer’s plan is a “Deemed Need Plan” to the extent the plan limits eligibility for a hardship distribution to the deemed immediate and heavy financial needs described in Treas. Reg. §1.401(k)-1(d)(3)(iii)(B), as in effect April 1, 2019.
- 4.6 **Disaster Losses.** Disaster Losses are 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, Pub. L. 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.
- 4.7 **Prototype sponsor and volume submitter practitioner.** The prototype sponsor and volume submitter practitioner means the Sponsor of a Prototype Plan or VS Practitioner of a Volume Submitter Plan as defined in Rev. Proc. 2015-36, or the Sponsor of a Pre-approved Plan, as defined in Rev. Proc. 2017-41. References to the prototype sponsor and volume submitter practitioner’s plans or to pre-approved plans refer to the Prototype Plans, Volume Submitter Plans, and/or Pre-approved Plans sponsored by the prototype sponsor and volume submitter practitioner for use by adopting employers, as the case may be.

* * * * *

The prototype sponsor and volume submitter practitioner hereby adopts this amendment on behalf of all adopting employers.

 12/26/2019
 (signature and date)

Laura Ramanis
 (print name)

Prototype Sponsor and Volume Submitter Practitioner Name: Newport Group, Inc.

Plan Names: Defined Contribution Prototype Plan and Trust and Defined Contribution Volume Submitter Plan and Trust

NEWPORT GROUP, INC.
AMENDMENT TO IMPLEMENT SECURE ACT AND OTHER LAW CHANGES

ARTICLE 1
PREAMBLE

- 1.1 **Adoption and effective date of Amendment.** The Document Provider, on behalf of the Employer, hereby adopts this Amendment to the Employer's Plan. Each Article specifies the effective date of its provisions. Also see Section 1.5.
- 1.2 **Superseding of inconsistent provisions.** This Amendment supersedes the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment. Except as otherwise provided in this Amendment, terms defined in the Plan will have the same meaning in this Amendment. Most Articles include definitions which are specific to that Article. Also see Section 1.6
- 1.3 **Numbering.** Except as otherwise provided in this Amendment, any "Section" reference in this Amendment refers only to this Amendment and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment, and does not relate to the Plan article, section, or other numbering designations.
- 1.4 **Intention; Construction.** The purpose of this amendment is to amend the Plan in accordance with pension-related provisions of the Further Consolidated Appropriations Act of 2019 ("FCAA") in general, and Division O of that Act, the Setting Every Community Up for Retirement Enhancement Act of 2019 ("SECURE"), in specific. It also addresses a provision of the Bipartisan American Miners Act ("BAMA"), which is also part of FCAA, as well as a section of the Coronavirus Aid, Relief, and Economic Security Act ("CARES"). The provisions of this Amendment shall be interpreted and applied to be consistent with FCAA and CARES and IRS guidance issued in connection therewith, whether such guidance is issued before or after the date of this amendment.
- 1.5 **Effect of subsequent restatement or amendment of Plan.** If the Employer restates the Plan, then this Amendment shall remain in effect after such restatement unless the provisions in this Amendment are restated or otherwise become obsolete (e.g., if the Plan is restated onto a plan document which incorporates these provisions). Some Articles in this amendment may not apply to a particular plan at the time the Amendment is executed but they will apply in the future based on subsequent amendments. For example, Article 8 is limited to 401(k) plans; its provisions do not apply to a profit-sharing plan that does not have a 401(k) feature. But if that plan is subsequently amended to add a 401(k) feature, then the provisions of Article 8 (and corresponding Section 2.8) will automatically become effective at that time.
- 1.6 **Preservation of prior amendments.** If the Employer previously amended the Plan after December 20, 2019 to implement a provision contained in one or more Articles of this Amendment, that prior amendment shall remain in effect and will not be superseded by this Amendment, unless Section 1.6(a) is selected. For example, if the Employer previously adopted an amendment to implement the BAMA provisions of Article 10, that amendment remains in effect, notwithstanding the provisions of this Amendment, unless Section 1.6(a) is selected.
- (a) [] This amendment supersedes all prior inconsistent amendments of the Plan.
- 1.7 **Adoption by Document Provider.** The Document Provider hereby adopts this Amendment on behalf of all of the Document Provider's Plans adopted by its adopting employers. The "Document Provider" means the Sponsor of a Prototype Plan or Volume Submitter Practitioner of a Volume Submitter Plan as defined in Rev. Proc. 2013-22 or 2015-36, or the Provider of a Pre-approved Plan, as defined in Rev. Proc. 2017-41. References to the "Document Provider's Plans" or to "pre-approved plans" refer to the Prototype Plans, Volume Submitter Plans, and/or Pre-approved Plans sponsored by the Document Provider for use by adopting employers, as the case may be, except as limited in Section 1.7(a).

- (a) This Amendment will apply to all of the Document Provider’s Plans except the following: *(Optional. List plan types, such as Defined Benefit Plans or 403(b) Plans, which the Document Provider does not wish to amend):*
-

**ARTICLE 2
IDENTIFICATION; ELECTIONS**

- 2.1 **Instructions: The Document Provider should complete any applicable elections it wishes at Sections 1.6 and 1.7 and 2.3 through 2.10.** If the Employer is satisfied with those choices, the Employer does not need to execute this Amendment.
- 2.2 **Plan Type Definitions.** “Qualified Plan” means a 401(k) Plan, Profit-Sharing Plan, Money Purchase Pension Plan or Defined Benefit Plan. “Defined Contribution Plan” means a Qualified Plan other than a Defined Benefit Plan.
- 2.3 **Operating Elections.** Many subsequent Articles of this Amendment refer to elections appearing in this Article 2. Each of Sections 2.4 through 2.10 refers to a corresponding Article. For example, Section 2.4 has the elections related to Article 4. The definitions in those Articles apply to the elections in the corresponding Section of this Article 2, and those elections have the same effective date as the corresponding Article. Each Section of this Article lists the default provisions which will apply if no election is made. If you accept the default(s), there is no need to complete the Section. There are no elective provisions which apply to Article 3 or Articles 11 through 16. The following are the defaults and a summary of the Articles for which there are no elections.
- Article 3. Permits retroactive safe harbor 401(k) amendments (to appear in separate document). Eliminates requirement of safe harbor notice for safe harbor nonelective.
 - Article 4. Except as elected below, QBADs are not permitted.
 - Article 5. Distributions of RMDs will not begin before a Participant turns 72.
 - Article 6. Except as elected below, the Plan will apply its RMD provisions with respect to the 5-year rule in administering the 10-year rule.
 - Article 7. Except as elected below, RMDs subject to 5-Year Rule for participants who died from 2015 through 2019 are extended one year unless the beneficiary objects.
 - Article 8. Except as elected below, none of the optional elections with regard to LTPT Employees apply.
 - Article 9. The QACA maximum automatic deferral is 10% of compensation.
 - Article 10. The amendment does not modify the minimum age for in-service distributions.
 - Article 11. Administrative policy can permit distributions of Discontinued Lifetime Income Investments.
 - Article 12. Updated RMD tables and 2022 transition.
 - Article 13. Permits retroactive plan adoption.
 - Article 14. Difficulty of care payments are compensation for purposes of Code §415 only.
 - Article 15. 403(b) plans can distribute custodial accounts on termination.
 - Article 16. Deemed IRA accounts are not subject to maximum age.

Check (a) or (b).

- (a) All defaults apply. *Skip the rest of Article 2 and sign the amendment.*
- (b) One or more defaults do not apply. *Complete those sections in Article 2 for which you do not accept the default; then sign the amendment.*

- 2.4 **Article 4 – Birth/Adoption Distributions.** In the absence of an election below, Article 4 does NOT apply. To permit QBADs (Qualified Birth and Adoption Distributions), check (a). If QBADs are available, they apply to all accounts except as provided in Article 4 or in elections (b), (c), (d), or (e). *(Select all that apply.)*

- (a) Article 4 applies effective January 1, 2020, unless a different date is selected in (1) below.
- (1) _____ . *(Enter date after December 31, 2019.)*

- (b) QBADs may only be made from accounts in which the Participant is fully vested.
- (c) QBADs are only available from the following Accounts (*select one or more*):
 - (1) Pre-Tax Elective Deferrals
 - (2) Roth Elective Deferrals
 - (3) Employer matching contributions (including safe harbor contributions and QMACs)
 - (4) Employer nonelective contributions (including safe harbor contributions and QNECs)
 - (5) Rollover contributions
 - (6) After-tax employee contributions
 - (7) Transferred accounts
 - (8) Describe: Permitted from all accounts, other than pension accounts (subject to spousal consent rules) and Employer Stock (must be definitely determinable and not subject to discretion)
- (d) QBADs are not available if the Participant has severed employment.
- (e) Describe additional limitations: _____
(*must be definitely determinable and not subject to discretion*)

2.5 **Article 5 – RMD Timing.** Unless Section 2.5(a) is selected, distribution of RMDs will begin for Affected Participants no sooner than April 1 of the calendar year following the year the Participant attains age 72.

- (a) Distribution of RMDs to Affected Participants will NOT be delayed on account of this Amendment (i.e., distributions will generally commence no later than April 1 of the calendar year following the year the Affected Participant attains age 70½), in accordance with Section 5.5. This election is effective for distributions after December 31, 2019, except as specified below (*Optional: select either or both of (1) or (2)*):
 - (1) Section 5.5 is effective for distributions after _____ and prior to the earlier of January 1, 2022 or the date entered in 2.5(a)(2). (*Enter date on or after December 31, 2019.*)
 - (2) Section 5.5 is repealed for distributions after _____ (*enter date on or after the date entered in 2.5(a)(1) and before January 1, 2022*), subject to the anti-cutback rule of Code §411(d)(6) to the extent applicable.

2.6 **Article 6 – 10-Year Rule for Beneficiary RMDs.** RMDs to an Eligible Designated Beneficiary of a Participant who dies prior to the Participant’s RBD will be made as elected below. In the absence of an election in Section 2.6, the Plan’s provisions about Beneficiary elections with regard to the 5-Year Rule will apply, substituting the 10-Year Rule for the 5-Year Rule.

- (a) **Beneficiary election.** The Eligible Designated Beneficiary may elect application of the 10-Year Rule or the Life Expectancy rule. If the Beneficiary does not make a timely election (*Select one of (1) or (2)*):
 - (1) **10-year rule.** The 10-year rule applies to the Eligible Designated Beneficiary.
 - (2) **Life Expectancy Rule.** The Life Expectancy rule applies to the Eligible Designated Beneficiary.
- (b) **10-year rule.** The 10-year rule applies to the Eligible Designated Beneficiary.
- (c) **Life Expectancy rule.** The Life Expectancy rule applies to the Eligible Designated Beneficiary.
- (d) **Shorter Period.** The entire interest of the Eligible Designated Beneficiary will be distributed no later than December 31 of the _____ (*enter a number of years, not exceeding “tenth”*) year following the year of the Participant’s death.
- (e) **Other:** (*Describe, e.g., the 10-Year Rule applies to all Beneficiaries other than a surviving spouse Beneficiary.*) _____

2.7 **Article 7 - CARES RMD Waivers; 5-Year Rule.** Unless the Employer elects otherwise below, beneficiaries of Applicable Participant Accounts will have the option to extend distribution under the 5-Year Rule by one year, and in the absence of a beneficiary election the extension will apply.

- (a) **No extension without request.** The provisions of Section 7.2 apply but in the absence of a beneficiary election the extension will NOT apply.
- (b) **Not Apply.** Article 7 will NOT apply to this Plan.

2.8 **Article 8 – LTPT Employees.** The Employer makes the following optional elections with regard to LTPT Employees. *(Select all that apply.)*

- (a) An LTPT Employee, in addition to being eligible to defer will also be treated as a Regular Participant for purposes of *(check any or all that apply)*:
 - (1) Receiving an allocation of the safe harbor contributions (including QACA).
 - (2) Receiving an allocation of Employer matching contributions
 - (3) Receiving an allocation of Employer nonelective contributions.
 - (2) Making after-tax Employee voluntary contributions.
 - (3) Making rollover contributions.
 - (4) Making deemed IRA contributions described in Code §408(q).
- (b) The following provisions which apply to Regular Participants do not apply to LTPT Employees *(check any or all that do not apply to LTPT Employees)*:
 - (1) The ability to make Roth elective deferrals.
 - (2) Automatic deferral provisions.
 - (3) Automatic escalation provisions.
- (c) Instead of being the first day of the first month and the seventh month of the Plan Year, the LTPT Entry Date is *(select one)*:
 - (1) The same as the entry date which applies to Elective Deferrals of Regular Participants.
 - (2) Describe: _____
- (d) In addition to Union Employees and Nonresident Aliens, the following Employees are LTPT Excluded Employees *(check all that apply; see the instructions)*:
 - (1) Employees described in a category of employees that would be excluded from the Plan even if they satisfied the minimum age and service requirements which apply to Employees generally.
 - (2) Describe: _____.
- (e) Instead of age 21, the LTPT Minimum Age is *(select one)*:
 - (1) Waived.
 - (2) The same minimum age that applies to Regular Participants.
 - (3) Age _____ *(Cannot exceed age 21).*

2.9 **Article 9 – QACA Maximum Automatic Deferrals.** In the absence of an election below, Article 9 does NOT apply and automatic deferrals under a QACA shall not exceed 10% of a Participant’s Compensation. To permit automatic deferrals of up to 15% of compensation, *complete (a) below and (b) if applicable..*

- (a) Article 9 applies effective on or after the first day of the first plan year beginning after December 31, 2019, unless a different date is selected in (1) below.
 - (1) _____. *(Enter date on or after the first day of the first plan year beginning after December 31, 2019.)*
- (b) The following modified QACA statutory schedule will apply (the limitations in the parentheses below only applies to QACAs): *(Select and complete one of (1), (2), or (3) below. The resulting schedule must satisfy Code §401(k)(13)(C)(iii))*:
 - (1) **Detailed Schedule.** The following modified QACA statutory schedule will apply. **NOTE:** *Plan Years 1 & 2 must be between 3% and 10%. 3-14 may not exceed 15%*

<u>Plan Year of application to a Participant</u>	<u>Automatic Deferral Percentage</u>
1	_% (not less than 3 and not more than 10)
2	_% (not less than 3 and not more than 10)
3	_% (not less than 4 and not more than 15)
4	_% (not less than 5 and not more than 15)
5	_% (not less than 6 and not more than 15)
6	_% (not less than 6 and not more than 15)
7	_% (not less than 6 and not more than 15)
8	_% (not less than 6 and not more than 15)
9	_% (not less than 6 and not more than 15)
10	_% (not less than 6 and not more than 15)

- 11 _____ % (not less than 6 and not more than 15)
- 12 _____ % (not less than 6 and not more than 15)
- 13 _____ % (not less than 6 and not more than 15)
- 14 and thereafter _____ % (not less than 6 and not more than 15)

- (2) [] **Fixed Increase.**
- a. First plan year of application to a participant: _____ (not less than 3 and not more than 10)
 - b. Second plan year of application to a participant: _____ (not less than 3 and not more than 10)
 - c. In subsequent plan years the automatic deferral percentage will increase by _____% per year up to a maximum of _____% (not more than 15) of Compensation
- (3) [] **Describe:** _____

2.10 **Article 10 – In-Service Distributions.** In the absence of an election below, Article 10 does NOT apply. To permit in-service distributions at age 59½ for pension plans, check (a) Check (b) to specify an age greater than 59 ½. If Article 10 applies, it applies to all Accounts except as limited in Article 10.

- (a) [] Article 10 applies effective on or after the first day of the first plan year beginning after December 31, 2019, unless a different date is selected in (1) below.
- (1) [] _____. (Enter date on or after the first day of the first plan year beginning after December 31, 2019.)
- (b) [] Age at which in-service distributions are permitted _____ (Enter age greater than 59½.)

**ARTICLE 3
ADP SAFE HARBOR NONELECTIVE PLANS – SECURE §103**

- 3.1 **Application.** This Article 3 will apply only if the Plan is a 401(k) or a 403(b) Plan. It is effective for Plan Years beginning after December 31, 2019.
- 3.2 **No need for safe harbor notice.** If the Employer makes a Safe Harbor Nonelective Contribution, then the Plan can use the ADP Safe Harbor, whether or not Participants receive a Safe Harbor Notice, and the Plan Administrator is not required to provide a Safe Harbor Notice. However, the Plan is required to provide a Safe Harbor Notice if the plan utilizes the ACP safe harbor described in Code §401(m)(11) or (12), unless the plan is a QACA.
- 3.3 **Retroactive adoption.** Unless the Plan at any time during the Plan Year is a Safe Harbor Match Plan, then the Employer may amend the Plan at any time within twelve months after the end of the Plan Year to provide (A) that the Employer will make a Safe Harbor Nonelective Contribution for the entire Plan Year, (B) that the Plan qualifies for the ADP Safe Harbor for the Plan Year, and (C) that the Plan will not be required to perform the ADP Test for the Plan Year. However, if the Employer adopts the amendment on or after the 30th day before the close of the Plan Year, the Safe Harbor Nonelective Contribution must be at least 4% of the Participant’s Compensation.
- 3.4 **Definitions.** The following terms have the meaning set forth in this paragraph as more fully provided in the plan terms pertaining to the related subject matter.
- (a) A “**Safe Harbor Nonelective Contribution**” means a contribution described in Code §401(k)(12)(C) or Code §401(k)(13)(D)(i)(II) of at least 3% of Compensation.
 - (b) The “**ADP Test**” means the test provided in Code §401(k)(3)(ii).
 - (c) The “**ADP Safe Harbor**” means the safe harbor provided by Code §401(k)(12)(A) or Code §401(k)(13).
 - (d) A “**Safe Harbor Match Plan**” is a Plan which provided during the Plan Year that Participants would receive a matching contribution described in Treas. Reg. §1.401(k)-3(c) or Treas. Reg. §1.401(k)-3(k)(2).

- (e) A “**Safe Harbor Notice**” is a notice described in Code §401(k)(12)(D) or Code §401(k)(13)(E).
- (f) A “**QACA**” is a Qualified Automatic Contribution Arrangement described in Code §401(k)(13).

**ARTICLE 4
BIRTH/ADOPTION DISTRIBUTIONS – SECURE Act §113**

- 4.1 **Application.** This Article 4 will apply only if (1) the Plan is a Defined Contribution Plan, or a 403(b) Plan, and (2) the Employer elects in Section 2.4(a) for this Article 4 to apply, effective on the date specified in Section 2.4(a).
- 4.2 **Distribution Authorized.** Except as limited by Section 2.4 (b), (c), (e), a Participant may request a distribution of up to \$5,000 (per child or Eligible Adoptee) as a QBAD. The Participant may request the distribution whether or not the Participant has severed employment unless Section 2.4(d) is selected. This \$5,000 limit shall be reduced by QBADs to the Participant made with respect to the same child or Eligible Adoptee by other plans maintained by the Employer or a related employer described in Code §414(b), (c), (m), or (o). However, if the Plan is a Money Purchase Pension Plan (or the account from which the distribution is withdrawn was transferred from a Money Purchase Pension Plan), and the Participant has not separated from service, the Participant may not take a QBAD prior to attaining the earlier of Normal Retirement Age or age 59½. The Plan Administrator may adopt a policy imposing frequency limitations or other reasonable administrative conditions for QBADs.
- 4.3 **Definitions.** The following definitions apply for this Article 4 and Section 2.4:
 - (a) A “**QBAD**” is a Qualified Birth or Adoption Distribution described in Code §72(t)(2)(H)(iii). A QBAD must be made during the 1-year period beginning on the date on which a child of the Participant is born or on which the legal adoption of an Eligible Adoptee by the Participant is finalized.
 - (b) An “**Eligible Adoptee**” is an individual, other than a child of the Participant’s spouse, who has not attained age 18 or is physically or mentally incapable of self-support. An individual is considered physically or mentally incapable of self-support if that individual is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or to be of long-continued and indefinite duration. This provision shall be applied in a manner consistent with Part D of IRS Notice 2020-68.
- 4.4 **Rollover.** A Participant who received one or more QBADs from this Plan may, if the Plan then permits the Participant to make rollover contributions, make one or more contributions in an aggregate amount not to exceed the amount of such QBADs. The Plan will treat such a contribution as a rollover contribution made by direct trustee-to-trustee transfer within 60 days of distribution.
- 4.5 **Reliance.** The Plan Administrator may rely on an individual’s reasonable representation that the individual is eligible to receive a QBAD unless the Plan Administrator has actual knowledge to the contrary.
- 4.6 **Status.** A QBAD is not an eligible rollover distribution for purpose of the obligation to permit a direct rollover under Code §401(a)(31), the notice requirement of Code §402(f), or the mandatory withholding rules of Code §3405(c)(1).

**ARTICLE 5
REQUIRED BEGINNING DATE – SECURE Act §114**

- 5.1 **Application.** This Article 5 will apply to all plans, regardless of type. It is effective with regard to RMDs required to be made after December 31, 2019.
- 5.2 **Delay of Required Beginning Date.** An Affected Participant’s RBD shall not be earlier than April 1 of the calendar year following the year the Affected Participant attains age 72. For purposes of determining an Affected Participant’s RBD, an Affected Participant will be treated as a more than 5% owner if the

Participant was a 5-percent owner (as defined in Code §416(i)(1)(B)) as to the Plan Year ending in the calendar year the Participant attains age 72.

- 5.3 **Spousal Distributions.** If an Affected Participant dies prior to the Participant's RBD, and the Participant's sole Designated Beneficiary is the Participant's surviving spouse, then the RMDs to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 72, if later. However, this Section will apply only if the Plan, prior to this Amendment, permitted a surviving spouse to delay RMD distributions to December 31 of the calendar year in which the Participant would have attained age 70½.
- 5.4 **Definitions.** The following definitions apply for this Article 5 and Section 2.5:
- (a) A Participant is an "**Affected Participant**" if the Participant was born after June 30, 1949.
- (b) An "**RMD**" is a Required Minimum Distribution as described in Code §401(a)(9).
- (c) A Participant's "**RBD**" is the Participant's Required Beginning Date as described in Code §401(a)(9)(C), as amplified by Section 5.2.
- 5.5 **Optional Distribution Timing.** If the Employer elects in Section 2.5(a) for this Section 5.5 to apply, the timing and form of distributions to an Affected Participant will be determined as though this Article 5 had not been adopted. Distributions pursuant to this paragraph, which are not RMDs, will be treated as eligible rollover distributions for purposes of the direct rollover provisions of Code §401(a)(31). This Section 5.5 will no longer be effective for distributions after December 31, 2021, or, if earlier, the date specified in Section 2.5(a)(2).

ARTICLE 6 BENEFICIARY RMDs – SECURE Act §401

- 6.1 **Application.** This Article 6 will apply to all plans other than Defined Benefit Plans. This Article will not apply to qualified annuities described in SECURE Act §401(b)(4)(B).
- 6.2 **Effective Date.** Except as provided in Section 6.4, Article 6 will apply to Participants who die on or after the Effective Date of this Article. Generally, the Effective Date of this Article is January 1, 2020. In the case of a governmental plan (as defined in Code §414(d)), the Effective Date of this Article is January 1, 2022. The Effective Date of this Article 6 in the case of a collectively-bargained plan will be the date determined in SECURE Act §401(b)(2). See Section 6.5 regarding the limited application of this Article to certain accounts of Participants who died before the Effective Date of this Article.
- 6.3 **Death before RBD.** If the Participant dies before the Participant's RBD, the Plan will distribute or commence distribution of the Participant's Vested Accrued Benefit not later than as follows:
- (a) **No Designated Beneficiary** If there is no Designated Beneficiary as of September 30 of the year following the calendar year of the Participant's death, the Beneficiary's entire interest will be distributed under the 5-Year Rule.
- (b) **Eligible Designated Beneficiary.** If the distributee of a Participant's account is an Eligible Designated Beneficiary, the Beneficiary's entire interest will be distributed under the Life Expectancy Rule unless the 10-Year Rule applies. The Employer may elect application of the Life Expectancy rule or the 10-Year Rule in Section 2.6. In the absence of an election in Section 2.6, the Plan's provisions with regard to election of the 5-Year Rule will apply, substituting the 10-Year Rule for the 5-Year Rule. A permitted Beneficiary election must be made no later than the earlier of December 31 of the calendar year in which distribution would be required to begin under the Life Expectancy Rule, or by December 31 of the calendar year which contains the tenth anniversary of the Participant's (or, if applicable, surviving spouse's) death.

(c) Other Designated Beneficiaries. If the distributee of the Participant's account is a Designated Beneficiary who is not an Eligible Designated Beneficiary, then the Beneficiary's entire interest will be distributed under the 10-Year Rule.

(d) 10-Year Rule. If distribution of a deceased Participant's account thereof is subject to the "10-Year Rule," then the Plan will distribute the account in full no later than December 31 of the tenth year following the year of the Participant's death. No RMDs are required to be distributed from the account prior to that date.

- 6.4 **Death after RBD.** If the Participant dies on or after the Participant's RBD, the Participant's remaining interest will be distributed at least as rapidly as under the method of distribution being used as of the date of the participant's death, as provided, and determined under Treas. Reg. §1.401(a)(9)-2, Q&A 5, using the Life Expectancy Rule. If the Beneficiary is not an Eligible Designated Beneficiary, the Plan will distribute the remaining account in full no later than December 31 of the tenth year following the year of the Participant's death.
- 6.5 **Beneficiary Death.** If an Eligible Designated Beneficiary receiving distributions under the Life Expectancy Rule dies before receiving distribution of the Beneficiary's entire interest in the Participant's account, the Plan will distribute that interest in full no later than December 31 of the 10th year following the year of the Eligible Designated Beneficiary's death. Similarly, if a Participant died before the Effective Date of this Article 6, and the beneficiary died after such Effective Date, but prior to receiving full distribution of the beneficiary's interest, the Plan will distribute that interest in full no later than December 31 of the tenth year following the year of the beneficiary's death.
- 6.6 **Age of Majority.** If a child of the Participant was receiving distributions under the Life Expectancy rule, when the child reaches the age of Majority, the Plan will distribute the child's account in full no later than 10 years after that date, provided the child is not otherwise an Eligible Designated Beneficiary, such as a disabled or chronically ill individual.
- 6.7 **Definitions; operating rules.** The following definitions and operating rules apply for this Article 6 and Section 2.6:
- (a) An "**RMD**" is a Required Minimum Distribution as described in Code §401(a)(9).
- (b) A Participant's "**RBD**" is the Participant's Required Beginning Date as described in Code §401(a)(9)(C) and the Plan. Also see Section 5.2.
- (c) A distributee of a Participant's account is a "**Designated Beneficiary**" if the distributee is an individual or trust who is a beneficiary of the account (whether pursuant to a designation by the Participant or application of the Plan terms) and who is a designated beneficiary under Code §401(a)(9) and Treas. Reg. §1.401(a)(9)-4, Q&As-4 and -5.
- (d) An individual is an "**Eligible Designated Beneficiary**" of a Participant if the individual qualifies as a Designated Beneficiary and is (1) the Participant's spouse, (2) the Participant's child who has not reached the age of Majority, (3) an individual not more than 10 years younger than the Participant, (4) a disabled individual, as defined in Code §72(m)(7), or (5) an individual who has been certified to be chronically ill (as defined in Code §7702B(c)(2)) for a reasonably lengthy period, or indefinitely. Certain trusts may be treated as Eligible Designated Beneficiaries pursuant to Code §401(a)(9)(H)(iv) and (v).
- (e) Whether a child has reached the age of "**Majority**" is determined under Code §401(a)(9)(F) and applicable regulations and guidance issued thereunder.
- (f) The "**Life Expectancy Rule**" for distributing RMDs is described in Code §401(a)(9)(B)(iii) and is further described in the Plan.
- (g) The "**5-Year Rule**" for distributing RMDs is described in Code §401(a)(9)(B)(ii) and is further described in the Plan.

- (h) The “**10-Year Rule**” is described in Section 6.3(d).
- (i) **Shorter period.** Section 2.6 may specify a shorter period to be used in place of the tenth year after the death of a Participant or Beneficiary.
- (j) **Separate share rule.** All references in this Article to a Participant’s Account and a Beneficiary’s interest in that account will be applied separately to each separate account determined under Treas. Reg. §1.401(a)(9)-8, Q&A 2 and 3, and Code §401(a)(9)(H)(iv).

ARTICLE 7
EXTENSION OF 5-YEAR RULE FOR RMDs – CARES §2203

- 7.1 **Application.** This Article 7 will apply only to Defined Contribution plans, including 401(k) Plans, Profit-Sharing Plans, Money Purchase Pension Plans, and 403(b) Plans. It does not apply to Defined Benefit Plans. It does not apply if the Employer has selected Section 2.7(b); otherwise, it is effective January 1, 2020.
- 7.2 **Waiver; default provision.** The beneficiary of an Applicable Participant Account will have the option to extend the deadline to distribute the account for one year. The default in the absence of a beneficiary election will be to extend the distribution, unless the Employer elects in Section 2.7(a) for the default to be not to extend unless the beneficiary requests it.
- 7.3 **Definitions.** The following definitions apply for this Article 7 and Section 2.7:
- (a) “**RMDs**” means required minimum distributions described in Code §401(a)(9).
- (b) The “**5-Year Rule**” for distributing RMDs is described in Code §401(a)(9)(B)(ii) and is further described in the Plan.
- (c) “**Applicable Participant Account**” means the remaining account of a Participant who died during the years 2015-2019, to the extent the account is subject to the 5-Year Rule.

ARTICLE 8
LONG-TERM PART-TIME EMPLOYEES – SECURE §112

- 8.1 **Application.** This Article 8 will apply only if the Plan is a 401(k) Plan that permits elective deferrals. It is effective for Plan Years beginning after December 31, 2020.
- 8.2 **LTPT Employee Deferrals.** An LTPT Employee will be eligible to make Elective Deferrals to the Plan. An LTPT Employee enters the Elective Deferral portion of the Plan on the Employee’s LTPT Entry Date if the Employee is still an LTPT Employee on that Entry Date. The provisions of the Plan relating to rehired employees, breaks in service, and change in status will apply to LTPT Employees.
- 8.3 **Limited Participation.** An LTPT Employee who is eligible to make Elective Deferrals under Section 8.2 will be a Participant solely with regard to Elective Deferrals and related Account Balances. Except as otherwise provided in Section 2.8(a), an LTPT Employee will not be eligible (1) to receive any employer contributions, including top-heavy minimum allocations and safe harbor contributions, (2) to make after-tax Employee voluntary contributions, (3) to make rollover contributions (unless otherwise permitted under the Plan’s administrative policies related to rollover contributions), or (4) to make deemed IRA contributions described in Code §408(q).
- 8.4 **Satisfaction of Eligibility Conditions.** If and when an LTPT Employee becomes a Regular Participant, the individual will no longer be an LTPT Employee, but will instead participate in the Plan in the same manner as other Regular Participants, except as provided in Section 8.5.

- 8.5 **Vesting.** For purposes of applying any vesting schedule in the Plan applicable to Employer contributions other than elective deferrals, an LTPT Employee or a Regular Participant who was previously an LTPT Employee (1) will be credited with a Year of Service for each vesting computation period during which the Employee was credited with more than 500 Hours of Service (or such lower requirement as may apply to Regular Participants) in such period, and (2) will not be credited with a break in service for any vesting computation period unless the Employee has no more than 500 Hours of Service in such period. The Plan Administrator may optionally apply any simplified method of determining years of service under this Section announced by the IRS.
- 8.6 **Testing.** Pursuant to Code §401(k)(15)(i)(II), the Plan Administrator may elect to exclude LTPT Employees from coverage testing under Code §410(b), the ADP test of Code §401(k)(3), the ACP test of Code §401(m)(2), and other nondiscrimination testing under Code §401(a)(4).
- 8.7 **Application of Elective Deferral Provisions.** Except as otherwise provided in Section 2.8(b), all provisions of the Plan related to Elective Deferrals which apply to Regular Participants also apply to LTPT Employees who are eligible to defer, including as applicable (1) eligibility to make Roth deferrals, (2) automatic enrollment provisions, (3) automatic escalation provisions.
- 8.8 **Definitions.** The following definitions apply for this Article 8 and Section 2.8:
- (a) An “**LTPT Employee**” means a long-term part-time employee described in Code §§401(k)(2)(D) and 401(k)(15). Specifically, an LTPT Employee is an Employee, other than an LTPT Excluded Employee, who has not entered the Plan as a Regular Participant, but who is credited with at least three (3) consecutive Eligibility Computation Periods beginning after December 31, 2020 with at least 500 Hours of Service in each and who has attained the LTPT Minimum Age.
- (b) With regard to an LTPT Employee, the “**LTPT Entry Date**,” unless otherwise specified in Section 2.8(c), is the earlier of the first day of the first month or the seventh month of the Plan Year immediately following or coincident with the date an Employee becomes an LTPT Employee. In no event will the LTPT Entry Date exceed the maximum delay in participation specified in Code §410(a)(4).
- (c) An “**LTPT Excluded Employee**” refers to a Union Employee or a Nonresident Alien and those individuals described in Section 2.8(d). However, in no event will an Employee be an LTPT Excluded Employee merely because the Employee failed to satisfy a service condition, or is a part-time, seasonal, or temporary employee. In no event will an Employee be an LTPT Excluded Employee to the extent such an exclusion is not permitted under applicable IRS guidance.
- (d) The “**LTPT Minimum Age**” is 21 unless Section 2.8(e) specifies a different age (or waives the LTPT Minimum Age). The LTPT Minimum Age shall not exceed 21.
- (e) An Employee is a “**Regular Participant**” if the Employee has satisfied all conditions to enter the Plan (or any portion thereof) determined without regard to this Article 8, including those relating to the Employee’s entry date. An LTPT Employee becomes a Regular Participant on such entry date.
- (f) A “**Union Employee**” is an employee described in Code §410(b)(3)(A).
- (g) A “**Nonresident Alien**” is an employee described in Code §410(b)(3)(C).

ARTICLE 9 QACA MAXIMUM AUTOMATIC DEFERRAL – SECURE §102

- 9.1 **Application.** This Article 9 will apply only if (1) the Plan is a 401(k) Plan or a 403(b) Plan, and (2) the Employer elects in Section 2.9 for this Article 9 to apply, effective on the date specified in Section 2.9(a).
- 9.2 **Higher Maximum Contribution.** If the Plan includes a QACA, then the automatic deferral percentage which applies to a Participant (referred to as the “qualified percentage” in Treas. Reg. §1.401(k)-12(j)(2))

shall not exceed 10% of the Participant's Compensation during the Initial Period and shall not exceed 15% of the Participant's Compensation after the Initial Period.

9.3 **Validation; Policy.** If the Employer amends or has amended the plan (effective for a Plan Year beginning on or after the effective date specified in Section 2.9) to provide for an automatic deferral percentage which does not exceed the limitations of Section 9.2, the amendment is valid notwithstanding any limitations contained in any provision of the Plan which would limit the automatic deferral percentage to 10%. The Plan Administrator may adopt a reasonable, uniform policy in applying the increased limit provided by this Article 9 to QACA automatic escalation provisions in effect prior to the effective date of the Article.

9.4 **Definitions.** The following definitions apply for this Article 9 and Section 2.9:

(a) **"QACA"** means a Qualified Automatic Contribution Arrangement described in Code §401(k)(13).

(b) The **"Initial Period"** for a Participant begins when the Participant first has contributions made pursuant to a default election under the QACA for a Plan Year and ends on the last day of the following Plan Year.

ARTICLE 10 IN-SERVICE PENSION DISTRIBUTIONS – BAMA §104

10.1 **Application.** This Article 10 will apply only if (1) the Plan is a Money Purchase Pension Plan, a Defined Benefit Plan, or, as described in Section 10.3, a 401(k) or Profit-Sharing Plan, and (2) the Employer elects in Section 2.10 for this Article 10 to apply, effective on the date specified in Section 2.10(a).

10.2 **Distribution at 59½.** A Participant can take an in-service distribution at age 59½, or, if later, the age (if any) specified in Section 2.10(b). Such a distribution will be limited to the vested portion of the Participant's accrued benefit or account and will be subject to all Plan provisions related to in-service distributions.

10.3 **Limited application to Profit-Sharing Plans.** If the Employer elects in Section 2.10 for this Article 10 to apply, this Article 10 will apply to an account in a 401(k) Plan or a Profit-Sharing Plan which holds assets transferred from a Money Purchase Pension Plan or a Defined Benefit Plan.

ARTICLE 11 DISTRIBUTIONS OF DISCONTINUED LIFETIME INCOME INVESTMENTS – SECURE §109

11.1 **Application.** This Article 11 will apply only if (1) the Plan is a Defined Contribution Plan, or a 403(b) Plan. It is effective for Plan Years beginning after December 31, 2019.

11.2 **Distributions authorized.** The Plan Administrator may authorize Participants to request, and as soon as practical after a Participant makes a request the Plan will make, a distribution of a Discontinued Lifetime Income Investment. Distribution under this Article is limited to the 90-day period prior to the date on which the Lifetime Income Investment is no longer authorized to be held as an investment option under the Plan. Such distribution will be in the form of a Qualified Distribution, or in the form of a Qualified Plan Distribution Annuity Contract, as determined by the Plan Administrator. The Plan Administrator will administer this section in a reasonable, nondiscriminatory manner, and may authorize distributions of some Discontinued Lifetime Income Investments and not others.

11.3 **Definitions.** The terms **"Lifetime Income Investment," "Qualified Distribution"** and **"Qualified Plan Distribution Annuity Contract"** have the meanings set forth in Code §401(a)(38)(B). A **"Discontinued Lifetime Income Investment"** is a Lifetime Income Investment which will no longer be authorized to be held as an investment option under the Plan.

**ARTICLE 12
UPDATED LIFE EXPECTANCY TABLES – TREAS. REG. §1.401(a)(9)-9**

- 12.1 **Application.** This Article 12 will apply to all plans and is effective for distribution calendar years beginning on or after January 1, 2022.
- 12.2 **New RMD Tables.** Any Plan reference to the life expectancy tables detailed in Treas. Reg. §1.401(a)(9), such as the Uniform Life Table, the Single Life Table, or the Joint and Last Survivor Table, refers to these tables as published in Treas. Reg. §1.401(a)(9)-9 from time to time, and is subject to adjustment as described in Treas. Reg. §1.401(a)(9)-9(f).

**ARTICLE 13
ADOPTION OF PLAN AFTER YEAR END – SECURE §201**

- 13.1 **Application.** This Article 13 will apply only if the Plan is a Qualified Plan. It is effective for Plan Years beginning after December 31, 2019.
- 13.2 **Retroactive Plan Adoption.** If the Employer adopted the underlying Plan to which this Amendment relates after the close of a taxable year, but prior to the due date (including extensions) of the Employer’s federal income tax return for that taxable year, the Plan is treated as having been adopted as of the last day of the taxable year if the Plan’s initial effective date is any date within that taxable year. However, no Participant may make elective deferrals to the Plan prior to the date it was adopted.

**ARTICLE 14
DIFFICULTY OF CARE PAYMENTS – SECURE §116**

- 14.1 **Application.** This Article 14 will apply only if the Plan is a Defined Contribution Plan or a 403(b) Plan. It is effective for Plan Years beginning after December 31, 2015.
- 14.2 **Inclusion in 415 Compensation.** The amount of a Participant’s Compensation for purposes of determining the annual addition limit under Code §415(c)(1)(B) is increased by the amount of Difficulty of Care Payments the Employer makes to the Participant.
- 14.3 **Definition.** A “Difficulty of Care Payment” is a payment described in Code §131(c)(1) made in connection with qualified foster individuals.

**ARTICLE 15
403(b) TERMINATION DISTRIBUTIONS – SECURE §110**

- 15.1 **Application.** This Article 15 will apply only if the Plan is a 403(b) Plan. It is effective January 1, 2009.
- 15.2 **Custodial Accounts.** In connection with distributions upon termination of the Plan, the Plan may treat the delivery of a custodial account as a distribution, pursuant to Rev. Rul. 2020-83.

**ARTICLE 16
REPEAL OF DEEMED IRA MAXIMUM AGE – SECURE §107**

- 16.1 **Application.** This Article 16 will apply only if the Plan permits deemed IRA contributions (sometimes called “designated IRA” contributions) described in Code §408(q). It is effective January 1, 2020.
- 16.2 **No Maximum Age.** To the extent the Plan otherwise permits a Participant to make deemed IRA contributions, the Participant may make such contributions regardless of whether the Participant has attained age 70½ or any other age.

* * * * *

The Document Provider hereby adopts this amendment on behalf of all adopting employers.

By:  _____
(Authorized signer for Document Provider)

_____ Laura Ramanis _____
(print name)

Document Provider Name: Newport Group, Inc. _____

The Document Provider executed this Amendment this 26 day of May, 2022.

**NEWPORT GROUP, INC.
AMENDMENT FOR CARES ACT**

**ARTICLE 1
PREAMBLE; DEFINITIONS**

- 1.1 **Adoption of Amendment.** The Document Provider, on behalf of the Employer, hereby adopts this Amendment to the Employer's Plan to implement provisions of the Act which affect the Plan. All references to the Plan include the Plan's loan program, policy, or procedure to the extent applicable.
- 1.2 **Superseding of inconsistent provisions.** This Amendment supersedes the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment.
- 1.3 **Construction.** Except as otherwise provided in this Amendment, any Article or Section reference in this Amendment refers only to this Amendment and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment and does not relate to the Plan article, section, or other numbering designations.
- 1.4 **Effect of restatement of Plan.** If the Employer restates the Plan then this Amendment shall remain in effect after such restatement unless the provisions in this Amendment are restated or otherwise become obsolete (e.g., if the Plan is restated onto a plan document which incorporates these provisions).
- 1.5 **Definitions.** Except as otherwise provided in this Amendment, terms defined in the Plan will have the same meaning in this Amendment. The following definitions apply specifically to this Amendment:
- A. The “**Act**” is the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act. This Amendment shall be interpreted and applied to comply with the Act.
- B. A “**Qualified Individual**” means any individual who meets one or more of the criteria described in paragraphs (1), (2), (3), or (4). Participants, alternate payees and beneficiaries of deceased participants can be treated as Qualified Individuals. The Plan Administrator may rely on an individual's certification that the individual satisfies a condition to be a Qualified Individual unless the Plan Administrator has actual knowledge to the contrary. In applying the criteria, “COVID-19” means either the virus SARS-CoV-2 or coronavirus disease 2019; “an approved test” means a test approved by the Centers for Disease Control and Prevention (including a test authorized under the Federal Food, Drug, and Cosmetic Act); and a “member of the individual's household” means someone who shares the individual's principal residence. The criteria are as follows:
- (1) The individual was diagnosed with COVID-19 by an approved test;
 - (2) The individual's spouse or dependent (as defined in Code §152) was diagnosed with COVID-19 by an approved test;
 - (3) The individual has experienced adverse financial consequences because: (a) the individual or the individual's spouse, or a member of the individual's household was quarantined, furloughed or laid off, or had work hours reduced due to COVID-19; (b) the individual, the individual's spouse, or a member of the individual's household was unable to work due to lack of childcare due to COVID-19; (c) A business owned or operated by the individual, the individual's spouse, or a member of the individual's household closed or reduced hours due to COVID-19; or (d) the individual, the individual's spouse, or a member of the individual's household had a reduction in pay (or self-employment income) due to COVID-19 or had a job offer rescinded or start date for a job delayed due to COVID-19; or
 - (4) The individual satisfies any other criteria determined by the Treasury or the IRS.

- (4) The following additional provisions apply to Coronavirus-Related Distributions: _____ . (Enter limitations or restrictions which are nondiscriminatory and not subject to Employer discretion.)
- (e) **The increased loan limit described in Section 4.2** (If (e) is selected, the Employer or Document Provider may optionally select one or both of (1), (2), or (3).)
- (1) The maximum dollar amount of loans pursuant to Section 4.2 will not exceed: \$ _____. (Enter amount less than \$100,000.)
- (2) The maximum percentage of the present value of the nonforfeitable accrued benefit that may be loaned pursuant to Section 4.2 will not exceed: _____ %. (Enter percentage less than 100%.)
- (3) The following additional provisions apply to the increased loan limit: _____ . (Enter limitations or restrictions which are nondiscriminatory.)
- (f) **The loan repayment extension described in Section 4.3** (If (f) is selected, the Employer or Document Provider may optionally select one or more of (1), (2), or (3).)
- (1) The Suspension Period will begin _____ (Enter date not before March 27, 2020) and end _____. (Enter date not later than December 31, 2020.)
- (2) The Extension Period will be _____. (Enter period, up to one year, the due date of the loan will be extended, such as "six months.")
- (3) The following additional provisions apply to the loan repayment extension: _____ . (Enter limitations or restrictions which are nondiscriminatory.)

- 2.4 **RMD waivers for 2020.** Unless otherwise elected below, the provisions of Section 5.2 apply and a Participant or Beneficiary who would have been required to receive a 2020 RMD or Extended 2020 RMD will receive the distribution unless the Participant or Beneficiary chooses not to receive the distribution.
- (a) **No RMDs without request.** The provisions of Section 5.2 apply and a Participant or Beneficiary who would have been required to receive a 2020 RMD or Extended 2020 RMD will not receive the distribution unless the Participant or Beneficiary chooses to receive the distribution.
- (b) **Split.** The provisions of Section 5.2 apply. A Participant or Beneficiary who would have been required to receive a **2020 RMD will not** receive the distribution unless the Participant or Beneficiary chooses to receive the distribution. A Participant or Beneficiary who would have been required to receive an **Extended 2020 RMD will receive** the distribution unless the Participant or Beneficiary chooses not to receive the distribution.
- (c) **No change to RMDs.** Payment of RMDs or Extended 2020 RMDs will be governed by the terms of the Plan without regard to this Amendment (i.e., no election is available to Participants or Beneficiaries).
- (d) **Describe:** _____.

For purposes of Section 5.3, the Plan will also treat the following as eligible rollover distributions in 2020: (Choose one or none of (e), (f), (g), or (h): If no election is made, then a direct rollover will be offered only for distributions that would be eligible rollover distributions without regard to Code §401(a)(9)(I):

- (e) 2020 RMDs.
- (f) 2020 RMDs and Extended 2020 RMDs.
- (g) 2020 RMDs but only if paid with an additional amount that is an eligible rollover distribution without regard to Code §401(a)(9)(I).
- (h) Describe: _____.

The provisions of Article 5, and the elections in this Section 2.4, will be effective on the date specified in Section 2.5, unless a different date is entered here: _____ (Optional. Enter a date between March 27, 2020 and December 31, 2020. RMD distributions before the selected effective date should have followed plan terms in effect before this Amendment.)

- 2.5 **Effective Date. This Amendment is effective March 27, 2020** (or as soon as practical thereafter), or, if later, the following date: _____. (Optional. Enter a date not later than December 31, 2020.)

**ARTICLE 3
CORONAVIRUS-RELATED DISTRIBUTIONS**

- 3.1 **Application.** This Article 3 will apply if Section 2.3(b) or Section 2.3(d) is selected.
- 3.2 **Coronavirus-Related Distribution(s).** Subject to the provisions described in Section 2.3(d)(4), if any, a Qualified Individual may take one or more Coronavirus-Related Distributions. The accounts from which the amount may be distributed shall be limited if selected in Sections 2.3(d)(1) and (2). However, if the Plan is a Defined Benefit Plan, and the Qualified Individual has not separated from service, the Qualified Individual may not take a Coronavirus-Related Distribution prior to attaining the earlier of Normal Retirement Age or age 59½. The provisions of this Section will apply notwithstanding any limitation in the Plan on partial distributions or any otherwise applicable plan or administrative limits on the number of allowable distributions.
- 3.3 **Repayment of distribution.** If the Plan permits a Participant to make rollover contributions, then a such a Participant who received a Coronavirus-Related Distribution (from this Plan and/or another eligible retirement plan as defined in Code §402(c)(8)(B)), at any time during the 3-year period beginning on the day after receipt of the distribution, may make one or more contributions to the Plan, as rollover contributions, in an aggregate amount not to exceed the amount of such distribution.
- 3.4 **Definition of Coronavirus-Related Distribution.** A “Coronavirus-Related Distribution” means a distribution to a Qualified Individual during the period beginning January 1, 2020 and ending December 30, 2020. The total amount of Coronavirus-Related Distributions to a Qualified Individual pursuant to this Amendment from all plans maintained by the Employer, or any related employer described in Code §414(b), (c), (m), or (o), shall not exceed \$100,000, (or such lesser amount specified in Section 2.3(d)(3)). The Coronavirus-Related Distributions from the Plan to a Qualified Individual will not exceed the amount of the individual’s vested account balance or the present value of the individual’s vested accrued benefit.

**ARTICLE 4
PARTICIPANT LOAN RELIEF**

- 4.1 **Application.** This Article 4 will apply only if the Plan permits participant loans. Section 4.2 will apply if Section 2.3(b) or Section 2.3(e) is selected. Section 4.3 will apply if Section 2.3(b) or Section 2.3(f) is selected.
- 4.2 **Increased loan limit.** Notwithstanding the loan limitation that otherwise would apply, the Plan will determine the loan limit under Code §72(p)(2)(A) for a loan to a Qualified Individual, made during the period beginning March 27, 2020 and ending September 22, 2020, by substituting “\$100,000” (or such lesser amount specified in Section 2.3(e)(1)) for “\$50,000,” and by substituting “100% (or such lesser percentage specified in Section 2.3(e)(2)) of the present value of the nonforfeitable accrued benefit of the employee under the Plan” for “one-half of the present value of the nonforfeitable accrued benefit of the employee under the Plan” (or its equivalent). The provisions described in Section 2.3(e)(3), if any, will apply in connection with loans to Qualified Individuals.
- 4.3 **Extension of certain repayments.** If a Qualified Individual has an outstanding loan from the Plan on or after March 27, 2020, then: (1) if the date for any repayment of such loan occurs during the Suspension Period, the due date is extended for the Extension Period; (2) the due date of the loan will be extended by the Extension Period; (3) the Plan will adjust any subsequent repayments to reflect the extension of the due date and any interest accrued during the Suspension Period; and (4) the Plan will disregard the Extension Period in determining the 5-year period and the loan term under Code §72(p)(2)(B) or (C). The provisions described in Section 2.3(f)(3), if any, will apply in connection with the suspension and extension described in this Section. The Suspension Period, unless otherwise specified in Section 2.3(f)(1), will begin March 27, 2020 and end December 31, 2020. The Extension Period, unless otherwise specified in Section 2.3(f)(2)

will be one year. The provisions of this Section 4.3 will be applied in accordance with Section 5.B. of Notice 2020-50, or any subsequent applicable guidance, and the adjustment described in (3) may reflect the “safe harbor” described therein.

**ARTICLE 5
WAIVER OF 2020 REQUIRED MINIMUM DISTRIBUTIONS (RMDs)**

- 5.1 **Application.** This Article 5 will apply only to defined contribution plans, including 401(k) Plans, Profit-Sharing Plans, Money Purchase Pension Plans, and 403(b) Plans. The definitions in Section 5.4 will apply in interpreting Section 2.4.
- 5.2 **Waiver; default provision.** This Section 5.2 will apply unless Section 2.4(c) is selected or to the extent 2.4(d) overrides it. Notwithstanding the provisions of the Plan relating to RMDs, whether a Participant or Beneficiary who would have been required to receive 2020 RMDs, and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2020 RMDs, or (2) Extended 2020 RMDs will receive those distributions is determined in accordance with the option chosen in Section 2.4. Notwithstanding the option chosen in Section 2.4, a Participant or Beneficiary will be given an opportunity to make an election as to whether or not to receive those distributions. If the Plan permits a Beneficiary of a deceased Participant to make the election to use the 5-year rule or the life expectancy rule, the deadline to make the election may be extended to reflect the adoption of Code §401(a)(9)(I).
- 5.3 **Direct rollovers.** Notwithstanding the provisions of the Plan relating to required minimum distributions under Code §401(a)(9), and solely for purposes of applying the direct rollover provisions of the Plan, certain additional distributions in 2020, as elected by the Employer in Section 2.4, will be treated as eligible rollover distributions. If no election is made by the Employer in Section 2.4, then a direct rollover will be offered only for distributions that would be eligible rollover distributions without regard to Code §401(a)(9)(I).
- 5.4 **Definitions. “RMDs”** means required minimum distributions described in Code §401(a)(9). **“2020 RMDs”** means required minimum distributions the Plan would have been required to distribute in 2020 (or permitted to pay in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code §401(a)(9)(I). **“Extended 2020 RMDs”** means one or more payments in a series of substantially equal distributions (that include the 2020 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.
- 5.5 **Installment payments.** A Participant or Beneficiary receiving payment of 2020 RMDs or 2020 Extended RMDs pursuant to this Article 5 may receive them in any method (including installments or partial distributions) which would have been permitted under the terms of the Plan if the amounts would have been RMDs but for the enactment of Code §401(a)(9)(I).

* * * * *

The Document Provider hereby adopts this amendment on behalf of all adopting employers.

By: 

(Authorized signer for Document Provider)

Laura Ramanis

(print name)

Document Provider Name: Newport Group, Inc.

The Document Provider executed this Amendment this 26 day of May, 2022.



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

Plan Description: Non-Standardized Pre-Approved Money Purchase/Profit Sharing
FFN: 317D7840703-001 Case: 201901780 EIN: 27-2037969
Letter Serial No: Q702637a
Date of Submission: 12/31/2018

NEWPORT GROUP INC
200 DRYDEN ROAD
DRESHER, PA 19025

Contact Person:
Janell Hayes
Telephone Number:
513-975-6319
In Reference To: TEGE:EP:7521
Date: 06/30/2020

Dear Applicant:

In our opinion, the form of the plan identified above is acceptable for use by employers for the benefit of their employees under Internal Revenue Code (IRC) Section 401.

We considered the changes in qualification requirements in the 2017 Cumulative List of Notice 2017-37, 2017-29 Internal Revenue Bulletin (IRB) 89. Our opinion relates only to the acceptability of the form of the plan under the IRC. We did not consider the effect of other federal or local statutes.

You must provide the following to each employer who adopts this plan:

- . A copy of this letter
- . A copy of the approved plan
- . Copies of any subsequent amendments including their dates of adoption
- . Direct contact information including address and telephone number of the plan provider

Our opinion on the acceptability of the plan's form is a determination as to the qualification of the plan as adopted by a particular employer only under the circumstances, and to the extent, described in Revenue Procedure (Rev. Proc.) 2017-41, 2017-29 I.R.B. 92. The employer who adopts this plan can generally rely on this letter to the extent described in Rev. Proc. 2017-41. Thus, Employee Plans Determinations, except as provided in Section 12 of Rev. Proc. 2020-4, 2020-01 I.R.B. 148 (as updated annually), will not issue a determination letter to an employer who adopts this plan. Review Rev. Proc. 2020-4 to determine the eligibility of an adopting employer, and the items needed, to submit a determination letter application. The employer must also follow the terms of the plan in operation.

Except as provided below, our opinion doesn't apply to the requirements of IRC Sections 401(a)(4), 401(l), 410(b), and 414(s). Our opinion doesn't apply to IRC Sections 415 and 416 if an employer maintains or ever maintained another qualified plan for one or more employees covered by this plan. For this purpose, we will not consider the employer to have maintained another defined contribution plan provided both of the following are true:

- . The employer terminated the other plan before the effective date of this plan
- . No annual additions have been credited to any participant's account under the other plan as of any date within the limitation year of this plan

Also, for this purpose, we'll consider an employer as maintaining another defined contribution plan, if the employer maintains any of the following:

- . A welfare benefit fund defined in IRC Section 419(e), which provides post-retirement medical benefits allocated to separate accounts for key employees as defined in IRC Section 419A(d)

- . An individual medical account as defined in IRC Section 415(l)(2), which is part of a pension or annuity plan maintained by the employer
- . A simplified employee pension plan

Our opinion doesn't apply to Treasury Regulations Section 1.401(a)-1(b)(2) requirements for a money purchase plan or target benefit plan where the normal retirement age under the employer's plan is lower than age 62.

Our opinion doesn't constitute a determination that the plan is an IRC Section 414(d) governmental plan. This letter is not a ruling with respect to the tax treatment to be given contributions which are picked up by the governmental employing unit within the meaning of IRC Section 414(h)(2).

Our opinion doesn't constitute a determination that the plan is an IRC Section 414(e) church plan.

Our opinion may not be relied on by a non-electing church plan for rules governing pre-ERISA participation and coverage.

Our opinion applies to the requirements of IRC Section 410(b) if 100 percent of all non-excludable employees benefit under the plan.

Employers who choose a safe harbor allocation formula and a safe harbor compensation definition may also rely on this opinion letter for the non-discriminatory amounts requirement under IRC Section 401(a)(4).

If this plan includes a cash or deferred arrangement (CODA) or otherwise provides for contributions subject to IRC Sections 401(k) and/or 401(m), the employer may rely on the opinion letter regarding the form of the non-discrimination tests of IRC Sections 401(k)(3) and 401(m)(2), if the employer uses a safe harbor compensation definition. For plans described in IRC Sections 401(k)(12) or (13) and/or 401(m)(11) or (12), employers may rely on the opinion letter regarding whether the plan's form satisfies the requirements of those sections unless the plan provides for the safe harbor contribution to be made under another plan. For SIMPLE plans described in IRC Sections 401(k)(11) and 401(m)(10), employers may also rely on the opinion letter regarding whether the plan's form satisfies the requirements of those sections.

The provisions of this plan override any conflicting provision contained in the trust or custodial account documents used with the plan, and an adopting employer may not rely on this letter to the extent that provisions of a trust or custodial account that are a separate portion of the plan override or conflict with the provisions of the plan document. This opinion letter does not cover any provisions in trust or custodial account documents.

An employer who adopts this plan may not rely on this letter when:

- . the plan is being used to amend or restate a plan of the employer which was not previously qualified
- . the employer's adoption of the plan precedes the issuance of the letter
- . the employer doesn't correctly complete the adoption agreement or other elective provisions in the plan
- . the plan is not identical to the pre-approved plan (that is, the employer has made amendments that cause the plan not to be considered identical to the pre-approved plan, as described in Section 8.03 of Rev. Proc. 2017-41)

Our opinion doesn't apply to what is contained in any documents referenced outside the plan or adoption agreement, if applicable, such as a collective bargaining agreement.

Our opinion doesn't consider issues under Title I of the Employee Retirement Income Security Act (ERISA) which are administered by the Department of Labor.

If you, the pre-approved plan provider, have questions about the status of this case, you can call the telephone number at the top of the first page of this letter. This number is only for the provider's use.

Individual participants or adopting eligible employers with questions about the plan should contact you.

You must include your address and telephone number on the pre-approved plan or the plan's adoption agreement, if applicable, so that adopting employers can contact you directly.

If you write to us about this plan, provide your telephone number and the best time to call if we need more information. Whether you call or write, refer to the letter serial number and file folder number at the top of the first page of this letter.

Let us know if you change or discontinue sponsorship of this plan.

Keep this letter for your records.

Sincerely Yours,

A handwritten signature in black ink that reads "Daniel Dragoo". The signature is written in a cursive style with a large initial "D".

Daniel Dragoo
Director, EP Rulings & Agreements

Letter 6186 (June-2020)
Catalog Number 72434C

INFORMATION REGARDING QUALIFIED DOMESTIC RELATIONS ORDERS (QDROS)

What is a Qualified Domestic Relations Order? A Qualified Domestic Relations Order (a "QDRO") is a domestic relations order that directs a retirement plan to pay all or a portion of a participant's benefits to a spouse, former spouse, child or dependent (an "Alternate Payee"). It is frequently issued in connection with a domestic relations proceeding in order to provide for the division of marital property, or to provide alimony or child support.

Why is a QDRO Necessary? Most retirement plans are subject to the Employee Retirement Income Security Act of 1974 ("ERISA"). Under ERISA, a plan is not allowed to make payments from a Participant's account to an Alternate Payee unless a QDRO has been received. In order to be a QDRO, the order must contain certain information and satisfy numerous specific legal requirements. Plans that are not subject to ERISA (for example, governmental plans) may choose to follow similar rules.

Who determines whether a domestic relations order is a QDRO? The Plan Administrator determines whether a domestic relations order received by it is a QDRO. That determination is made in accordance with the terms of the plan document and the Domestic Relations Order Procedures ("Procedures") adopted by the Plan Administrator. A copy of those Procedures is attached.

How do I submit a domestic relations order to the Plan Administrator to have it approved as a QDRO? You have two choices for submitting a domestic relations order to the Plan Administrator.

- First, you can submit a **proposed** domestic relations order (i.e., one that has not yet been signed) to the Plan Administrator for pre-approval. After the Plan Administrator determines that the proposed order meets applicable requirements, you can submit it to the court or applicable state agency/instrumentality for entry, and then return a copy of the signed order to the Plan Administrator.
- Second, you can submit an actual domestic relations order (i.e., one that has already been signed) to the Plan Administrator for review and approval. However, if the Plan Administrator determines that the order is not a QDRO, you will have to have the order revised and get it executed a second time. Any subsequent order should specifically state that it is amending or superseding the previous order.

In either event, the Plan Administrator needs an original or a certified copy of a signed QDRO before it can be implemented. A sample "model" order that you or your attorney can use to draft your domestic relations order is available upon request. All orders or proposed orders should be sent to the Plan Administrator at the following address:

Plan Administrator for the _____ Plan

What happens if I don't have a QDRO yet? The Procedures also address steps that may be taken before a domestic relations order is prepared.

What should I do if I have any questions? Please contact your Plan Administrator if you have any questions with respect to these Procedures. In addition, the Department of Labor has a publication entitled *QDROs: The Division of Retirement Benefits Through Qualified Domestic Relations Orders*. This publication is available on their website at <https://www.dol.gov/sites/dolgov/files/EBSA/about-ebsa/our-activities/resource-center/publications/qdros.pdf> as well as by contacting the Department of Labor.

QUALIFIED DOMESTIC RELATIONS ORDER (QDRO) PROCEDURES

These Procedures are adopted by the Plan effective with respect to new matters commencing on or after the date set forth below, and supersede any prior procedures relating to the receipt and handling of domestic relations orders. They set forth the process to be followed in determining whether a domestic relations order received by the Plan is a QDRO, as well as the manner in which the Plan will respond to requests for information and handle a Participant's account pending receipt of an actual domestic relations order.

1. **Definitions.** Wherever used herein, the following terms have the following meanings:
 - A. **Alternate Payee.** A spouse, former spouse, child, or other dependent of a Participant. To the extent an Alternate Payee designates a representative to receive copies of notices and other materials, the term Alternate Payee includes such designated representative.
 - B. **Code.** The Internal Revenue Code of 1986, as amended.
 - C. **Domestic Relations Order.** A judgment, decree, or order (including the approval of a property settlement) that is made pursuant to state domestic relations law (including community property law).
 - D. **Participant.** An employee or former employee with an account balance in the Plan.
 - E. **Qualified Domestic Relations Order ("QDRO").** A Domestic Relations Order that creates or recognizes the existence of an Alternate Payee's right to receive, or assigns to an Alternate Payee the right to receive, all or a portion of the Participant's account balance under the Plan. The QDRO must contain certain information and satisfy numerous specific legal requirements.

2. **Access to Information.** Upon written request, the Plan Administrator will provide a prospective Alternate Payee with such information as is reasonably requested in order to enable the preparation of a QDRO. Such information might include the summary plan description, a copy of these Procedures, a model QDRO, and copies of benefit statements. The disclosure of this information is conditioned on the prospective Alternate Payee providing documentation that establishes to the satisfaction of the Plan Administrator that (i) he or she is the spouse, former spouse, child or other dependent of the Participant, and (ii) a domestic relations proceeding involving the Participant is currently in progress. Sufficient documentation may include, but is not limited to, certified copies of marriage, divorce, or birth certificates, and copies of current administrative or court documents identifying the Participant and the prospective Alternate Payee as parties. The Plan Administrator will also comply with all proper requests for information received in the form of a subpoena.

3. **Administrative Hold Prior to Receipt of Domestic Relations Order.** The Plan Administrator will place an "Administrative Hold" on a Participant's account if the Plan Administrator receives (i) a request for information that satisfies the criteria set forth in 2. above, including a subpoena; (ii) a proposed domestic relations order that is being submitted for pre-approval; or (iii) any other written notification that establishes to its satisfaction that a domestic relations order relating to the Participant's account will be issued (each a "Notice of Adverse Interest"). If an Administrative Hold is placed on a Participant's account, the following will occur:

- A. The Plan Administrator will promptly notify the Participant that an Administrative Hold is being placed on his or her account. The notice will include a brief description of the terms

of the Administrative Hold and the conditions under which such hold may be released, and include a copy of these Procedures and a copy of the model QDRO.

B. During the period that the Administrative Hold is in place, no distributions or loans will be made to the Participant except for (i) required minimum distributions under Section 401(a)(9) of the Code, (ii) installment payments that were in progress prior to receipt by the Plan Administrator of the Notice of Adverse Interest, or (iii) any other distributions required by law, unless the prospective Alternate Payee (or guardian, as applicable) consents in writing to the distribution or loan in the presence of a notary public.

C. The Plan Administrator will release the Administrative Hold 90 days after the date it was first put into effect or, if sooner, upon the first of the following to occur:

i. Receipt of a notarized written statement from the prospective Alternate Payee releasing any claim to the assets in the Participant's account.

ii. Receipt of a domestic relations order relating to the Participant's account (in this case, the Plan Administrator will take the appropriate steps discussed elsewhere in these Procedures).

iii. Receipt of a certified order establishing that the entire account is awarded to the Participant, that the assets in the Participant's account are not marital assets, or that applicable restrictions on the account have been lifted.

D. If the Notice of Adverse Interest is a proposed domestic relations order that has been submitted for pre-approval, a copy of the proposed order will be provided to the Participant with the Participant notice in paragraph A. above. Within 90 days of receipt of the proposed order, the Plan Administrator will review the proposed order and notify the Alternate Payee and the Participant whether the proposed order is deficient in any manner or would qualify as a QDRO if entered by a court or other appropriate state agency.

4. **Receipt of Domestic Relations Order.** Upon the receipt of a Domestic Relations Order, the following will occur:

A. The Plan Administrator will log in the date of the Plan's receipt of the Domestic Relations Order.

B. The Plan Administrator will promptly provide notice of the receipt of the Domestic Relations Order to the Participant and each Alternate Payee. Notices will be sent to the addresses included in the Domestic Relations Order, and include a copy of these Procedures. It is the responsibility of the Participant and the Alternate Payee to advise the Plan Administrator of any changes in their respective mailing addresses or legal names.

C. Within 90 days of the receipt of the Domestic Relations Order, the Plan Administrator will evaluate the order to determine whether it is a QDRO (see 5. Below).

D. The Plan Administrator will separately account for and preserve the amounts that would be payable to the Alternate Payee under the Domestic Relations Order during the "Determination Period" as defined in this paragraph D. The separate accounting requirement may be satisfied, at the Plan Administrator's discretion, by a segregation of the assets that are subject to separate accounting. If no segregation of assets is made, then no distributions or loans will be made to the Participant during the Determination Period except for (i) required minimum distributions under Section 401(a)(9) of the Code, (ii) installment payments that were in progress prior to receipt of the Domestic Relations Order, or (iii) any other distributions required

by law; provided, however, that installment payments may be continued only to the extent of the portion of the installment payments that exceed the Alternate Payee's putative interest therein.

The "Determination Period" is the period beginning on the first date following the Plan's receipt of the Domestic Relations Order (or, if later, the first date following the Plan's receipt of the Domestic Relations Order upon which a payment would be required to be made to an Alternate Payee under the order), and ending upon the date the Plan Administrator makes a final determination that the order is or is not a QDRO or, if earlier, the date that is 18 months following the first day of the Determination Period.

E. The Plan Administrator will send written notice to the Participant and each Alternate Payee of the Plan Administrator's decision as to whether a Domestic Relations Order is a QDRO. In the case of a determination that an order is not a QDRO, the written notice will contain the following information:

- i. The reason(s) the order was determined not to be a QDRO;
- ii. References to the Plan provisions on which the Plan Administrator based its decision;
- iii. An explanation of any time limits that apply to rights available to the parties under the Plan (such as the duration of any protective actions the Plan Administrator will take); and
- iv. A description of any additional material, information, or modifications necessary for the order to be a QDRO and an explanation of why such material, information, or modifications are necessary.

F. All appeals regarding the Plan Administrator's determination regarding the order should be sent in writing to the following address:

Plan Administrator for the _____ Plan

5. **Requirements of a Qualified Domestic Relations Order.** To be a QDRO, the order must:

- Affirmatively state that it relates to the provision of child support, alimony payments, or marital property rights
- Affirmatively state that it is made pursuant to state domestic relations law
- Contain (i) the name and last known mailing address of the Participant and each Alternate Payee, (ii) the name of the Plan, (iii) the dollar amount or percentage (or the method for determining the dollar amount or percentage) of the Participant's account that is to be paid to the Alternate Payee, and (iv) the number of payments or time period to which the order relates. [Note: Orders which are incomplete with respect to items (i) and (ii) will not be rejected if the missing or unclear information can be obtained by information in the records of the Plan Administrator or through communications with the Participant and Alternate Payee.]

In addition, in order to be a QDRO, the order **cannot**:

- Require the Plan to provide an Alternate Payee or Participant with any type or form of benefit, or any option, not otherwise provided under the Plan; however, it may provide for

immediate payment to the Alternate Payee even if the Participant is not yet eligible to receive a distribution from the Plan

- Require the Plan to provide for increased benefits (determined on the basis of actuarial value)
- Require the Plan to pay benefits to an Alternate Payee that are required to be paid to another Alternate Payee under another order previously determined to be a QDRO
[**Note:** It is the Participant's responsibility to notify the Plan Administrator of any prior QDROs]
- Require the Plan to pay benefits to an Alternate Payee in the form of a Qualified Joint and Survivor Annuity for the lives of the Alternate Payee and his or her subsequent spouse.

The Plan Administrator's review is not a determination that the court or agency issuing the Domestic Relations Order has jurisdiction to issue an order, that state law is correctly applied in the order, that service was properly made on the parties, or that an individual identified in an order as an Alternate Payee is a proper Alternate Payee under state law.

Unless otherwise provided under the terms of the QDRO, all QDROs will be administered in accordance with the following:

A. Loans. For purposes of determining the amount of an Alternate Payee's interest, the outstanding balance of a Participant loan will be included in valuing the Participant's account. For purposes of dividing a Participant's Account, the outstanding Participant loan shall be assigned to the Participant.

B. Investments and Sources. The Alternate Payee's interest will be taken on a pro rata basis from each account and each investment fund that is maintained on the Participant's behalf by the Plan. Notwithstanding the foregoing, any outstanding Participant loan is administered in accordance with paragraph A.

C. Tax Basis. Pursuant to Section 72(m)(10) of the Code, the tax basis of the distribution to an Alternate Payee who is a spouse or former spouse of the Participant will be allocated on a pro rata basis.

D. Incorporation of terms. Unless otherwise specified, the terms used in the order shall have the same meaning that they do in the Plan.

E. Assignment and Segregation Dates. If the date as of which the Alternate Payee's interest is to be determined under the order (the "Assignment Date") is other than a Valuation Date under the Plan, then the Alternate Payee's interest will be determined as of the Valuation Date immediately preceding the Assignment Date that is specified in the Domestic Relations Order. [Note: It may not be possible to implement the order if a date other than a Valuation Date is used as the Assignment Date.] If the date as of which the Alternate Payee's interest is to be segregated is other than a Valuation Date under the Plan, then the Alternate Payee's interest will be segregated as of the Valuation Date immediately preceding the specified segregation date. Any contributions, allocations, or other amounts that may be contributed or allocated to the Participant's account after the Assignment Date will not be taken into account in determining the amount payable to the Alternate Payee. However, any investment earnings or losses from the Assignment Date through the date of segregation will be allocated on a pro rata basis between the Participant and Alternate Payee.

F. Vested and Non-Vested Amounts. A Participant's total account includes vested and non-vested amounts, and vested and non-vested amounts are allocated on a pro rata basis between the Participant and the Alternate Payee.

G. Fees. All fees and expenses for the review of a Domestic Relations Order will be allocated pro rata between the Participant and the Alternate Payee. Contact the Plan Administrator for information regarding current fees.

6. ***Treatment of Alternate Payee if an order is accepted as a QDRO.*** An Alternate Payee will be considered a Beneficiary under the Plan and be afforded the same rights as a Beneficiary. The Plan Administrator will provide any appropriate disclosure information relating to the Plan to the Alternate Payee.

7. ***Miscellaneous.***

A. ***Application of QDRO to Current and Successor/Transferee Plan(s).*** Any order that is determined to be a QDRO with respect to the Plan will be deemed to apply to any successor plan(s) or any transferee plan(s). Further, changes in the Plan Sponsor, the Plan Administrator, or the Plan Name will not affect a QDRO.

B. ***Modification of Procedures.*** The Plan, by action of the Plan Administrator, may modify these procedures without notice to any party. Any such modifications shall be effective as of the date of adoption, unless either retroactive or prospective effective dates are specified, in which case such specification shall control. The Plan Administrator shall provide a copy of the modified procedures to each Participant and Alternate Payee in any matter then pending, to the extent the procedures will apply to pending matters.

SAMPLE QDRO FOR A DEFINED CONTRIBUTION PLAN

QUALIFIED DOMESTIC RELATIONS ORDER (QDRO)

Set forth below is sample language that is designed to assist practitioners in drafting a QDRO. Practitioners who use this language will need to conform it to the terms of the retirement plan to which the QDRO applies, and to specify the amounts assigned and other terms of the QDRO so as to achieve an appropriate property division or level of family support. In addition, practitioners will need to conform this language to meet State and Local law and court requirements.

Although the sample language addresses a variety of matters, it is not designed to address all retirement benefit issues that may arise. For example, the sample language does not address what would occur on the death of either the Participant or the Alternate Payee prior to the date of the establishment of the Alternate Payee's separate account. In addition, some of the sample language, while helpful in facilitating the administration of a QDRO, is not necessarily required.

A domestic relations order is not required to incorporate the sample language. Instead, alternative formulations are permissible for use in drafting QDROs, and may be advisable in some situations.

The purpose of this sample language is solely to assist practitioners in drafting QDROs. No representations are being made as to the suitability of this language in any particular situation. The Plan Sponsor, the Plan Administrator, and the employees and agents of the Plan Sponsor and the Plan Administrator, disclaim any liability as a result of the use of this document and disclaim any responsibility for whether the sample language is suitable or advisable in any particular situation. A variety of complex factors need to be considered in preparing a QDRO. Parties to any proceeding are advised to seek independent legal advice before using this sample QDRO.

The Department of Labor has issued a booklet entitled "QDROs: The Division of Retirement Benefits Through Qualified Domestic Relations Order". This booklet is available from the Department of Labor, and can also be found on its website at <https://www.dol.gov/sites/dolgov/files/EBSA/about-ebsa/our-activities/resource-center/publications/qdros.pdf>. It describes some of the factors that should be considered in preparing a QDRO.

[CAPTION]

This Order creates and recognizes the existence of Alternate Payee's right to receive all or a portion of Participant's benefit under the _____ Plan. This Order is made pursuant to the applicable domestic relations laws of the State of _____. This Order relates to the provision of child support, spousal support, or marital property rights to a spouse, former spouse, child or dependent of Participant.

Part 1—Plan Information

This domestic relations order applies to the _____ Plan (the "Plan"). Petitioner is sometimes referred to herein as [Participant/Alternate Payee], and Respondent is sometimes referred to herein as [Participant/Alternate Payee].

Part 2—Participant and Alternate Payee Information

Plan Participant

Name:

Address:

Date of Birth:

Social Security Number:

Alternate Payee

Name:

Address:

Date of Birth:

Social Security Number:

Participant and Alternate Payee will notify the Plan Administrator in writing of any changes to their respective mailing addresses and names.

Part 3—Other Information

Participant and Alternate Payee were married on _____. They were [separated/divorced] on _____.

Part 4—Division of Benefits

As of _____, 20____, Participant is _____ percent vested in [his/her] account under the Plan.

NOTE TO QDRO PREPARER: Choose one of the following:

Percentage Option

Alternate Payee is assigned ____ percent of the Participant's total account under the Plan as of _____ (the "Assignment Date"). The Participant's total account shall include vested and non-vested amounts. The amount that the Alternate Payee is assigned hereunder shall be referred to herein as the "Alternate Payee's Interest."

- [If the Assignment Date is other than a Valuation Date under the Plan, the Alternate Payee's Interest shall be determined as of the Valuation Date immediately preceding the Assignment Date. See Note to QDRO Preparer, below, for important information regarding this issue.]
- The Alternate Payee's Interest shall be adjusted for Earnings and Losses on such percentage from the Assignment Date until the Valuation Date immediately preceding the segregation of the Alternate Payee's Interest into a separate account. [If the Assignment Date is other than a Valuation Date under the Plan, the Earnings and Losses shall be determined from the Valuation Date immediately preceding the Assignment Date.]
- The Alternate Payee's Interest shall be taken proportionately from each contribution account and each investment fund that is maintained on Participant's behalf by the Plan, except that, as discussed in Part 5, below, any outstanding Participant Loan shall be assigned to the Participant.
- The Alternate Payee's Interest shall be taken proportionately from vested and non-vested amounts.
- In the event that, after assignment of an outstanding Participant Loan to the Participant or for any other reason, there are not sufficient funds in the Participant's total account to satisfy the percentage interest specified above (as adjusted), the Alternate Payee will instead receive the remaining balance of the Participant's total account (excluding any outstanding Participant Loans).

Participant is entitled to the remaining balance of Participant's Account, if any. Participant is also entitled to any future allocations, contributions, or other amounts that are not specifically assigned to Alternate Payee pursuant to this (or another) QDRO.

Dollar Amount Option

Alternate Payee is assigned the sum of \$ _____ from the Participant's total account under the Plan as of _____, 20__ (the "Assignment Date"). The Participant's total account shall include vested and non-vested amounts. The amount that the Alternate Payee is assigned hereunder shall be referred to herein as the "Alternate Payee's Interest."

- [If the Assignment Date is other than a Valuation Date under the Plan, the Alternate Payee's Interest shall be determined as of the Valuation Date immediately preceding the Assignment Date. See Note to QDRO Preparer, below, for important information regarding this issue.]
- The Alternate Payee's Interest shall be adjusted for Earnings and Losses on such dollar amount from the Assignment Date until the Valuation Date immediately preceding the segregation of the Alternate Payee's Interest into a separate account. [If the Assignment Date is other than a Valuation Date under the Plan, the Earnings and Losses shall be determined from the Valuation Date immediately preceding the Assignment Date.]
- The Alternate Payee's Interest shall be taken proportionately from each contribution account and each investment fund that is maintained on Participant's behalf by the Plan, except that, as discussed in Part 5, below, any outstanding Participant Loan shall first be assigned to the Participant.
- The Alternate Payee's Interest shall be taken proportionately from vested and non-vested amounts.

- In the event that, after assignment of an outstanding Participant Loan to the Participant or for any other reason, there are not sufficient funds in the Participant's total account to satisfy the dollar amount specified above (as adjusted), the Alternate Payee will instead receive the remaining balance of the Participant's total account (excluding any outstanding Participant Loans).

Participant is entitled to the remaining balance of Participant's Account, if any. Participant is also entitled to any future allocations, contributions, or other amounts that are not specifically assigned to Alternate Payee pursuant to this (or another) QDRO.

NOTE TO QDRO PREPARER: *You may wish to use one of the Plan's Valuation Dates as the Assignment Date, as such term is defined above. It may not be possible to implement the Order if a date other than a Valuation Date is used.*

*Care should be taken to address contributions, allocations, or other amounts that may be contributed or allocated after the Valuation Date, and are not attributable to the period preceding the Valuation Date. Conversely, some amounts that are contributed or allocated after the Valuation Date do relate back and are attributable to the period preceding the Valuation Date. **This issue is of particular importance if the Assignment Date is not a Valuation Date under the Plan.***

Part 5—Plan Loans

NOTE TO QDRO PREPARER: *Choose one of the following:*

No Outstanding Participant Loans

Participant has no outstanding Participant Loans under the Plan.

Outstanding Participant Loan

Participant has an outstanding Participant Loan. For purposes of determining the amount of the Alternate Payee's Interest, the outstanding balance of the Participant Loan as of the Assignment Date shall be taken into account. For purposes of dividing the Participant's Account, the outstanding Participant Loan shall be assigned to Participant.

Part 6—Establishment of Separate Account

The Plan Administrator will segregate the Alternate Payee's Interest into a separate plan account for Alternate Payee's benefit.

Alternate Payee shall be afforded all the rights and privileges with respect to the Alternate Payee's separate plan account that are provided to an Alternate Payee under the Plan.

Alternate Payee will be responsible for informing the Plan Administrator as to when to commence benefits, subject to the requirements of the Plan and the Law.

Part 7—Miscellaneous

1. **Application of QDRO to Current and Successor and Transferee Plan(s).** This Order will apply to the Plan as well as to any successor plan(s) or any transferee plan(s).
2. **Certain Plan Changes.** Changes in the Plan Sponsor, Plan Administrator, or Plan Name shall not affect this Order.

3. **Earnings and Losses.** Unless otherwise specifically provided herein, Earnings and Losses means expenses and investment experience.
4. **Impermissible Provisions.** This Order is not intended to require the Plan to provide for increased payments over those due Participant under the Plan. In addition, this Order is not intended to provide any type or form of benefit, or any option, not otherwise provided under the Plan.
5. **Name and Address.** Both Participant and Alternate Payee must advise the Plan Administrator of any changes in their respective mailing addresses and legal names.
6. **Notice of Prior Order.** Participant and Alternate Payee certify that they are not aware of any other Order that relates to the benefits described herein (except other proceedings in the same matter of which the Plan Sponsor is already aware). Should a prior Order exist, the interested parties will notify the Plan Administrator prior to the Plan Administrator's determination of the "qualified status" of this Order.
7. **Qualified Domestic Relations Order.** This Order is intended to be a Qualified Domestic Relations Order pursuant to applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code") and the Employee Retirement Income Security Act of 1974, as amended ("ERISA").
8. **Tax Basis.** Pursuant to Section 72(m)(10) of the Code, the tax basis of the distribution to an Alternate Payee who is the spouse or former spouse of the Participant will be on a pro rata basis
9. **Terms.** The terms used in this Order shall have the same meaning as they do in the Plan.
10. **Valuation.** If the Assignment Date is other than a Valuation Date under the Plan:
 - The Alternate Payee's Interest will be determined [using the values] as of the Valuation Date immediately preceding the Assignment Date; and
 - Earnings and Losses shall be calculated from the Valuation Date immediately preceding the Assignment Date.

[DATE AND SIGNATURE OF PARTIES AND THEIR ATTORNEYS]

[ORDER OF COURT--DATE AND SIGNATURE]

ADOPTION AGREEMENT FOR
NEWPORT GROUP, INC.
NON-STANDARDIZED
GOVERNMENTAL 401(a) PRE-APPROVED PLAN

CAUTION: Failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

EMPLOYER INFORMATION

(An amendment to the Adoption Agreement is not needed solely to reflect a change in this Employer Information Section.)

1. EMPLOYER'S NAME, ADDRESS, TELEPHONE NUMBER, TIN AND FISCAL YEAR

Name: Town of Jupiter Island

Address: 2 Bridge Road Street

Hobe Sound City Florida State 33455 Zip

Telephone: 772-545-0100

Taxpayer Identification Number (TIN): 59-6011135

Employer's Fiscal Year ends: September 30th

- 2. TYPE OF GOVERNMENTAL ENTITY. This Plan may only be adopted a state or local governmental entity, or agency thereof, including an Indian tribal government and may not be adopted by any other entity, including a federal government and any agency or instrumentality thereof.
a. [] State government or state agency
b. [] County or county agency
c. [X] Municipality or municipal agency
d. [] Indian tribal government (see Note below)

NOTE: An Indian tribal government may only adopt this Plan if such entity is defined under Code §7701(a)(40), is a subdivision of an Indian tribal government as determined in accordance with Code §7871(d), or is an agency or instrumentality of either, and all of the Participants under this Plan employed by such entity substantially perform services as an Employee in essential governmental functions and not in the performance of commercial activities (whether or not an essential government function).

- 3. PARTICIPATING EMPLOYERS (Plan Section 1.39). Will any other Employers adopt this Plan as Participating Employers?
a. [X] No
b. [] Yes

MULTIPLE EMPLOYER PLAN (Plan Article XI). Will any Employers who are not Affiliated Employers adopt this Plan as part of a multiple employer plan (MEP) arrangement?
c. [X] No
d. [] Yes (Complete a Participation Agreement for each Participating Employer.)

PLAN INFORMATION

(An amendment to the Adoption Agreement is not needed solely to reflect a change in the information in Question 9.)

4. PLAN NAME:

Town of Jupiter Island 401(a) Plan

5. PLAN STATUS

- a. [] New Plan
b. [X] Amendment and restatement of existing Plan
CYCLE 3 RESTATEMENT (leave blank if not applicable)
1. [] This is an amendment and restatement to bring a plan into compliance with the legislative and regulatory changes set forth in IRS Notice 2017-37 (i.e., the 6-year pre-approved plan restatement cycle).

6. EFFECTIVE DATE (Plan Section 1.16) (complete a. if new plan; complete a. AND b. if an amendment and restatement)
Initial Effective Date of Plan (except for restatements, cannot be earlier than the first day of the current Plan Year)

a. October 1, 2009 (enter month day, year) (hereinafter called the "Effective Date" unless 6.b. is entered below)

Restatement Effective Date. If this is an amendment and restatement, the effective date of the restatement (hereinafter called the "Effective Date") is:

- b. October 1, 2025 (enter month day, year; NOTE: The restatement date may not be prior to the first day of the current Plan Year. Plan contains appropriate retroactive effective dates with respect to provisions for appropriate laws.)

7. PLAN YEAR (Plan Section 1.43) means, except as otherwise provided in d. below:

- a. [] the calendar year
b. [X] the twelve-month period ending on September 30th (e.g., June 30th)

SHORT PLAN YEAR (Plan Section 1.47). This is a Short Plan Year (if the effective date of participation is based on a Plan Year, then coordinate with Question 14):

- c. [X] N/A
d. [] beginning on (enter month day, year; e.g., July 1, 2020) and ending on (enter month day, year).

8. VALUATION DATE (Plan Section 1.53) means:

- a. [X] every day that the Trustee (or Insurer), any transfer agent appointed by the Trustee (or Insurer) or the Employer, and any stock exchange used by such agent are open for business (daily valuation)
b. [] the last day of each Plan Year
c. [] the last day of each Plan Year quarter
d. [] other (specify day or days): (must be at least once each Plan Year)

NOTE: The Plan always permits interim valuations.

9. ADMINISTRATOR'S NAME, ADDRESS AND TELEPHONE NUMBER

(If none is named, the Employer will be the Administrator (Plan Section 1.2).)

- a. [X] Employer (use Employer address and telephone number)
b. [] The Committee appointed by the Employer (use Employer address and telephone number)
c. [] Other:

Name:
Address:
Street
City State Zip
Telephone:

10. TYPE OF PLAN (select one)

- a. [X] Profit Sharing Plan.
b. [] Money Purchase Pension Plan.

11. CONTRIBUTION TYPES

The selections made below must correspond with the selections made under the Contributions and Allocations Section of this Adoption Agreement.

FROZEN PLAN OR CONTRIBUTIONS HAVE BEEN SUSPENDED (Plan Section 4.1(c)) (optional)

- a. [] This is a frozen Plan (i.e., all contributions cease) (if this is a temporary suspension, select a.2):
1. [] All contributions ceased as of, or prior to, the effective date of this amendment and restatement and the prior Plan provisions are not reflected in this Adoption Agreement (may enter effective date at 3. below and/or select prior contributions at g. - j. (optional), skip questions 12-18 and 22-30)
2. [] All contributions ceased or were suspended and the prior Plan provisions are reflected in this Adoption Agreement (must enter effective date at 3. below and select contributions at b. - f.)

Effective date

- 3. [] as of (effective date is optional unless a.2. has been selected above or this is the amendment or restatement to freeze the Plan).

CURRENT CONTRIBUTIONS

The Plan permits the following contributions (select one or more):

- b. [X] Employer contributions other than matching (Questions 24-25)
1. [] This Plan qualifies as a Social Security Replacement Plan (Question 24.e. must be selected)
c. [X] Employer matching contributions (Questions 26-28)
d. [] Mandatory Employee contributions (Question 30)
e. [] After-tax voluntary Employee contributions
f. [] Rollover contributions (Question 36)

PRIOR CONTRIBUTIONS

The Plan used to permit, but no longer does, the following contributions (choose all that apply, if any):

- g. **Employer matching contributions**
- h. **Employer contributions other than matching contributions**
- i. **Rollover contributions**
- j. **After-tax voluntary Employee contributions**

ELIGIBILITY REQUIREMENTS

12. ELIGIBLE EMPLOYEES (Plan Section 1.17) means all Employees (including Leased Employees) EXCEPT those Employees who are excluded below or elsewhere in the Plan: (select a. or b.)
- a. **No excluded Employees.** There are no additional excluded Employees under the Plan (skip to Question 13).
 - b. **Exclusions.** The following Employees are not Eligible Employees for Plan purposes (select one or more):
 - 1. Union Employees (as defined in Plan Section 1.17)
 - 2. Nonresident aliens (as defined in Plan Section 1.17)
 - 3. Leased Employees (Plan Section 1.29)
 - 4. Part-time Employees. A part-time Employee is an Employee whose regularly scheduled service is less than _____ Hours of Service in the relevant eligibility computation period (as defined in Plan Section 1.55).
 - 5. Temporary Employees. A temporary Employee is an Employee who is categorized as a temporary Employee on the Employer's payroll records.
 - 6. Seasonal Employees. A seasonal Employee is an Employee who is categorized as a seasonal Employee on the Employer's payroll records.
 - 7. Other: All employees who work at the South Martin Regional Utility (SMRU) other than Elizabeth Hubbard (must be definitely determinable under Regulation §1.401-1(b). Exclusions may be employment title specific but may not be by individual name)

NOTE: If option 4. - 6. (part-time, temporary and/or seasonal exclusions) is selected, when any such excluded Employee actually completes 1 Year of Service, then such Employee will no longer be part of this excluded class. For this purpose, the Hours of Service method will be used for the 1 Year of Service override regardless of any contrary selection at Question 16.

13. CONDITIONS OF ELIGIBILITY (Plan Section 3.1)
- a. **No age and service required.** No age and service required for all Contribution Types (skip to Question 14).
 - b. **Eligibility.** An Eligible Employee will be eligible to participate in the Plan upon satisfaction of the following (complete c. and d., select e. and f. if applicable):

Eligibility Requirements

- c. **Age Requirement**
 - 1. No age requirement
 - 2. Age 20 1/2
 - 3. Age 21
 - 4. Age _____ (may not exceed 26)
- d. **Service Requirement**
 - 1. No service requirement
 - 2. _____ (not to exceed 60) months of service (elapsed time)
 - 3. 1 Year of Service
 - 4. _____ (not to exceed 5) Years of Service
 - 5. _____ consecutive month period from the Eligible Employee's employment commencement date and during which at least _____ Hours of Service are completed.
 - 6. _____ consecutive months of employment.
 - 7. Other: _____ (e.g., date on which 1,000 Hours of Service is completed within the computation period) (must satisfy the Notes below)

NOTE: If c.4. or d.7. is selected, the condition must be an age or service requirement that is definitely determinable and may not exceed age 26 and may not exceed 5 Years of Service.

NOTE: Year of Service means Period of Service if the elapsed time method is chosen.

Waiver of conditions. The service and/or age requirements specified above will be waived in accordance with the following (leave blank if there are no waivers of conditions):

- e. If employed on _____ the following requirements, and the entry date requirement, will be waived. The waiver applies to any Eligible Employee unless 3. selected below. Such Employees will enter the Plan as of such date (select 1. and/or 2. AND 3. if applicable):
 - 1. service requirement (may let part-time Eligible Employees into the Plan)
 - 2. age requirement
 - 3. waiver is for: _____

Amendment or restatement to change eligibility requirements

- f. This amendment or restatement (or a prior amendment and restatement) modified the eligibility requirements and the prior eligibility conditions continue to apply to the Eligible Employees specified below. If this option is NOT selected, then all Eligible Employees must satisfy the eligibility conditions set forth above.
 - 1. The eligibility conditions above only apply to Eligible Employees who were not Participants as of the effective date of the modification.
 - 2. The eligibility conditions above only apply to individuals who were hired on or after the effective date of the modification.

14. **EFFECTIVE DATE OF PARTICIPATION (ENTRY DATE) (Plan Section 3.2)**

An Eligible Employee who has satisfied the eligibility requirements will become a Participant in the Plan as of the:

- a. date such requirements are met
- b. first day of the month coinciding with or next following the date on which such requirements are met
- c. first day of the Plan Year quarter coinciding with or next following the date on which such requirements are met
- d. earlier of the first day of the Plan Year or the first day of the seventh month of the Plan Year coinciding with or next following the date on which such requirements are met
- e. first day of the Plan Year coinciding with or next following the date on which such requirements are met
- f. first day of the Plan Year in which such requirements are met
- g. first day of the Plan Year in which such requirements are met, if such requirements are met in the first 6 months of the Plan Year, or as of the first day of the next succeeding Plan Year if such requirements are met in the last 6 months of the Plan Year.
- h. other: _____ (must be definitely determinable)

SERVICE

15. **RECOGNITION OF SERVICE WITH OTHER EMPLOYERS (Plan Sections 1.40 and 1.55)**

- a. No service with other employers is recognized except as otherwise required by law (e.g., the Plan already provides for the recognition of service with Employers who have adopted this Plan as well as service with Affiliated Employers and predecessor Employers who maintained this Plan; skip to Question 16).
- b. Service with the designated employers is recognized as follows (select c. – e. and one or more of columns 1. - 3.; chose other options as applicable) (if more than 3 employers, attach an addendum to the Adoption Agreement or complete option h. under Section B of Appendix A):

	1.	2.	3.
Other Employer	Eligibility	Vesting	Contribution Allocation
c. <input type="checkbox"/> Employer name: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. <input type="checkbox"/> Employer name: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. <input type="checkbox"/> Employer name: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Limitations

- f. The following provisions or limitations apply with respect to the recognition of prior service: _____ (e.g., credit service with X only on/following 1/1/19)
- g. The following provisions or limitations apply with respect to the recognition of service with other employers: _____ (e.g., credit service with X only on/following 1/1/19 or credit all service with entities the Employer acquires after 12/31/18)

NOTE: If the other Employer(s) maintained this qualified Plan, then Years (and/or Periods) of Service with such Employer(s) must be recognized pursuant to Plan Sections 1.40 and 1.55 regardless of any selections above.

16. **SERVICE CREDITING METHOD (Plan Sections 1.40 and 1.55)**

- NOTE:** If any Plan provision is based on a Year of Service, then the provisions set forth in the definition of Year of Service in Plan Section 1.55 will apply, including the following defaults, except as otherwise elected below:
- 1. A Year of Service means completion of at least 1,000 Hours of Service during the applicable computation period.
 - 2. Hours of Service (Plan Section 1.24) will be based on actual Hours of Service except that for Employees for whom records of actual Hours of Service are not maintained or available (e.g., salaried Employees), the monthly equivalency will be used.
 - 3. For eligibility purposes, the computation period will be as defined in Plan Section 1.55 (i.e., shift to the Plan Year if the eligibility condition is one (1) Year of Service or less).
 - 4. For vesting, allocation, and distribution purposes, the computation period will be the Plan Year.
 - 5. Upon an Employee's rehire, all prior service with the Employer is taken into account for all purposes.

- a. **Elapsed time method.** (Period of Service applies instead of Year of Service) Instead of Hours of Service, elapsed time will be used for:
 - 1. all purposes (skip to Question 17)
 - 2. the following purposes (select one or more):
 - a. eligibility to participate
 - b. vesting
 - c. allocations, distributions and contributions

- b. **Alternative definitions for the Hours of Service method.** Instead of the defaults, the following alternatives will apply for the Hours of Service method (select one or more):
 - 1. **Eligibility computation period.** Instead of shifting to the Plan Year, the eligibility computation period after the initial eligibility computation period will be based on each anniversary of the date the Employee first completes an Hour of Service
 - 2. **Vesting computation period.** Instead of the Plan Year, the vesting computation period will be the date an Employee first performs an Hour of Service and each anniversary thereof.
 - 3. **Equivalency method.** Instead of using actual Hours of Service, an equivalency method will be used to determine Hours of Service for:
 - a. all purposes
 - b. the following purposes (select one or more):
 - 1. eligibility to participate
 - 2. vesting
 - 3. allocations, distribution and contributions

Such method will apply to:

 - c. all Employees
 - d. Employees for whom records of actual Hours of Service are not maintained or available (e.g., salaried Employees)
 - e. other: _____ (e.g., per-diem Employees only)

Hours of Service will be determined on the basis of:

 - f. days worked (10 hours per day)
 - g. weeks worked (45 hours per week)
 - h. semi-monthly payroll periods worked (95 hours per semi-monthly pay period)
 - i. months worked (190 hours per month)
 - j. bi-weekly payroll periods worked (90 hours per bi-weekly pay period)
 - k. other: _____ (e.g., option f. is used for per-diem Employees and option g. is used for on-call Employees).
 - 4. **Number of Hours of Service required.** Instead of 1,000 Hours of Service, Year of Service means the applicable computation period during which an Employee has completed at least _____ (not to exceed 1,000) Hours of Service for:
 - a. all purposes
 - b. the following purposes (select one or more):
 - 1. eligibility to participate
 - 2. vesting
 - 3. allocations, distributions and contributions

- c. **Alternative for counting all prior service.** Instead of the default which recognizes all prior service for rehired Employees, the Plan will not recognize prior service and rehired Employee are treated as new hires for the following purposes: (select one)
 - 1. all purposes
 - 2. the following purposes (select one or more):
 - a. eligibility to participate
 - b. vesting
 - c. sharing in allocations or contributions

- d. **Other service crediting provisions:** _____ (must be definitely determinable; e.g., for vesting a Year of Service is based on 1,000 Hours of Service but for eligibility a Year of Service is based on 900 Hours of Service.)

NOTE: Must not list more than 1,000 hours in this Section. This servicing credit provision will be used for:

- 1. All purposes
- 2. The following purposes (select one or more):
 - a. eligibility to participate
 - b. vesting
 - c. allocations, distributions and contributions

VESTING

17. VESTING OF PARTICIPANT'S INTEREST – EMPLOYER CONTRIBUTIONS (Plan Section 6.4(b))
- a. N/A (no Employer contributions; skip to Question 19)
 - b. The vesting provisions selected below apply. Section B of Appendix A can be used to specify any exceptions to the provisions below.

NOTE: The Plan provides that contributions for converted sick leave and/or vacation leave are fully Vested.

Vesting for Employer contributions other than matching contributions

- c. N/A (no Employer contributions (other than matching contributions); skip to f.)
- d. 100% vesting. Participants are 100% Vested in Employer contributions (other than matching contributions) upon entering Plan.
- e. The following vesting schedule, based on a Participant's Years of Service (or Periods of Service if the elapsed time method is selected), applies to Employer contributions (other than matching contributions):
 - 1. 6 Year Graded: 0-1 year-0%; 2 years-20%; 3 years-40%; 4 years-60%; 5 years-80%; 6 years-100%
 - 2. 4 Year Graded: 1 year-25%; 2 years-50%; 3 years-75%; 4 years-100%
 - 3. 5 Year Graded: 1 year-20%; 2 years-40%; 3 years-60%; 4 years-80%; 5 years-100%
 - 4. Cliff: 100% vesting after 3 (not to exceed 15) years
 - 5. Other graded vesting schedule (must provide for full vesting no later than 15 years of service; add additional lines as necessary)

Years (or Periods) of Service	Percentage
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%

Vesting for Employer matching contributions

- f. N/A (no Employer matching contributions)
- g. The schedule above will also apply to Employer matching contributions.
- h. 100% vesting. Participants are 100% Vested in Employer matching contributions upon entering Plan.
- i. The following vesting schedule, based on a Participant's Years of Service (or Periods of Service if the elapsed time method is selected), applies to Employer matching contributions:
 - 1. 6 Year Graded: 0-1 year-0%; 2 years-20%; 3 years-40%; 4 years-60%; 5 years-80%; 6 years-100%
 - 2. 4 Year Graded: 1 year-25%; 2 years-50%; 3 years-75%; 4 years-100%
 - 3. 5 Year Graded: 1 year-20%; 2 years-40%; 3 years-60%; 4 years-80%; 5 years-100%
 - 4. Cliff: 100% vesting after 3 (not to exceed 15) years
 - 5. Other graded vesting schedule (must provide for full vesting no later than 15 years of service; add additional lines as necessary)

Years (or Periods) of Service	Percentage
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%

NOTE: If any Part-time/Seasonal/Temporary Employees who are not covered under Social Security are participating in this Plan as a Social Security Replacement Plan, any contributions used to satisfy the minimum contribution requirements of Question 24.e. will be 100% vested.

18. VESTING OPTIONS

Excluded vesting service. The following Years of Service will be disregarded for vesting purposes (select all that apply; leave blank if none apply):

- a. Service prior to the initial Effective Date of the Plan or a predecessor plan (as defined in Regulations §1.411(a)-5(b)(3))
- b. Service prior to the computation period in which an Employee has attained age _____.
- c. Service during a period for which an Employee did not make mandatory Employee contributions.

Vesting for death, Total And Permanent Disability and Early/Normal Retirement. Regardless of the vesting schedule, a Participant will become fully Vested upon (select all that apply; leave blank if none apply):

- d. Death
- e. Total and Permanent Disability
- f. Early Retirement Date
- g. Normal Retirement Age

RETIREMENT AGES

19. NORMAL RETIREMENT AGE ("NRA") (Plan Section 1.33) means: 19
 This Question 19 and Question 20 may be skipped if the Plan does not base any benefits, distributions or other features on Normal Retirement Age.

- a. **Specific age.** The date a Participant attains age 62
- b. **Age/participation.** The later of the date a Participant attains age _____ or the _____ anniversary of the first day of the Plan Year in which participation in the Plan commenced
- c. Other: _____ (must be definitely determinable)

NOTE: If this is a Money Purchase Pension Plan and in-service distributions at Normal Retirement Age are permitted, then the Normal Retirement Age cannot be less than age 62, or age 50 if substantially all Participants are qualified public safety employees (as defined in Code §72(t)(1)). The "substantially all" requirement for qualified public safety employees will no longer be a requirement as of the effective date of the final regulations once they are issued & effective. If an age less than 62 is inserted (unless the age 50 safe harbor is applicable for a qualified public safety employee), no reliance will be afforded on the Opinion Letter issued to the Plan that such age is reasonably representative of the typical retirement age for the industry in which the Participants works. Effective for Employees hired during Plan Years beginning on or after the later of (1) January 1, 2015, or (2) the close of the first legislative session of the legislative body with the authority to amend the plan that begins on or after the date that is three (3) months after the final regulations are published in the Federal Register, an NRA of less than age 62 must comply with the final regulations under §401(a).

Qualified public safety employees. Normal Retirement Age for public safety employees (as defined in Code §72(t)(1)) (leave blank if not applicable)

- d. Age _____ (may not be less than 50 for a Money Purchase Pension Plan or 40 for a Profit Sharing Plan)

20. NORMAL RETIREMENT DATE (Plan Section 1.34) means, with respect to any Participant, the:

- a. date on which the Participant attains "NRA"
- b. first day of the month coinciding with or next following the Participant's "NRA"
- c. first day of the month nearest the Participant's "NRA"
- d. Anniversary Date coinciding with or next following the Participant's "NRA"
- e. Anniversary Date nearest the Participant's "NRA"
- f. Other: _____ (e.g., first day of the month following the Participant's "NRA").

21. EARLY RETIREMENT DATE (Plan Section 1.15)

- a. N/A (no early retirement provision provided)
- b. Early Retirement Date means the:
 - 1. date on which a Participant satisfies the early retirement requirements
 - 2. first day of the month coinciding with or next following the date on which a Participant satisfies the early retirement requirements
 - 3. Anniversary Date coinciding with or next following the date on which a Participant satisfies the early retirement requirements

Early retirement requirements

- 4. Participant attains age _____
AND, completes.... (leave blank if not applicable)
 - a. at least _____ Years (or Periods) of Service for vesting purposes
 - b. at least _____ Years (or Periods) of Service for eligibility purposes
- c. Early Retirement Date means: _____ (must be definitely determinable)

COMPENSATION

22. COMPENSATION with respect to any Participant is defined as follows (Plan Sections 1.10 and 1.23).

Base definition

- a. Wages, tips and other compensation on Form W-2
- b. Code §3401(a) wages (wages for withholding purposes)
- c. 415 safe harbor compensation

NOTE: Plan Section 1.10(c) provides that the base definition of Compensation includes deferrals that are not included in income due to Code §§401(k), 125, 132(f)(4), 403(b), 402(h)(1)(B)(SEP), 414(h)(2), & 457.

Determination period. Compensation will be based on the following "determination period" (this will also be the Limitation Year unless otherwise elected at option f. under Section B of Appendix A):

- d. the Plan Year
- e. the Fiscal Year coinciding with or ending within the Plan Year
- f. the calendar year coinciding with or ending within the Plan Year

Adjustments to Compensation (for Plan Section 1.10). Compensation will be adjusted by:

- g. **No adjustments** (skip to Question 23. below)
- h. **Adjustments.** Compensation will be adjusted by (select all that apply):
 - 1. excluding salary reductions (401(k), 125, 132(f)(4), 403(b), SEP, 414(h)(2) pickup, & 457)
 - 2. excluding reimbursements or other expense allowances, fringe benefits (cash or non-cash), moving expenses, deferred compensation (other than deferrals specified in 1. above) and welfare benefits.
 - 3. excluding Compensation paid during the "determination period" while not a Participant in the Plan.
 - 4. excluding Military Differential Pay
 - 5. excluding overtime
 - 6. excluding bonuses
 - 7. other: excluding Premium Holiday Worked Pay for all contribution types (e.g., describe Compensation from the elections available above or a combination thereof as to a Participant group (e.g., no exclusions as to Division A Employees and exclude bonuses as to Division B Employees); and/or describe another exclusion (e.g., exclude shift differential pay)).

23. POST-SEVERANCE COMPENSATION (415 REGULATIONS)

415 Compensation (post-severance compensation adjustments) (select all that apply at a.; leave blank if none apply)

NOTE: Unless otherwise elected under a. below, the following defaults apply: 415 Compensation will **include** (to the extent provided in Plan Section 1.23), post-severance regular pay, leave cash-outs and payments from nonqualified unfunded deferred compensation plans.

- a. The defaults listed above apply except for the following (select one or more):
 - 1. Leave cash-outs will be **excluded**
 - 2. Nonqualified unfunded deferred compensation will be **excluded**
 - 3. Disability continuation payments will be **included** for all Participants and the salary continuation will continue for the following fixed or determinable period: _____
 - 4. Other: _____ (must be definitely determinable)

Plan Compensation (post-severance compensation adjustments)

- b. **Defaults apply.** Compensation will **include** (to the extent provided in Plan Section 1.10 and to the extent such amounts would be included in Compensation if paid prior to severance of employment) post-severance regular pay, leave cash-outs, and payments from nonqualified unfunded deferred compensation plans. (skip to Question 24)
- c. **Exclude all post-severance compensation.** Exclude all post-severance compensation for allocation purposes.
- d. **Post-severance adjustments.** The defaults listed at b. apply except for the following (select one or more):
 - 1. Exclude all post-severance compensation
 - 2. Regular pay will be **excluded**
 - 3. Leave cash-outs will be **excluded**
 - 4. Nonqualified unfunded deferred compensation will be **excluded**
 - 5. Military Differential Pay will be **included**
 - 6. Disability continuation payments will be **included** for all Participants and the salary continuation will continue for the following fixed or determinable period: _____
- e. Other: _____ (must be definitely determinable)

CONTRIBUTIONS AND ALLOCATIONS

24. EMPLOYER CONTRIBUTIONS (OTHER THAN MATCHING CONTRIBUTIONS) (Plan Section 4.1(b)(3)) (skip to Question 26 if Employer contributions are NOT selected at Question 11.b.)

CONTRIBUTION FORMULA (select one or more of the following contribution formulas:)

- a. **Discretionary contribution (no groups).** (may not be elected if this Plan is a Money Purchase Pension Plan) The Employer may make a discretionary contribution, to be determined by the Employer. Any such contribution will be allocated to each Participant eligible to share in allocations in the same ratio as each Participant's Compensation bears to the total of such Compensation of all Participants.
- b. **Discretionary contribution (Grouping method).** (may not be elected if this Plan is a Money Purchase Pension Plan) The Employer may designate a discretionary contribution to be made on behalf of each Participant group selected below (only select 1. or 2.). The groups must be clearly defined in a manner that will not violate the definite predetermined allocation formula requirement of Regulation §1.401-1(b)(1)(ii). The Employer must notify the Trustee in writing of the amount of the Employer Contribution being given to each group.
 - 1. Each Participant constitutes a separate classification.
 - 2. Participants will be divided into the following classifications with the allocation methods indicated under each classification.

Definition of classifications. Define each classification and specify the method of allocating the contribution among members of each classification. Classifications specified below must be clearly

defined in a manner that will not violate the definitely determinable allocation requirement of Regulation §1.401-1(b)(1)(ii).

Classification A will consist of _____
The allocation method will be: pro rata based on Compensation
 equal dollar amounts (per capita)

Classification B will consist of _____
The allocation method will be: pro rata based on Compensation
 equal dollar amounts (per capita)

Classification C will consist of _____
The allocation method will be: pro rata based on Compensation
 equal dollar amounts (per capita)

Classification D will consist of _____
The allocation method will be: pro rata based on Compensation
 equal dollar amounts (per capita)

Additional Classifications: _____ (specify the classifications and which of the above allocation methods (pro rata or per capita) will be used for each classification).

NOTE: If more than four (4) classifications, the additional classifications and allocation methods may be attached as an addendum to the Adoption Agreement or may be entered under Additional Classifications above.

Determination of applicable group. If a Participant shifts from one classification to another during a Plan Year, then unless selected below, the Participant is in a classification based on the Participant's status as of the last day of the Plan Year, or if earlier, the date of termination of employment. If selected below, the Administrator will apportion the Participant's allocation during a Plan Year based on the following:

- a. Beginning of Plan Year. The classification will be based on the Participant's status as of the beginning of the Plan Year.
- b. Months in each classification. Pro rata based on the number of months the Participant spent in each classification.
- c. Days in each classification. Pro rata based on the number of days the Participant spent in each classification.
- d. One classification only. The Employer will direct the Administrator to place the Participant in only one classification for the entire Plan Year during which the shift occurs.

c. **Fixed contribution** equal to (only select one):

1. _____% of each Participant's Compensation for each:

- a. Plan Year
- b. calendar quarter
- c. month
- d. pay period
- e. week

2. \$_____ per Participant.

3. \$_____ per Hour of Service worked while an Eligible Employee

a. up to _____ hours (leave blank if no limit)

4. other: _____ (the formula described must satisfy the definitely determinable requirement under Regulation §1.401-1(b)) **NOTE:** Under Question 24.c.4., the Employer may only describe the allocation of Nonelective Contributions from the elections available under Question 24.c of this Adoption Agreement and/or a combination thereof as to a Participant group (e.g., a monthly contribution applies to Group A).

d. **Sick leave/vacation leave conversion.** The Employer will contribute an amount equal to an Employee's current hourly rate of pay multiplied by the Participant's number of unused accumulated sick leave and/or vacation days (as selected below). Only unpaid sick and vacation leave for which the Employee has no right to receive in cash may be included. In no event will the Employer's contribution for the Plan Year exceed the maximum contribution permitted under Code §415(c).

The following may be converted under the Plan: (select one or both):

- 1. Sick leave
- 2. Vacation leave

Eligible Employees. Only the following Participants shall receive the Employer contribution for sick leave and/or vacation leave (select 3. and/or 4; leave blank if no limitations provided, however, that this Plan may not be used to only provide benefits for terminated Employees)

3. **Former Employees.** All Employees terminating service with the Employer during the Plan Year and who have satisfied the eligibility requirements based on the terms of the Employer's accumulated benefits plans checked below (select all that apply; leave blank if no exclusions):

- a. The Former Employee must be at least age _____ (e.g., 55)
- b. The value of the sick and/or vacation leave must be at least \$_____ (e.g., \$2,000)
- c. A contribution will only be made if the total hours is over _____ (e.g., 10) hours
- d. A contribution will not be made for hours in excess of _____ (e.g., 40) hours

4. **Active Employees.** Active Employees who have not terminated service during the Plan Year and who meet the following requirements (select all that apply; leave blank if no exclusions):
- a. The Employee must be at least age _____ (e.g., 55)
 - b. The value of the sick and/or vacation leave must be at least \$_____ (e.g., \$2,000)
 - c. A contribution will only be made if the total hours is over _____ (e.g., 10) hours
 - d. A contribution will not be made for hours in excess of _____ (e.g., 40) hours
- e. **Social Security Replacement Plan.** Except as provided below, the Employer will contribute an amount equal to 7.5% of each eligible Participant's Compensation for the entire Plan Year, reduced by mandatory Employee contributions that are picked-up under Code §414(h) and Employer contributions to this Plan actually contributed to the Participant's Account during such Plan Year. (may only be selected if Question 11.b.1. has also been selected) **AND**, only the following Employees will NOT be eligible for the Social Security Replacement Plan contribution: (select all that apply)
1. Part-time Employees who are not otherwise covered by another qualifying public retirement system as defined for purposes of Regulation §31.3121(b)(7)-2. A part-time Employee is an Employee whose regularly scheduled service is less than _____ Hours of Service in the relevant eligibility computation period (as defined in Plan Section 1.55).
 2. Seasonal Employees who are not otherwise covered by another qualifying public retirement system as defined for purposes of Regulation §31.3121(b)(7)-2. A seasonal Employee is an Employee who is categorized as a seasonal Employee on the Employer's payroll records.
 3. Temporary Employees who are not otherwise covered by another qualifying public retirement system as defined for purposes of Regulation §31.3121(b)(7)-2. A temporary Employee is an Employee who is categorized as a temporary Employee on the Employer's payroll records.
 4. Employees in elective positions (filled by an election, which may be by legislative body, board or committee, or by a jurisdiction's qualified electorate)
 5. Other: _____ (any other group of Employees that is definitely determinable and not eligible for the Social Security Replacement Plan contribution).

The minimum contribution of 7.5% stated above will be satisfied by:

- a. the Employee only (specify the contribution at the mandatory Employee contributions Question 30)
- b. the Employer only
- c. both the Employee and the Employer. The Employee shall contribute the amount specified in Question 30 for mandatory Employee contributions) and the Employer shall contribute _____% of each eligible Participant's Compensation.

NOTE: If a. or c. above is selected, then the mandatory Employee contribution must be picked-up by the Employer at Question 30. Also, if b. or c. above is selected, then the allocation conditions in Question 25 below do not apply to the Employer contribution made pursuant to this provision.

- f. Other: _____ (the formula described must satisfy the definitely determinable requirement under Regulation §1.401-1(b) and if this is a Money Purchase Pension, it must not be a discretionary contribution formula). **NOTE:** Under Question 24.f., the Employer may only describe the allocation of Nonelective Contributions from the elections available under Question 24 and/or a combination thereof as to a Participant group or contribution type (e.g., pro rata allocation applies to Group A; contributions to other Employees will be allocated in accordance with the classifications allocation provisions of Plan Section 4.3 with each Participant constituting a separate classification).

25. ALLOCATION CONDITIONS (Plan Section 4.3). If 24.a., b., c., or f. is selected above, indicate requirements to share in allocations of Employer contributions (select a. OR b. and all that apply at c. - e.)

- a. **No conditions.** All Participants share in the allocations regardless of service completed during the Plan Year or employment status on the last day of the Plan Year (skip to Question 26).
- b. **Allocation conditions apply** (select one of 1. - 5. AND one of 6. - 9. below)
Conditions for Participants NOT employed on the last day of the Plan Year
 1. A Participant must complete at least _____ (not to exceed 500) Hours of Service if the actual hours/equivalency method is selected (or at least _____ (not to exceed 3) months of service if the elapsed time method is selected).
 2. A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
 3. Participants will NOT share in the allocations, regardless of service.
 4. Participants will share in the allocations, regardless of service.
 5. Other: as follows: Participants will NOT share in allocations unless the Participant has met the earliest Retirement Age among the Employer's retirement plans for which the Participant is eligible (must be definitely determinable and not subject to Employer discretion)

Conditions for Participants employed on the last day of the Plan Year

6. No service requirement.
7. A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).

- 8. A Participant must complete at least 1,000 Hours of Service during the Plan Year.
- 9. Other: _____ (must be definitely determinable and not subject to Employer discretion)

Waiver of conditions for Participants NOT employed on the last day of the Plan Year. If b.1., 2., 3., or 5. above is selected, Participants who are not employed on the last day of the Plan Year in which one of the following events occur will be eligible to share in the allocations regardless of the above conditions (select all that apply; leave blank if none apply):

- c. Death
- d. Total and Permanent Disability
- e. Termination of employment on or after Normal Retirement Age
 - 1. or Early Retirement Date

26. EMPLOYER MATCHING CONTRIBUTIONS (Plan Section 4.1(b)(2) and Plan Section 4.12). (skip to Question 29 if matching contributions are NOT selected at Question 11.c.) The Employer will (or may with respect to any discretionary contribution) make the following matching contributions:

A. **Employee contributions taken into account.** For purposes of applying the matching contribution provisions below, the following amounts are being matched (hereafter referred to as "matched Employee contributions" (select one or more):

- a. Elective deferrals to a **457 plan**. Enter Plan name(s): Town of Jupiter Island Deferred Compensation Plan
- b. Elective deferrals to a **403(b) plan**. Enter Plan name(s): _____
- c. Voluntary Employee Contributions
- d. Other: _____ (specify amounts that are matched under this Plan and are provided for within this Adoption Agreement)

B. **Matching Formula.** (select one)

- e. **Fixed - uniform rate/amount.** The Employer will make matching contributions equal to _____% (e.g., 50) of the Participant's "matched Employee contributions"
 - 1. that do not exceed _____% of a Participant's Compensation (leave blank if no limit)
Additional matching contribution (choose 2. if applicable):
 - 2. plus an additional matching contribution of a discretionary percentage determined by the Employer,
 - a. but not to exceed _____% of Compensation. Such contribution is subject to the Instructions and Notice requirement of Section 4.12.

f. **Fixed - tiered.** The Employer will make matching contributions equal to a uniform percentage of each tier of each Participant's "matched Employee contributions", determined as follows:

NOTE: Fill in only percentages or dollar amounts, but not both. If percentages are used, each tier represents the amount of the Participant's applicable contributions that equals the specified percentage of the Participant's Compensation (add additional tiers if necessary):

Tiers of Contributions (indicate \$ or %)	Matching Percentage
First _____	_____ %
Next _____	_____ %
Next _____	_____ %
Next _____	_____ %

g. **Fixed - Years of Service.** The Employer will make matching contributions equal to a uniform percentage of each Participant's "matched Employee contributions" based on the Participant's Years of Service (or Periods of Service if the elapsed time method is selected), determined as follows (add additional tiers if necessary):

Years (or Periods) of Service	Matching Percentage
_____	_____ %
_____	_____ %
_____	_____ %

For purposes of the above matching contribution formula, a Year (or Period) of Service means a Year (or Period) of Service for:

- 1. vesting purposes
- 2. eligibility purposes

h. **Flexible Discretionary Match.** (may not be elected if this Plan is a Money Purchase Pension Plan) "Flexible Discretionary Match" means a Matching Contribution which the Employer in its sole discretion elects to make to the Plan. Except as specified below, the Employer retains discretion over the formula or formulas for allocating the Flexible Discretionary Match, including the Discretionary Matching Contribution rate or amount, the limit(s) on Elective Deferrals or Employee Contributions subject to match, the per Participant match allocation limit(s), the Participants or categories of Participants who will receive the allocation, and the time period applicable to any matching formula(s) (collectively, the "Flexible Discretionary Matching Formula"), except as the Employer otherwise elects in its Adoption Agreement. Such contributions will be subject to the Instructions and Notice requirement of Section 4.12, reproduced below, unless the Employer elects to use a "Rigid Discretionary Match" in Election 26.B.h.1. below.

The discretionary matching contribution under this Question 26.B.h. is a "Flexible Discretionary Match" unless the Employer elects to use a "Rigid Discretionary Match." (Choose 1. if applicable.)

1. **Rigid Discretionary Match.** A "Rigid Discretionary Match" means a Matching Contribution which the Employer in its sole discretion elects to make to the Plan. Such discretion will only pertain to the amount of the annual contribution. The Employer must select the allocation method for this Contribution by selecting among those Adoption Agreement options which confer no Employer Discretion regarding the allocation of such discretionary amount, for example, the limit(s) on Elective Deferrals or Employee Contributions subject to match, the per Participant match allocation limit(s), the Participants who will receive the allocation, and the time period applicable to any matching formula(s). This "Rigid Discretionary Match" is not subject to the Instructions and Notice requirement of Section 4.12.

Section 4.12 provides: INSTRUCTIONS TO ADMINISTRATOR AND NOTIFICATION TO PARTICIPANTS. For Plan Years beginning after the end of the Plan Year in which this document is first adopted, if a "Flexible Discretionary Match" contribution formula applies (i.e., a formula that provides an Employer with discretion regarding how to *allocate* a matching contribution to Participants) and the Employer makes a "Flexible Discretionary Match" to the Plan, the Employer must provide the Plan Administrator or Trustee written instructions describing (1) how the "Flexible Discretionary Match" formula will be allocated to Participants (e.g., a uniform percentage of Elective Deferrals or a flat dollar amount), (2) the computation period(s) to which the "Flexible Discretionary Match" formula applies, and (3) if applicable, a description of each business location or business classification subject to separate "Flexible Discretionary Match" allocation formulas. Such instructions must be provided no later than the date on which the "Flexible Discretionary Match" is made to the Plan. A summary of these instructions must be communicated to Participants who receive an allocation of the "Flexible Discretionary Match" no later than 60 days following the date on which the last "Flexible Discretionary Match" contribution is made to the Plan for the Plan Year.

- i. **Discretionary - tiered.** (may not be elected if this Plan is a Money Purchase Pension Plan) The Employer may make matching contributions equal to a discretionary percentage of a Participant's "matched Employee contributions," to be determined by the Employer, of each tier, to be determined by the Employer. Such discretion will only pertain to the amount of the contribution. The tiers may be based on the rate of a Participant's "matched Employee contributions" or Years of Service. Such contribution is subject to the Instructions and Notice requirement of Section 4.12.

NOTE: Fill in only percentages or dollar amounts, but not both. If percentages are used, each tier represents the amount of the Participant's applicable contributions that equals the specified percentage of the Participant's Compensation (add additional tiers if necessary):

Tiers of Contributions (indicate \$ or %)	Matching Percentage
First _____	_____ %
Next _____	_____ %
Next _____	_____ %
Next _____	_____ %

- j. Other: _____ (the formula described must satisfy the definitely determinable requirement under Regulation §1.401-1(b) and if this is a Money Purchase Pension Plan, it must not be a discretionary contribution formula. **NOTE:** Under Question 26.B.j., the Employer may only describe the allocation of Matching Contributions from the elections available under Question 26 and/or a combination thereof as to a Participant group or contribution type (e.g., fixed – uniform rate applies to Group A; contributions to other Employees will be allocated as a tiered contribution.)

27. MATCHING CONTRIBUTION PROVISIONS

- A. **Maximum matching contribution.** The total matching contribution made on behalf of any Participant for any Plan Year will not exceed:
- a. N/A (no Plan specific limit on the amount of matching contribution)
 - b. \$_____.
 - c. 10 % of Compensation.

- B. **Period of determination.** Any matching contribution other than a "Flexible Discretionary Match" will be applied on the following basis (and "matched Employee contributions" and any Compensation or dollar limitation used in determining the matching contribution will be based on the applicable period. Skip if the only Matching Contribution is a Flexible Discretionary Match.):
- d. the Plan Year (potential annual true-up required)
 - e. each payroll period (no true-up)
 - f. each month (potential monthly true-up required)
 - g. each Plan Year quarter (potential quarterly true-up required)
 - h. each payroll unit (e.g., hour) (no true-up)
 - i. Other (specify): _____ The time period described must be definitely determinable under Treas. Reg. §1.401-1(b). This line may be used to apply different options to different matching contributions (e.g., Discretionary matching contributions will be allocated on a Plan Year period while fixed

matching contributions will be allocated on each payroll period.) Such contribution period is subject to the Instructions and Notice requirement of Section 4.12.

28. ALLOCATION CONDITIONS (Plan Section 4.3) Select a. OR b. and all that apply of c. - h.
- a. **No conditions.** All Participants share in the allocations regardless of service completed during the Plan Year or employment status on the last day of the Plan Year (skip to Question 29).
 - b. **Allocation conditions apply** (select one of 1. - 5. AND one of 6. - 9. below)
Conditions for Participants NOT employed on the last day of the Plan Year.
 - 1. A Participant must complete more than _____ Hours of Service (or _____ months of service if the elapsed time method is selected).
 - 2. A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
 - 3. Participants will NOT share in the allocations, regardless of service.
 - 4. Participants will share in the allocations, regardless of service.
 - 5. Other: as follows: Participants will NOT share in allocations unless the Participant has met the earliest Retirement Age among the Employer's retirement plans for which the Participant is eligible (must be definitely determinable)

Conditions for Participants employed on the last day of the Plan Year

- 6. No service requirement.
- 7. A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
- 8. A Participant must complete at least 1 Hours of Service during the Plan Year.
- 9. Other: _____ (must be definitely determinable and not subject to Employer discretion)

Waiver of conditions for Participants NOT employed on the last day of the Plan Year. If b.1., 2., 3., or 5. is selected, Participants who are not employed on the last day of the Plan Year in which one of the following events occur will be eligible to share in the allocations regardless of the above conditions (select all that apply; leave blank if none apply):

- c. Death
- d. Total and Permanent Disability
- e. Termination of employment on or after Normal Retirement Age
 - 1. or Early Retirement Date

Conditions based on period other than Plan Year. The allocation conditions above will be applied based on the Plan Year unless otherwise selected below. If selected, the above provisions will be applied by substituting the term Plan Year with the specified period (e.g., if Plan Year quarter is selected below and the allocation condition is 250 Hours of Service per quarter, enter 250 hours (not 1000) at b.8. above).

- f. The Plan Year quarter.
- g. Payroll period.
- h. Other: _____ (must be definitely determinable and not subject to Employer discretion and may not be longer than a twelve month period).

29. FORFEITURES (Plan Sections 1.21 and 4.3(e))

Timing of Forfeitures. Except as provided in Plan Section 1.21, a Forfeiture will occur:

- a. N/A (may only be selected if all contributions are fully Vested (default provisions at Plan Section 4.3(e) apply))
- b. As of the earlier of (1) the last day of the Plan Year in which the former Participant incurs five (5) consecutive 1-Year Breaks in Service, or (2) the distribution of the entire Vested portion of the Participant's Account.
- c. As of the last day of the Plan Year in which the former Participant incurs five (5) consecutive 1-Year Breaks in Service.
- d. As soon as reasonably practical after the date the Participant severs employment.

Use of Forfeitures. (skip if this is NOT a Money Purchase Pension Plan; for Profit Sharing Plans, Forfeitures are disposed of in accordance with Employer direction that is consistent with Section 4.3(e)).

Forfeitures will be (select one):

- e. added to the Employer contribution and allocated in the same manner
- f. used to reduce any Employer contribution
- g. allocated to all Participants eligible to share in the allocations of Employer contributions or Forfeitures in the same proportion that each Participant's Compensation for the Plan Year bears to the Compensation of all Participants for such year
- h. other: _____ (describe the treatment of Forfeitures in a manner that is definitely determinable and that is not subject to Employer discretion)

30. MANDATORY EMPLOYEE CONTRIBUTIONS (Plan Section 4.8) (skip if mandatory Employee contributions NOT selected at Question 11.d.)

Type of mandatory Employee Contribution. The mandatory Employee contribution is being made in accordance with the following: (select one)

- a. [] The mandatory Employee contribution is a condition of employment.
b. [] The Employee must make, on or before first being eligible to participate under any Plan of the Employer, an irrevocable election to contribute the mandatory Employee contribution to the Plan. No Eligible Employee will become a Participant unless the Employee makes such an irrevocable election.

Amount of mandatory Employee Contribution (select one)

- c. [] An Eligible Employee must contribute to the Plan ____% (not to exceed 25%) of Compensation.
d. [] An Eligible Employee must, prior to his or her first Entry Date, make a one-time irrevocable election to contribute to the Plan from ____% (not less than 1%) to ____% (not to exceed 25%) of Compensation.

Conditions of Mandatory Employee Contributions

- e. [] Additional provisions and conditions: _____ (must be definitely determinable; e.g., Only full-time Employees must make mandatory Employee contributions)

Employer pick-up contribution. The mandatory Employee contribution is "picked-up" by the Employer under Code §414(h)(2) unless elected below. (select if applicable)

- f. [] The mandatory Employee contribution is not "picked-up" by the Employer.

DISTRIBUTIONS

31. FORM OF DISTRIBUTIONS (Plan Sections 6.5 and 6.6)

Distributions under the Plan may be made in (select all that apply; must select at least one):

- a. [X] lump-sums
b. [X] substantially equal installments
c. [X] partial withdrawals, provided the minimum withdrawal is \$_____ (leave blank if no minimum)
d. [] partial withdrawals or installments are only permitted for Participants or Beneficiaries who must receive required minimum distributions under Code §401(a)(9) except for the following (leave blank if no exceptions):
1. [] Only Participants (and not Beneficiaries) may elect partial withdrawals or installments
2. [] Other: _____ (e.g., partial is not permitted for death benefits. Must be definitely determinable and not subject to Employer discretion.)
e. [] annuity: _____ (describe the form of annuity or annuities)
f. [] other: _____ (must be definitely determinable and not subject to Employer discretion)

NOTE: Regardless of the above, a Participant is not required to request a withdrawal of his or her total Account for an in-service distribution, a hardship distribution, or a distribution from the Participant's Rollover Account.

Cash or property. Distributions may be made in:

- g. [X] cash only, except for (select all that apply; leave blank if none apply):
1. [] insurance Contracts
2. [] annuity Contracts
3. [] Participant loans
4. [] all investments in an open brokerage window or similar arrangement
h. [] cash or property, except that the following limitation(s) apply: (leave blank if there are no limitations on property distributions):
1. [] _____ (must be definitely determinable and not subject to Employer discretion)

Joint and Survivor Annuity provisions. (Plan Sections 6.5(e) and 6.6(e) (select one) The Joint and Survivor Annuity provisions do not apply to the Plan unless selected below (choose if applicable)

- i. [] Joint and Survivor Annuity applicable as normal form of distribution. The Joint and Survivor annuity rules set forth in Plan Sections 6.5(e) and 6.5(f) apply to all Participants (if selected, then annuities are a form of distribution under the Plan even if e. above is not selected)
j. [] Joint and Survivor Annuity rules apply based on Participant election. Plan Section 6.5(f) will apply and the joint and survivor rules of Code §§401(a)(11) and 417 (as set forth in Plan Sections 6.5(e) and 6.6(e) will apply only if an annuity form of distribution is selected by a Participant.

AND, if i. or j. is selected above, the one-year marriage rule does not apply unless selected below (choose if applicable).

- 1. [] The one-year marriage rule applies.

Spousal consent requirements. Spousal consent is not required for any Plan provisions (except as otherwise elected in i. above for the joint and survivor annuity rules) unless selected below (choose if applicable)

- k. [] Required for all distributions. A Spouse must consent to all distributions (other than required minimum distributions).

- l. **Beneficiary designations.** A married Participant's Spouse will be the Beneficiary of the entire death benefit unless the Spouse consents to an alternate Beneficiary.

AND, if k. or l. is selected, the one-year marriage rule does not apply unless selected below (choose if applicable).

1. The one-year marriage rule applies.

32. **CONDITIONS FOR DISTRIBUTIONS UPON SEVERANCE OF EMPLOYMENT.** Distributions upon severance of employment pursuant to Plan Section 6.4(a) will not be made unless the following conditions have been satisfied:

A. **Accounts in excess of \$5,000**

- a. Distributions may be made as soon as administratively feasible following severance of employment.
 b. Distributions may be made as soon as administratively feasible after the last day of the Plan Year coincident with or next following severance of employment.
 c. Distributions may be made as soon as administratively feasible after the last day of the Plan Year quarter coincident with or next following severance of employment.
 d. Distributions may be made as soon as administratively feasible after the Valuation Date coincident with or next following severance of employment.
 e. Distributions may be made as soon as administratively feasible after _____ months have elapsed following severance of employment.
 f. No distributions may be made until a Participant has reached Early or Normal Retirement Date.
 g. Other: _____ (must be objective conditions which are ascertainable and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

B. **Accounts of \$5,000 or less**

- h. Same as above
 i. Distributions may be made as soon as administratively feasible following severance of employment.
 j. Distributions may be made as soon as administratively feasible after the last day of the Plan Year coincident with or next following severance of employment.
 k. Other: _____ (must be objective conditions which are ascertainable and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

C. **Timing after initial distributable event.** If a distribution is not made in accordance with the above provisions upon the occurrence of the distributable event, then a Participant may elect a subsequent distribution at any time after the time the amount was first distributable (assuming the amount is still distributable), unless otherwise selected below (may not be selected with 32.f. and 32.h.):

- l. Other: _____ (e.g., a subsequent distribution request may only be made in accordance with l. above (i.e., the last day of another Plan Year); must be objective conditions which are ascertainable and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

D. **Participant consent (i.e., involuntary cash-outs).** Should Vested Account balances less than a certain dollar threshold be automatically distributed without Participant consent (mandatory distributions)?

NOTE: The Plan provides that distributions of amounts of \$5,000 or less are only paid as lump-sums.

- m. No, Participant consent is required for all distributions.
 n. Yes, Participant consent is required only if the distribution is over:
 1. \$5,000
 2. \$1,000
 3. \$_____ (less than \$1,000)

NOTE: If 2. or 3. is selected, rollovers will be included in determining the threshold for Participant consent.

Automatic IRA rollover. With respect to mandatory distributions of amounts that are \$1,000 or less, if a Participant makes no election, the amount will be distributed as a lump-sum unless selected below.

4. If a Participant makes no election, then the amount will be automatically rolled over to an IRA provided the amount is at least \$ 1.00 (e.g., \$200).

E. **Rollovers in determination of \$5,000 threshold.** Unless otherwise elected below, amounts attributable to rollover contributions (if any) will be **included** in determining the \$5,000 threshold for timing of distributions, form of distributions, or consent rules.

- o. Exclude rollovers (rollover contributions will be **excluded** in determining the \$5,000 threshold)

NOTE: Regardless of the above election, if the Participant consent threshold is \$1,000 or less, then the Administrator must include amounts attributable to rollovers for such purpose. In such case, an election to exclude rollovers above will apply for purposes of the timing and form of distributions.

33. **DISTRIBUTIONS UPON DEATH (Plan Section 6.8(b)(2))**

Distributions upon the death of a Participant prior to the "required beginning date" will:

- a. be made pursuant to the election of the Participant or "designated Beneficiary"
 b. begin within 1 year of death for a "designated Beneficiary" and be payable over the life (or over a period not exceeding the "life expectancy") of such Beneficiary, except that if the "designated Beneficiary" is the Participant's Spouse, begin prior to December 31st of the year in which the Participant would have attained age 70 1/2
 c. be made within 5 (or if lesser _____) years of death for all Beneficiaries

- d. be made within 5 (or if lesser _____) years of death for all Beneficiaries, except that if the "designated Beneficiary" is the Participant's Spouse, begin prior to December 31st of the year in which the Participant would have attained age 70 1/2 and be payable over the life (or over a period not exceeding the "life expectancy") of such "surviving Spouse"

NOTE: The elections above must be coordinated with the Form of distributions (e.g., if the Plan only permits lump-sum distributions, then options a., b. and d. would not be applicable).

34. OTHER PERMITTED DISTRIBUTIONS (select all that apply; leave blank if none apply)

A. IN-SERVICE DISTRIBUTIONS (Plan Section 6.11)

In-service distributions will NOT be allowed (except as otherwise permitted under the Plan without regard to this provision) unless selected below (if applicable, answer a. - e.; leave blank if not applicable):

- a. In-service distributions may be made to a Participant who has not separated from service provided the following has been satisfied (select one or more) (options 2. - 5. may only be selected with Profit Sharing Plans):
1. Age. The Participant has reached: (select one)
 - a. Normal Retirement Age
 - b. age 62
 - c. age 59 1/2 (may not be selected if a Money Purchase Pension Plan)
 - d. age _____ (may not be less than age 62 for Money Purchase Pension Plans)
 2. the Participant has been a Participant in the Plan for at least _____ years (may not be less than five (5))
 3. the amounts being distributed have accumulated in the Plan for at least 2 years
 4. other: _____ (must satisfy the definitely determinable requirement under Regulations §401-1(b); may not be subject to Employer discretion; and must be limited to a combination of items a.1. – a.3. or a Participant's disability.)

More than one condition. If more than one condition is selected above, then a Participant only needs to satisfy one of the conditions, unless selected below:

5. A Participant must satisfy each condition

NOTE: Distributions from a Transfer Account attributable to a Money Purchase Pension Plan are not permitted prior to age 62.

Account restrictions. In-service distributions are permitted from the following Participant Accounts:

- b. all Accounts
- c. only from the following Accounts (select one or more):
1. Account attributable to Employer matching contributions
 2. Account attributable to Employer contributions other than matching contributions
 3. Rollover Account
 4. Transfer Account
Permitted from the following assets attributable to (select one or both):
 - a. non-pension assets
 - b. pension assets (e.g., from a Money Purchase Pension Plan)
 5. Mandatory Employee Contribution Account
 6. Other: Rollover Accounts are distributable at any time (specify Account(s) and conditions in a manner that satisfies the definitely determinable requirement under Regulation §1.401-1(b) and is not subject to Employer discretion)

Limitations. The following limitations apply to in-service distributions:

- d. N/A (no additional limitations)
- e. Additional limitations (select one or more):
1. The minimum amount of a distribution is \$_____.
 2. No more than _____ distribution(s) may be made to a Participant during a Plan Year.
 3. Distributions may only be made from Accounts which are fully Vested.
 4. In-service distributions may be made subject to the following provisions: _____ (must satisfy the definitely determinable requirement under Regulation §1.401-1(b) and not be subject to Employer discretion).

B. HARDSHIP DISTRIBUTIONS (Plan Sections 6.12) (may not be selected if this is a Money Purchase Pension Plan)

Hardship distributions will NOT be allowed (except as otherwise permitted under the Plan without regard to this provision) unless selected below (leave blank if not applicable):

f. Hardship distributions are permitted from the following Participant Accounts:

1. all Accounts
2. only from the following Accounts (select one or more):
 - a. Account attributable to Employer matching contributions
 - b. Account attributable to Employer contributions other than matching contributions
 - c. Rollover Account (if not available at any time under Question 36)
 - d. Transfer Account (other than amounts attributable to a money purchase pension plan)
 - e. Mandatory Employee Contribution Account
 - f. Other: _____ (specify Account(s) and conditions in a manner that is definitely determinable and not subject to Employer discretion)

NOTE: Hardship distributions are NOT permitted from a Transfer Account attributable to pension assets (e.g., from a Money Purchase Pension Plan).

Additional limitations. The following limitations apply to hardship distributions:

- 3. N/A (no additional limitations)
- 4. Additional limitations (select one or more):
 - a. The minimum amount of a distribution is \$_____.
 - b. No more than _____ distribution(s) may be made to a Participant during a Plan Year.
 - c. Distributions may only be made from Accounts which are fully Vested.
 - d. A Participant does not include a Former Employee at the time of the hardship distribution.
 - e. Hardship distributions may be made subject to the following provisions: The Participant must demonstrate a financial hardship by providing any documentation the Administrator deems necessary to approve the hardship distribution (e.g. actual medical bills) (must satisfy the definitely determinable requirement under Regulation §1.401-1(b) and not be subject to Employer discretion).

Beneficiary Hardship. Hardship distributions for Beneficiary expenses are NOT allowed unless otherwise selected below.

- 5. Hardship distributions for expenses of Beneficiaries are allowed
Special effective date (may be left blank if effective date is same as the Plan or Restatement Effective Date; select a. and, if applicable, b.)
 - a. effective as of August 17, 2006
 - b. eliminated effective as of November 5, 2014 .

MISCELLANEOUS

- 35. LOANS TO PARTICIPANTS (Plan Section 7.4)
 - a. New loans are NOT permitted.
 - b. New loans are permitted.

NOTE: Regardless of whether new loans are permitted, if the Plan permits rollovers and/or plan-to-plan transfers, then the Administrator may, in a uniform manner, accept rollovers and/or plan-to-plan transfers of loans into this Plan.
- 36. ROLLOVERS (Plan Section 4.6) (skip if rollover contributions are NOT selected at 11.f.)

Eligibility. Rollovers may be accepted from all Participants who are Employees as well as the following (select all that apply; leave blank if not applicable):

 - a. Any Eligible Employee, even prior to meeting eligibility conditions to be a Participant
 - b. Participants who are Former Employees

Distributions. When may distributions be made from a Participant's Rollover Account?

 - c. At any time
 - d. Only when the Participant is otherwise entitled to any distribution under the Plan
- 37. **HEART ACT** (Plan Section 4.11) (select one or more)
 - a. **HEART ACT Continued benefit accruals.** Continued benefit accruals will apply
 - b. **Distributions for deemed severance of employment.** The Plan permits distributions for deemed severance of employment.

Reliance on Provider Opinion Letter. The Provider has obtained from the IRS an Opinion Letter specifying the form of this document satisfies Code §401 as of the date of the Opinion Letter. An adopting Employer may rely on the Provider's IRS Opinion Letter *only* to the extent provided in Rev. Proc. 2017-41 or subsequent guidance. The Employer may not rely on the Opinion Letter in certain other circumstances or with respect to certain qualification requirements, which are specified in the Opinion Letter and in Rev. Proc. 2017-41 or subsequent guidance. In order to have reliance in such circumstances or with respect to such qualification requirements, the Employer must apply for a determination letter to Employee Plans Determinations of the IRS.

An Employer who has ever maintained or who later adopts an individual medical account, as defined in Code §415(l)(2) in addition to this Plan may not rely on the opinion letter issued by the Internal Revenue Service with respect to the requirements of Code§415.

This Adoption Agreement may be used only in conjunction with the basic Plan document #03. This Adoption Agreement and the basic Plan document will together be known as Newport Group, Inc. Non-Standardized Governmental 401(a) Pre-Approved Plan #03-001.

The adoption of this Plan, its qualification by the IRS, and the related tax consequences are the responsibility of the Employer and its independent tax and legal advisors.

Execution for Page Substitution Amendment Only. If this paragraph is completed, this Execution Page documents an amendment to Adoption Agreement Election(s) _____ effective _____, by substitute Adoption Agreement page number(s) _____. The Employer should retain all Adoption Agreement Execution Pages and amended pages. (*Note: The Effective Date may be retroactive or may be prospective.*)

The Provider, Newport Group, Inc. will notify the Employer of any amendment to this Pre-approved Plan or of any abandonment or discontinuance by the Provider of its maintenance of this Pre-approved Plan. In addition, this Plan is provided to the Employer either in connection with investment in a product or pursuant to a contract or other arrangement for products and/or services. Upon cessation of such investment in a product or cessation of such contract or arrangement, as applicable, the Employer is no longer considered to be an adopter of this Plan and Newport Group, Inc. no longer has any obligations to the Employer that relate to the adoption of this Plan. For inquiries regarding the adoption of the Pre-approved Plan, the Provider's intended meaning of any Plan provisions or the effect of the Opinion Letter issued to the Provider, please contact the Provider or the Provider's representative.

Provider Name: Plan Document Department, Newport Group, Inc.

Address: 35 Iron Point Circle, Suite 300
Folsom California 95630-8589

Telephone Number: (916) 605-4015

Email address (optional): _____

The Employer, by executing below, hereby adopts this Plan (add additional signature lines as needed). NOTE: If more than one Plan type is adopted, the Plan Provider must provide multiple plan documents for Employer signature.

EMPLOYER: Town of Jupiter Island

By: _____
DATE SIGNED

**APPENDIX A
SPECIAL EFFECTIVE DATES AND OTHER PERMITTED ELECTIONS**

A. **Special effective dates** (leave blank if not applicable):

- a. **Special effective date(s):** _____ . For periods prior to the specified special effective date(s), the Plan terms in effect prior to its restatement under this Adoption Agreement will control for purposes of the designated provisions. A special effective date may not result in the delay of a Plan provision beyond the permissible effective date under any applicable law. (The Employer has reliance on the IRS Opinion Letter only if the features described in the preceding sentence constitute protected benefits within the meaning of Code Section 411(d)(6) and the regulations thereunder, and only if such features are permissible in a "Cycle 3" preapproved plan, i.e., the features are not specifically prohibited by Revenue Procedure 2017-41 (or any superseding guidance))

B. **Other permitted elections** (the following elections are optional):

- a. **No other permitted elections**

The following elections apply (select one or more):

- b. **Deemed 125 compensation** (Plan Section 1.23). Deemed 125 compensation will be included in Compensation and 415 Compensation.
- c. **Break-in-Service Rules.** The following Break-in-Service rules apply to the Plan. (select 1. or 2.)
1. **Reemployed after five (5) 1-Year Breaks in Service ("rule of parity" provisions)** (Plan Section 3.5(e)). The "rule of parity" provisions in Plan Section 3.5(d) will apply for (select one or both):
 - a. eligibility purposes
 - b. vesting purposes
 2. **Break-in-Service rules for rehired Employees.** The following Break-in-Service rules set forth in Plan Sections 3.2 and 3.5 apply: (select one or both)
 - a. all Break-in-Service rules set forth in such Sections.
 - b. only the following: _____ (specify which provisions apply to the Plan)
- d. **Beneficiary if no beneficiary elected by Participant** (Plan Section 6.2(f)). In the event no valid designation of Beneficiary exists, then in lieu of the order set forth in Plan Section 6.2(f), the following order of priority will be used: surviving spouse, then surviving children in equal shares and then the Participant's estate (specify an order of beneficiaries; e.g., children per stirpes, parents, and then step-children).
- e. **Joint and Survivor Annuity/Pre-Retirement Survivor Annuity.** If the Plan applies the Joint and Survivor Annuity rules, then the normal form of annuity will be a joint and 50% survivor annuity (i.e., if 31.i. or 31.j. is selected) and the Pre-Retirement Survivor Annuity will be equal to 50% of a Participant's interest in the Plan unless selected below (select 1. and/or 2.)
1. **Normal form of annuity.** Instead of a joint and 50% survivor annuity, the normal form of the qualified Joint and Survivor Annuity will be: (select one)
 - a. joint and 100% survivor annuity
 - b. joint and 75% survivor annuity
 - c. joint and 66 2/3% survivor annuity
 2. **Pre-Retirement Survivor Annuity.** The Pre-Retirement Survivor Annuity (minimum Spouse's death benefit) will be equal to 50% of a Participant's interest in the Plan unless a different percentage is selected below: (select one)
 - a. 100% of a Participant's interest in the Plan.
 - b. _____% (may not be less than 50%) of a Participant's interest in the Plan.
- f. **Limitation Year** (Plan Section 1.30). The Limitation Year for Code §415 purposes will be _____ (must be a consecutive twelve month period) instead of the "determination period" for Compensation.
- g. **415 Limits when 2 defined contribution plans are maintained** (Plan Section 4.4). If any Participant is covered under another qualified defined contribution plan maintained by the Employer or an Affiliated Employer, or if the Employer or an Affiliated Employer maintains a welfare benefit fund, as defined in Code §419(e), or an individual medical account, as defined in Code §415(l)(2), under which amounts are treated as "annual additions" with respect to any Participant in this Plan, then the provisions of Plan Section 4.4(b) will apply unless otherwise specified below:
1. Specify, in a manner that precludes Employer discretion, the method under which the plans will limit total "annual additions" to the "maximum permissible amount" and will properly reduce any "excess amounts":
_____.
- h. **Recognition of Service with other employers** (Plan Sections 1.40 and 1.55). Service with the following employers (in addition to those specified at Question 15) will be recognized as follows (select one or more):

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	Eligibility	Vesting	Contribution Allocation
1. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
2. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
3. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
4. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
5. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
6. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>

Limitations

7. The following provisions or limitations apply with respect to the recognition of prior service: _____ (e.g., credit service with X only on/following 1/1/19)

- i. **Other vesting provisions.** The following vesting provisions apply to the Plan (select one or more):
1. **Special vesting provisions.** The following special provisions apply to the vesting provisions of the Plan: _____ (must be definitely determinable and satisfy the parameters set forth at Question 17)
 2. **Pre-amendment vesting schedule.** (Plan Section 6.4(b)). If the vesting schedule has been amended and a different vesting schedule other than the schedule at Question 17 applies to any Participants, then the following provisions apply (must select one of a. – d.):

Applicable Participants. The vesting schedules in Question 17 only apply to:

 - a. Participants who are Employees as of _____ (enter date).
 - b. Participants in the Plan who have an Hour of Service on or after _____ (enter date).
 - c. Participants (even if not an Employee) in the Plan on or after _____ (enter date).
 - d. Other: _____ (e.g., Participants in division A. Must be definitely determinable.)

j. **Minimum distribution transitional rules** (Plan Section 6.8(e)(5))

NOTE: This Section does not apply to (1) a new Plan, (2) an amendment or restatement of an existing Plan that never contained the provisions of Code §401(a)(9) as in effect prior to the amendments made by the Small Business Job Protection Act of 1996 (SBJPA), or (3) a Plan where the transition rules below do not affect any current Participants.

The "required beginning date" for a Participant is:

1. April 1st of the calendar year following the year in which the Participant attains age 70 1/2. (pre-SBJPA rules continue to apply)
2. April 1st of the calendar year following the later of the year in which the Participant attains age 70 1/2 or retires (the post-SBJPA rules), with the following exceptions (select one or both; leave blank if both applied effective as of January 1, 1996):
 - a. A Participant who was already receiving required minimum distributions under the pre-SBJPA rules as of _____ (may not be earlier than January 1, 1996) was allowed to stop receiving distributions and have them recommence in accordance with the post-SBJPA rules. Upon the recommencement of distributions, if the Plan permits annuities as a form of distribution then the following apply:
 1. N/A (annuity distributions are not permitted)
 2. Upon the recommencement of distributions, the original Annuity Starting Date will be retained.
 3. Upon the recommencement of distributions, a new Annuity Starting Date is created.
 - b. A Participant who had not begun receiving required minimum distributions as of _____ (may not be earlier than January 1, 1996) may elect to defer commencement of distributions until retirement. The option to defer the commencement of distributions (i.e., to elect to receive in-service distributions upon attainment of age 70 1/2) applies to all such Participants unless selected below:
 1. The in-service distribution option was eliminated with respect to Participants who attained age 70 1/2 in or after the calendar year that began after the later of (1) December 31, 1998, or (2) the adoption date of the restatement to bring the Plan into compliance with the SBJPA.

k. **Other spousal provisions** (select one or more)

1. **Definition of Spouse.** The term Spouse includes a spouse under federal law as well as the following: _____

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2. **Automatic revocation of spousal designation** (Plan Section 6.2(g)). The automatic revocation of a spousal Beneficiary designation in the case of divorce does not apply.
3. **Timing of QDRO payment.** A distribution to an Alternate Payee shall not be permitted prior to the time a Participant would be entitled to a distribution.
- l. **Applicable law.** Instead of using the applicable laws set forth in Plan Section 9.4(a), the Plan will be governed by the laws of: _____
- m. **Total and Permanent Disability.** Instead of the definition at Plan Section 1.50, Total and Permanent Disability means: the same as the definition in the Employer's Disability Insurance Plan (must be definitely determinable).
- n. **Inclusion of Reclassified Employees** (Plan Section 1.17(a)). The Employer does not exclude Reclassified Employees subject to the following provisions: (leave blank if not applicable): _____
- o. **Claims procedures** (Plan Section 2.10). The claims procedures forth in Plan Section 2.10(a) – (b) apply unless otherwise elected below or unless the Administrator has operationally adopted alternative procedures.
1. The claims procedures set forth in Plan Section 2.10(c) – (g) apply instead of Plan Section 2.10(a).
2. The claims procedures set forth in Plan Section 2.10(c)-(g) apply as follows: _____
(specify which provisions apply and/or modified)
- p. **Age 62 In-Service Distributions For Transferred Money Purchase Assets** (Plan Section 6.11)
In-service distributions will be allowed for Participants at age 62. (applies only for Transfer Accounts from a Money Purchase Pension Plan) (skip this question if the Plan is a Money Purchase Pension Plan or if in-service distributions are already permitted for Transferred Accounts at Question 34)
- Limitations.** The following limitations apply to these in-service distributions:
1. The Plan already provides for in-service distributions and the restrictions set forth in the Plan (e.g., minimum amount of distributions or frequency of distributions) are applicable to in-service distributions at age 62.
2. N/A (no limitations)
3. The following elections apply to in-service distributions at age 62 (select one or more):
- a. The minimum amount of a distribution is \$_____ (may not exceed \$1,000).
- b. No more than _____ distribution(s) may be made to a Participant during a Plan Year.
- c. Distributions may only be made from Accounts which are fully Vested.
- d. In-service distributions may be made subject to the following provisions: _____ (must be definitely determinable and not subject to discretion).
- q. **QLACs.** (Plan Section 6.8(e)(4)) A Participant may elect a QLAC (as defined in Plan Section 6.8(e)(4)) or any alternative form of annuity permitted pursuant to a QLAC in which the Participant's Account has been invested.

ADMINISTRATIVE PROCEDURES

The following are optional administrative provisions. The Administrator may implement procedures that override any elections in this Section without a formal Plan amendment. In addition, modifications to these procedures will not affect an Employer's reliance on the Plan.

- A. **Loan Limitations.** (complete only if loans to Participants are permitted; leave blank if none apply)
- a. Limitations (select one or more):
 - 1. Loans will be treated as Participant directed investments.
 - 2. Loans will only be made for hardship or financial necessity as specified below (select a. or b.)
 - a. hardship reasons specified in Plan Section 6.12
 - b. financial necessity (as defined in the loan program).
 - 3. The minimum loan will be \$ 5,000.
 - 4. A Participant may only have one (1) (e.g., one (1)) loan(s) outstanding at any time.
 - 5. All outstanding loan balances will become due and payable in their entirety upon the occurrence of a distributable event (other than satisfaction of the conditions for an in-service distribution (including a hardship distribution), if applicable).
 - 6. The home loan term will be no more than 15 years. (if not selected, the Administrator establishes the term for repayment of a home loan)
 - 7. **Account restrictions.** Loans will only be permitted from the following Participant Accounts (select all that apply or leave blank if no limitations apply):
 - a. Account(s) attributable to Employer matching contributions
 - b. Account attributable to Employer contributions other than matching contributions
 - c. Rollover Account
 - d. Transfer Account
 - e. Other: _____
- AND**, if loans are restricted to certain accounts, the limitations of Code §72(p) will be applied:
- f. by determining the limits by only considering the restricted accounts.
 - g. by determining the limits taking into account a Participant's entire interest in the Plan.

Additional Loan Provisions (select all that apply; leave blank if none apply)

- b. **Loan payments.** Loans are repaid by (if left blank, then payroll deduction applies unless Participant is not subject to payroll (e.g., partner who only has a draw)):
 - 1. payroll deduction
 - 2. ACH (Automated Clearing House)
 - 3. check
 - a. Only for prepayment
- c. **Interest rate.** Loans will be granted at the following interest rate (if left blank, then 3. below applies):
 - 1. 0 percentage points over the prime interest rate
 - 2. _____%
 - 3. the Administrator establishes the rate at the time the loan is made
- d. **Refinancing.** Loan refinancing is allowed.

- B. **Life Insurance.** (Plan Section 7.3)
- a. Life insurance may not be purchased.
 - b. Life insurance may be purchased...
 - 1. at the option of the Administrator
 - 2. at the option of the Participant

Limitations

- 3. N/A (no limitations)
- 4. The purchase of initial or additional life insurance will be subject to the following limitations (select one or more):
 - a. Each initial Contract will have a minimum face amount of \$_____.
 - b. Each additional Contract will have a minimum face amount of \$_____.
 - c. The Participant has completed _____ Years (or Periods) of Service.
 - d. The Participant has completed _____ Years (or Periods) of Service while a Participant in the Plan.
 - e. The Participant is under age _____ on the Contract issue date.
 - f. The maximum amount of all Contracts on behalf of a Participant may not exceed \$_____.
 - g. The maximum face amount of any life insurance Contract will be \$_____.

- C. **Plan Expenses.** Will the Plan assess against an individual Participant's Account certain Plan expenses that are incurred by, or are attributable to, a particular Participant based on use of a particular Plan service?
- a. No
 - b. Yes

Use of Forfeitures

Forfeitures of Employer contributions other than matching contributions will be:

- c. added to the Employer contribution and allocated in the same manner
- d. used to reduce any Employer contribution
- e. allocated to all Participants eligible to share in the allocations of Employer contributions or Forfeitures in the same proportion that each Participant's Compensation for the Plan Year bears to the Compensation of all Participants for such year
- f. other: _____ (describe the treatment of Forfeitures in a manner that is definitely determinable and not subject to Employer discretion)

Forfeitures of Employer matching contributions will be:

- g. N/A. Same as above or no Employer matching contributions.
- h. used to reduce the Employer matching contribution.
- i. used to reduce any Employer contribution.
- j. other: _____ (describe the treatment of Forfeitures in a manner that is definitely determinable and not subject to Employer discretion)

D. Directed investments

- a. Participant directed investments are NOT permitted.
- b. Participant directed investments are permitted from the following Participant Accounts:
 - 1. all Accounts
 - 2. only from the following Accounts (select one or more):
 - a. Account attributable to Employer contributions
 - b. Rollover Account
 - c. Transfer Account
 - d. Other: _____ (specify Account(s) and conditions in a manner that is definitely determinable and not subject to Employer discretion)

E. Rollover Limitations. Will the Plan accept rollover contributions and/or direct rollovers from the sources specified below?

- a. No, Administrator determines in operation which sources will be accepted.
- b. Yes

Rollover sources. Indicate the sources of rollovers that will be accepted (select one or more)

- 1. **Direct Rollovers.** The Plan will accept a direct rollover of an eligible rollover distribution from (select one or more):
 - a. a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan), excluding after-tax employee contributions
 - b. a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan), including after-tax employee contributions
 - c. a plan described in Code §403(a) (an annuity plan), excluding after-tax employee contributions
 - d. a plan described in Code §403(a) (an annuity plan), including after-tax employee contributions
 - e. a plan described in Code §403(b) (a tax-sheltered annuity), excluding after-tax employee contributions
 - f. a plan described in Code §403(b) (a tax-sheltered annuity), including after-tax employee contributions
 - g. a plan described in Code §457(b) (eligible deferred compensation plan)

Direct Rollovers of Participant Loan. The Plan will NOT accept a direct rollover of a Participant loan from another plan unless selected below (leave blank if default applies)

- h. The Plan will accept a direct rollover of a Participant loan
- i. The Plan will only accept a direct rollover of a Participant loan only in the following situation(s):
 _____ (e.g., only from Participants who were employees of an acquired organization).

- 2. **Participant Rollover Contributions from Other Plans (i.e., not via a direct plan-to-plan transfer).** The Plan will accept a contribution of an eligible rollover distribution (select one or more):
 - a. a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan)
 - b. a plan described in Code §403(a) (an annuity plan)
 - c. a plan described in Code §403(b) (a tax-sheltered annuity)
 - d. a governmental plan described in Code §457(b) (eligible deferred compensation plan)
- 3. **Participant Rollover Contributions from IRAs:** The Plan will accept a rollover contribution of the portion of a distribution from a traditional IRA that is eligible to be rolled over and would otherwise be includible in gross income. Rollovers from Roth IRAs or a Coverdell Education Savings Account (formerly known as an Education IRA) are not permitted because they are not traditional IRAs. A rollover from a SIMPLE IRA is allowed if the amounts are rolled over after the individual has been in the SIMPLE IRA for at least two years.

F. Trustee(s) or Insurer(s). Information regarding Trustee(s)/Insurer(s) (required for the Summary Plan Description and, if requested, the Trust Agreement)

(Note: Select a. if not using provided trust. MUST select b and following questions as applicable):

- a. Do not produce the trust agreement
- b. Complete the following UNLESS not selecting supporting forms:

Trustee/Insurer (select a. OR one or more of d. - e.)

c. **Insurer.** This Plan is funded exclusively with Contracts (select one or more of 1. - 4)

Name of Insurer(s)

- 1. _____
- 2. _____
- 3. Use Employer address/telephone number/email
- 4. Use following address/telephone number/email
 - a. Street: _____
 - b. City: _____
 - c. State: _____
 - d. Zip: _____
 - e. Telephone: _____
 - f. Email: _____

d. Individual Trustee(s)

e. Corporate Trustee

Name of Trust

f. Specify name of Trust (required for FIS trust): _____

Individual Trustees (if d. selected above, complete g. – j.)

Directed/Discretionary Trustees. The individual Trustee(s) executing this Adoption Agreement are (select g. or h.)

g. Select for each individual Trustee (skip to next question)

h. The following selections apply to all individual Trustee(s) (select 1. - 4. as applicable)

- 1. A discretionary Trustee over all plan assets (may not be selected with 2. - 4.)
- 2. A nondiscretionary (directed) Trustee over all plan assets (may not be selected with 1., 3. or 4.)
- 3. The individual Trustee(s) will serve as a discretionary Trustee over the following assets: _____ (may not be selected with 1. or 2.)
- 4. The individual Trustee(s) will serve as a nondiscretionary (directed) Trustee over the following assets: _____ (may not be selected with 1. or 2.)

Individual Trustee(s) (complete if d. selected above)

i. Individual Trustee(s) are (select one or more of a. - j.; enter address at j. below)

a. **Name** _____

Title/Email:

- 1. Title _____
- 2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

- 3. Discretionary Trustee over all plan assets (may not be selected with 4. – 6.)
- 4. A discretionary Trustee over the following plan assets: _____ (may not be select with 3. or 5.)
- 5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
- 6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

b. **Name** _____

Title/Email:

- 1. Title _____
- 2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

- 3. Discretionary Trustee over all plan assets (may not be selected with 4. – 6.)
- 4. A discretionary Trustee over the following plan assets: _____ (may not be select with 3. or 5.)
- 5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
- 6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

c. **Name** _____

Title/Email:

- 1. Title _____
- 2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

- 3. Discretionary Trustee over all plan assets (may not be selected with 4. – 6.)
- 4. A discretionary Trustee over the following plan assets: _____ (may not be select with 3. or 5.)
- 5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
- 6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

d. **Name** _____

Title/Email:

- 1. Title _____

2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)

4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)

5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)

6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

e. **Name** _____

Title/Email:

1. Title _____

2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)

4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)

5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)

6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

f. **Name** _____

Title/Email:

1. Title _____

2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)

4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)

5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)

6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

g. **Name** _____

Title/Email:

1. Title _____

2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)

4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)

5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)

6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

h. **Name** _____

Title/Email:

1. Title _____

2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)

4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)

5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)

6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

i. **Name** _____

Title/Email:

1. Title _____

2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)

4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)

5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)

6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

j. **Name** _____

Title/Email:

1. Title _____

2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)

4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)

- 5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
- 6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

j. **Individual Trustee Address** (complete if d. selected above)

- 1. Use Employer address/telephone number/email
- 2. Use following address/telephone number/email
 - a. Street: _____
 - b. City: _____
 - c. State: _____
 - d. Zip: _____
 - e. Telephone: _____
 - f. Email: _____

Corporate Trustee Name/Type/Address (complete if e. selected above)

k. Name Newport Trust Company c/o Newport Group, Inc.

Address/telephone number/email

- 1. Use Employer address/telephone number/email
- 2. Use following address/telephone number/email
 - a. Street: 45 South 7th Street, Suite 2208
 - b. City: Minneapolis
 - c. State: Minnesota
 - d. Zip: 55402-1614
 - e. Telephone: 866-499-7782
 - f. Email: _____

Directed/Discretionary. The Corporate Trustee is (select 3. - 6. as applicable)

- 3. A discretionary Trustee over all plan assets (may not be selected with 4. - 6.)
- 4. A nondiscretionary (directed) Trustee over all plan assets (may not be selected with 3., 5. or 6.)
- 5. A discretionary Trustee over the following plan assets over the following assets: _____ (may not be selected with 3. - 4.)
- 6. A nondiscretionary (directed) Trustee over the following plan assets _____ (may not be selected with 3. - 4.)

Signee (optional):

- 7. Name of person signing on behalf of the corporate Trustee _____
- 8. Email address of person signing on behalf of the corporate Trustee _____

Special Trustee for collection of contributions. The Employer appoints the following Special Trustee with the responsibility to collect delinquent contributions (*optional*)

l. **Name** _____

Title:

1. _____

Address/telephone number/email

- 2. Use Employer address/telephone number/email
- 3. Use following address/telephone number/email
 - a. Street: _____
 - b. City: _____
 - c. State: _____
 - d. Zip: _____
 - e. Telephone: _____
 - f. Email: _____

Custodian(s) Name/Address . The Custodian(s) are (*optional*)

m. **Name(s)** _____

Address/telephone number/email

- 1. Use Employer address/telephone number/email
- 2. Use following address/telephone number/email
 - a. Street: _____
 - b. City: _____
 - c. State: _____
 - d. Zip: _____
 - e. Telephone: _____
 - f. Email: _____

Investment in common, collective or pooled trust funds. The nondiscretionary Trustee, as directed or the discretionary Trustee acting without direction (and in addition to the discretionary Trustee's authority to invest in its own funds), may invest in any of the following trust funds: (*optional*)

n. _____ (Specify the names of one or more trust funds in which the Plan can invest)

Choice of law

- o. This trust will be governed by the laws of the state of:
 - 1. State in which the Employer's principal office is located
 - 2. State in which the corporate trustee or insurer is located
 - 3. Other _____

NEWPORT GROUP, INC. NON-STANDARDIZED GOVERNMENTAL 401(A) MODIFICATIONS
TOWN OF JUPITER ISLAND 401(A) PLAN

The enclosed Plan is being submitted for expedited review as a Non-Standardized Plan.

No modifications from the approved specimen plan have been made to this Plan.

**ADOPTING RESOLUTION
FOR
TOWN OF JUPITER ISLAND**

The undersigned authorized representative of Town of Jupiter Island (the "Employer") hereby certifies that the following resolutions were duly adopted by the Employer on the date specified below, and that such resolutions have not been modified or rescinded as of the signature date below.

WHEREAS, the Employer previously adopted the Town of Jupiter Island 401(a) Plan ("Plan"); and

WHEREAS, the Employer reserves the right to amend said Plan from time to time; and

WHEREAS, the Employer desires to amend the Plan to include overtime pay in the definition of Compensation and to modify the Normal Retirement Age (NRA) from age 65 to age to 62.

NOW THEREFORE BE IT RESOLVED, that the amended and restated Plan document effective October 1, 2025 is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the amended and restated Plan documents; and

FURTHER RESOLVED, that the appropriate officers are authorized, empowered and directed to do all acts and things necessary or desirable to effectuate the actions authorized herein.

TOWN OF JUPITER ISLAND

By: _____

Title: _____

Date: _____

ADOPTION AGREEMENT FOR
NEWPORT GROUP, INC.
NON-STANDARDIZED
GOVERNMENTAL 401(a) PRE-APPROVED PLAN

CAUTION: Failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

EMPLOYER INFORMATION

(An amendment to the Adoption Agreement is not needed solely to reflect a change in this Employer Information Section.)

1. EMPLOYER'S NAME, ADDRESS, TELEPHONE NUMBER, TIN AND FISCAL YEAR

Name: Town of Jupiter Island

Address: 2 Bridge Road Street

Hobe Sound City Florida State 33455 Zip

Telephone: 772-545-0100

Taxpayer Identification Number (TIN): 59-6011135

Employer's Fiscal Year ends: September 30th

- 2. TYPE OF GOVERNMENTAL ENTITY. This Plan may only be adopted a state or local governmental entity, or agency thereof, including an Indian tribal government and may not be adopted by any other entity, including a federal government and any agency or instrumentality thereof.
a. [] State government or state agency
b. [] County or county agency
c. [X] Municipality or municipal agency
d. [] Indian tribal government (see Note below)

NOTE: An Indian tribal government may only adopt this Plan if such entity is defined under Code §7701(a)(40), is a subdivision of an Indian tribal government as determined in accordance with Code §7871(d), or is an agency or instrumentality of either, and all of the Participants under this Plan employed by such entity substantially perform services as an Employee in essential governmental functions and not in the performance of commercial activities (whether or not an essential government function).

- 3. PARTICIPATING EMPLOYERS (Plan Section 1.39). Will any other Employers adopt this Plan as Participating Employers?
a. [X] No
b. [] Yes

MULTIPLE EMPLOYER PLAN (Plan Article XI). Will any Employers who are not Affiliated Employers adopt this Plan as part of a multiple employer plan (MEP) arrangement?
c. [X] No
d. [] Yes (Complete a Participation Agreement for each Participating Employer.)

PLAN INFORMATION

(An amendment to the Adoption Agreement is not needed solely to reflect a change in the information in Question 9.)

4. PLAN NAME:

Town of Jupiter Island Retirement Plan for SMRU Employees

5. PLAN STATUS

- a. [] New Plan
b. [X] Amendment and restatement of existing Plan
CYCLE 3 RESTATEMENT (leave blank if not applicable)
1. [] This is an amendment and restatement to bring a plan into compliance with the legislative and regulatory changes set forth in IRS Notice 2017-37 (i.e., the 6-year pre-approved plan restatement cycle).

6. EFFECTIVE DATE (Plan Section 1.16) (complete a. if new plan; complete a. AND b. if an amendment and restatement)
Initial Effective Date of Plan (except for restatements, cannot be earlier than the first day of the current Plan Year)

a. October 1, 2007 (enter month day, year) (hereinafter called the "Effective Date" unless 6.b. is entered below)

Restatement Effective Date. If this is an amendment and restatement, the effective date of the restatement (hereinafter called the "Effective Date") is:

- b. October 1, 2025 (enter month day, year; NOTE: The restatement date may not be prior to the first day of the current Plan Year. Plan contains appropriate retroactive effective dates with respect to provisions for appropriate laws.)

7. PLAN YEAR (Plan Section 1.43) means, except as otherwise provided in d. below:

- a. [] the calendar year
b. [X] the twelve-month period ending on September 30th (e.g., June 30th)

SHORT PLAN YEAR (Plan Section 1.47). This is a Short Plan Year (if the effective date of participation is based on a Plan Year, then coordinate with Question 14):

- c. [X] N/A
d. [] beginning on (enter month day, year; e.g., July 1, 2020) and ending on (enter month day, year).

8. VALUATION DATE (Plan Section 1.53) means:

- a. [X] every day that the Trustee (or Insurer), any transfer agent appointed by the Trustee (or Insurer) or the Employer, and any stock exchange used by such agent are open for business (daily valuation)
b. [] the last day of each Plan Year
c. [] the last day of each Plan Year quarter
d. [] other (specify day or days): (must be at least once each Plan Year)

NOTE: The Plan always permits interim valuations.

9. ADMINISTRATOR'S NAME, ADDRESS AND TELEPHONE NUMBER

(If none is named, the Employer will be the Administrator (Plan Section 1.2).)

- a. [X] Employer (use Employer address and telephone number)
b. [] The Committee appointed by the Employer (use Employer address and telephone number)
c. [] Other:

Name:
Address:
Street
City State Zip
Telephone:

10. TYPE OF PLAN (select one)

- a. [X] Profit Sharing Plan.
b. [] Money Purchase Pension Plan.

11. CONTRIBUTION TYPES

The selections made below must correspond with the selections made under the Contributions and Allocations Section of this Adoption Agreement.

FROZEN PLAN OR CONTRIBUTIONS HAVE BEEN SUSPENDED (Plan Section 4.1(c)) (optional)

- a. [] This is a frozen Plan (i.e., all contributions cease) (if this is a temporary suspension, select a.2):
1. [] All contributions ceased as of, or prior to, the effective date of this amendment and restatement and the prior Plan provisions are not reflected in this Adoption Agreement (may enter effective date at 3. below and/or select prior contributions at g. - j. (optional), skip questions 12-18 and 22-30)
2. [] All contributions ceased or were suspended and the prior Plan provisions are reflected in this Adoption Agreement (must enter effective date at 3. below and select contributions at b. - f.)

Effective date

- 3. [] as of (effective date is optional unless a.2. has been selected above or this is the amendment or restatement to freeze the Plan).

CURRENT CONTRIBUTIONS

The Plan permits the following contributions (select one or more):

- b. [X] Employer contributions other than matching (Questions 24-25)
1. [] This Plan qualifies as a Social Security Replacement Plan (Question 24.e. must be selected)
c. [X] Employer matching contributions (Questions 26-28)
d. [] Mandatory Employee contributions (Question 30)
e. [] After-tax voluntary Employee contributions
f. [] Rollover contributions (Question 36)

PRIOR CONTRIBUTIONS

The Plan used to permit, but no longer does, the following contributions (choose all that apply, if any):

- g. **Employer matching contributions**
- h. **Employer contributions other than matching contributions**
- i. **Rollover contributions**
- j. **After-tax voluntary Employee contributions**

ELIGIBILITY REQUIREMENTS

12. ELIGIBLE EMPLOYEES (Plan Section 1.17) means all Employees (including Leased Employees) EXCEPT those Employees who are excluded below or elsewhere in the Plan: (select a. or b.)
- a. **No excluded Employees.** There are no additional excluded Employees under the Plan (skip to Question 13).
 - b. **Exclusions.** The following Employees are not Eligible Employees for Plan purposes (select one or more):
 - 1. Union Employees (as defined in Plan Section 1.17)
 - 2. Nonresident aliens (as defined in Plan Section 1.17)
 - 3. Leased Employees (Plan Section 1.29)
 - 4. Part-time Employees. A part-time Employee is an Employee whose regularly scheduled service is less than _____ Hours of Service in the relevant eligibility computation period (as defined in Plan Section 1.55).
 - 5. Temporary Employees. A temporary Employee is an Employee who is categorized as a temporary Employee on the Employer's payroll records.
 - 6. Seasonal Employees. A seasonal Employee is an Employee who is categorized as a seasonal Employee on the Employer's payroll records.
 - 7. Other: all employees who do NOT work at the South Martin Regional Utility (SMRU) and Elizabeth Hubbard (must be definitely determinable under Regulation §1.401-1(b). Exclusions may be employment title specific but may not be by individual name)

NOTE: If option 4. - 6. (part-time, temporary and/or seasonal exclusions) is selected, when any such excluded Employee actually completes 1 Year of Service, then such Employee will no longer be part of this excluded class. For this purpose, the Hours of Service method will be used for the 1 Year of Service override regardless of any contrary selection at Question 16.

13. CONDITIONS OF ELIGIBILITY (Plan Section 3.1)
- a. **No age and service required.** No age and service required for all Contribution Types (skip to Question 14).
 - b. **Eligibility.** An Eligible Employee will be eligible to participate in the Plan upon satisfaction of the following (complete c. and d., select e. and f. if applicable):

Eligibility Requirements

- c. **Age Requirement**
 - 1. No age requirement
 - 2. Age 20 1/2
 - 3. Age 21
 - 4. Age _____ (may not exceed 26)
- d. **Service Requirement**
 - 1. No service requirement
 - 2. _____ (not to exceed 60) months of service (elapsed time)
 - 3. 1 Year of Service
 - 4. _____ (not to exceed 5) Years of Service
 - 5. _____ consecutive month period from the Eligible Employee's employment commencement date and during which at least _____ Hours of Service are completed.
 - 6. _____ consecutive months of employment.
 - 7. Other: _____ (e.g., date on which 1,000 Hours of Service is completed within the computation period) (must satisfy the Notes below)

NOTE: If c.4. or d.7. is selected, the condition must be an age or service requirement that is definitely determinable and may not exceed age 26 and may not exceed 5 Years of Service.

NOTE: Year of Service means Period of Service if the elapsed time method is chosen.

Waiver of conditions. The service and/or age requirements specified above will be waived in accordance with the following (leave blank if there are no waivers of conditions):

- e. If employed on _____ the following requirements, and the entry date requirement, will be waived. The waiver applies to any Eligible Employee unless 3. selected below. Such Employees will enter the Plan as of such date (select 1. and/or 2. AND 3. if applicable):
 - 1. service requirement (may let part-time Eligible Employees into the Plan)
 - 2. age requirement
 - 3. waiver is for: _____

Amendment or restatement to change eligibility requirements

- f. This amendment or restatement (or a prior amendment and restatement) modified the eligibility requirements and the prior eligibility conditions continue to apply to the Eligible Employees specified below. If this option is NOT selected, then all Eligible Employees must satisfy the eligibility conditions set forth above.
 - 1. The eligibility conditions above only apply to Eligible Employees who were not Participants as of the effective date of the modification.
 - 2. The eligibility conditions above only apply to individuals who were hired on or after the effective date of the modification.

14. **EFFECTIVE DATE OF PARTICIPATION (ENTRY DATE) (Plan Section 3.2)**

An Eligible Employee who has satisfied the eligibility requirements will become a Participant in the Plan as of the:

- a. date such requirements are met
- b. first day of the month coinciding with or next following the date on which such requirements are met
- c. first day of the Plan Year quarter coinciding with or next following the date on which such requirements are met
- d. earlier of the first day of the Plan Year or the first day of the seventh month of the Plan Year coinciding with or next following the date on which such requirements are met
- e. first day of the Plan Year coinciding with or next following the date on which such requirements are met
- f. first day of the Plan Year in which such requirements are met
- g. first day of the Plan Year in which such requirements are met, if such requirements are met in the first 6 months of the Plan Year, or as of the first day of the next succeeding Plan Year if such requirements are met in the last 6 months of the Plan Year.
- h. other: _____ (must be definitely determinable)

SERVICE

15. **RECOGNITION OF SERVICE WITH OTHER EMPLOYERS (Plan Sections 1.40 and 1.55)**

- a. No service with other employers is recognized except as otherwise required by law (e.g., the Plan already provides for the recognition of service with Employers who have adopted this Plan as well as service with Affiliated Employers and predecessor Employers who maintained this Plan; skip to Question 16).
- b. Service with the designated employers is recognized as follows (select c. – e. and one or more of columns 1. - 3.; chose other options as applicable) (if more than 3 employers, attach an addendum to the Adoption Agreement or complete option h. under Section B of Appendix A):

	1.	2.	3.
Other Employer	Eligibility	Vesting	Contribution Allocation
c. <input type="checkbox"/> Employer name: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. <input type="checkbox"/> Employer name: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. <input type="checkbox"/> Employer name: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Limitations

- f. The following provisions or limitations apply with respect to the recognition of prior service: _____ (e.g., credit service with X only on/following 1/1/19)
- g. The following provisions or limitations apply with respect to the recognition of service with other employers: _____ (e.g., credit service with X only on/following 1/1/19 or credit all service with entities the Employer acquires after 12/31/18)

NOTE: If the other Employer(s) maintained this qualified Plan, then Years (and/or Periods) of Service with such Employer(s) must be recognized pursuant to Plan Sections 1.40 and 1.55 regardless of any selections above.

16. **SERVICE CREDITING METHOD (Plan Sections 1.40 and 1.55)**

NOTE: If any Plan provision is based on a Year of Service, then the provisions set forth in the definition of Year of Service in Plan Section 1.55 will apply, including the following defaults, except as otherwise elected below:

1. A Year of Service means completion of at least 1,000 Hours of Service during the applicable computation period.
2. Hours of Service (Plan Section 1.24) will be based on actual Hours of Service except that for Employees for whom records of actual Hours of Service are not maintained or available (e.g., salaried Employees), the monthly equivalency will be used.
3. For eligibility purposes, the computation period will be as defined in Plan Section 1.55 (i.e., shift to the Plan Year if the eligibility condition is one (1) Year of Service or less).
4. For vesting, allocation, and distribution purposes, the computation period will be the Plan Year.
5. Upon an Employee's rehire, all prior service with the Employer is taken into account for all purposes.

- a. **Elapsed time method.** (Period of Service applies instead of Year of Service) Instead of Hours of Service, elapsed time will be used for:
1. all purposes (skip to Question 17)
 2. the following purposes (select one or more):
 - a. eligibility to participate
 - b. vesting
 - c. allocations, distributions and contributions
- b. **Alternative definitions for the Hours of Service method.** Instead of the defaults, the following alternatives will apply for the Hours of Service method (select one or more):
1. **Eligibility computation period.** Instead of shifting to the Plan Year, the eligibility computation period after the initial eligibility computation period will be based on each anniversary of the date the Employee first completes an Hour of Service
 2. **Vesting computation period.** Instead of the Plan Year, the vesting computation period will be the date an Employee first performs an Hour of Service and each anniversary thereof.
 3. **Equivalency method.** Instead of using actual Hours of Service, an equivalency method will be used to determine Hours of Service for:
 - a. all purposes
 - b. the following purposes (select one or more):
 1. eligibility to participate
 2. vesting
 3. allocations, distribution and contributions

Such method will apply to:

 - c. all Employees
 - d. Employees for whom records of actual Hours of Service are not maintained or available (e.g., salaried Employees)
 - e. other: _____ (e.g., per-diem Employees only)

Hours of Service will be determined on the basis of:

 - f. days worked (10 hours per day)
 - g. weeks worked (45 hours per week)
 - h. semi-monthly payroll periods worked (95 hours per semi-monthly pay period)
 - i. months worked (190 hours per month)
 - j. bi-weekly payroll periods worked (90 hours per bi-weekly pay period)
 - k. other: _____ (e.g., option f. is used for per-diem Employees and option g. is used for on-call Employees).
 4. **Number of Hours of Service required.** Instead of 1,000 Hours of Service, Year of Service means the applicable computation period during which an Employee has completed at least _____ (not to exceed 1,000) Hours of Service for:
 - a. all purposes
 - b. the following purposes (select one or more):
 1. eligibility to participate
 2. vesting
 3. allocations, distributions and contributions
- c. **Alternative for counting all prior service.** Instead of the default which recognizes all prior service for rehired Employees, the Plan will not recognize prior service and rehired Employee are treated as new hires for the following purposes: (select one)
1. all purposes
 2. the following purposes (select one or more):
 - a. eligibility to participate
 - b. vesting
 - c. sharing in allocations or contributions
- d. **Other service crediting provisions:** _____ (must be definitely determinable; e.g., for vesting a Year of Service is based on 1,000 Hours of Service but for eligibility a Year of Service is based on 900 Hours of Service.)

NOTE: Must not list more than 1,000 hours in this Section. This servicing credit provision will be used for:

1. All purposes
2. The following purposes (select one or more):
 - a. eligibility to participate
 - b. vesting
 - c. allocations, distributions and contributions

VESTING

17. VESTING OF PARTICIPANT'S INTEREST – EMPLOYER CONTRIBUTIONS (Plan Section 6.4(b))
- a. N/A (no Employer contributions; skip to Question 19)
 - b. The vesting provisions selected below apply. Section B of Appendix A can be used to specify any exceptions to the provisions below.

NOTE: The Plan provides that contributions for converted sick leave and/or vacation leave are fully Vested.

Vesting for Employer contributions other than matching contributions

- c. N/A (no Employer contributions (other than matching contributions); skip to f.)
- d. 100% vesting. Participants are 100% Vested in Employer contributions (other than matching contributions) upon entering Plan.
- e. The following vesting schedule, based on a Participant's Years of Service (or Periods of Service if the elapsed time method is selected), applies to Employer contributions (other than matching contributions):
 - 1. 6 Year Graded: 0-1 year-0%; 2 years-20%; 3 years-40%; 4 years-60%; 5 years-80%; 6 years-100%
 - 2. 4 Year Graded: 1 year-25%; 2 years-50%; 3 years-75%; 4 years-100%
 - 3. 5 Year Graded: 1 year-20%; 2 years-40%; 3 years-60%; 4 years-80%; 5 years-100%
 - 4. Cliff: 100% vesting after 3 (not to exceed 15) years
 - 5. Other graded vesting schedule (must provide for full vesting no later than 15 years of service; add additional lines as necessary)

Years (or Periods) of Service	Percentage
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%

Vesting for Employer matching contributions

- f. N/A (no Employer matching contributions)
- g. The schedule above will also apply to Employer matching contributions.
- h. 100% vesting. Participants are 100% Vested in Employer matching contributions upon entering Plan.
- i. The following vesting schedule, based on a Participant's Years of Service (or Periods of Service if the elapsed time method is selected), applies to Employer matching contributions:
 - 1. 6 Year Graded: 0-1 year-0%; 2 years-20%; 3 years-40%; 4 years-60%; 5 years-80%; 6 years-100%
 - 2. 4 Year Graded: 1 year-25%; 2 years-50%; 3 years-75%; 4 years-100%
 - 3. 5 Year Graded: 1 year-20%; 2 years-40%; 3 years-60%; 4 years-80%; 5 years-100%
 - 4. Cliff: 100% vesting after 3 (not to exceed 15) years
 - 5. Other graded vesting schedule (must provide for full vesting no later than 15 years of service; add additional lines as necessary)

Years (or Periods) of Service	Percentage
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%

NOTE: If any Part-time/Seasonal/Temporary Employees who are not covered under Social Security are participating in this Plan as a Social Security Replacement Plan, any contributions used to satisfy the minimum contribution requirements of Question 24.e. will be 100% vested.

18. VESTING OPTIONS

Excluded vesting service. The following Years of Service will be disregarded for vesting purposes (select all that apply; leave blank if none apply):

- a. Service prior to the initial Effective Date of the Plan or a predecessor plan (as defined in Regulations §1.411(a)-5(b)(3))
- b. Service prior to the computation period in which an Employee has attained age _____.
- c. Service during a period for which an Employee did not make mandatory Employee contributions.

Vesting for death, Total And Permanent Disability and Early/Normal Retirement. Regardless of the vesting schedule, a Participant will become fully Vested upon (select all that apply; leave blank if none apply):

- d. Death
- e. Total and Permanent Disability
- f. Early Retirement Date
- g. Normal Retirement Age

RETIREMENT AGES

19. NORMAL RETIREMENT AGE ("NRA") (Plan Section 1.33) means: 19
This Question 19 and Question 20 may be skipped if the Plan does not base any benefits, distributions or other features on Normal Retirement Age.

- a. **Specific age.** The date a Participant attains age 62
- b. **Age/participation.** The later of the date a Participant attains age _____ or the _____ anniversary of the first day of the Plan Year in which participation in the Plan commenced
- c. Other: _____ (must be definitely determinable)

NOTE: If this is a Money Purchase Pension Plan and in-service distributions at Normal Retirement Age are permitted, then the Normal Retirement Age cannot be less than age 62, or age 50 if substantially all Participants are qualified public safety employees (as defined in Code §72(t)(1)). The "substantially all" requirement for qualified public safety employees will no longer be a requirement as of the effective date of the final regulations once they are issued & effective. If an age less than 62 is inserted (unless the age 50 safe harbor is applicable for a qualified public safety employee), no reliance will be afforded on the Opinion Letter issued to the Plan that such age is reasonably representative of the typical retirement age for the industry in which the Participants works. Effective for Employees hired during Plan Years beginning on or after the later of (1) January 1, 2015, or (2) the close of the first legislative session of the legislative body with the authority to amend the plan that begins on or after the date that is three (3) months after the final regulations are published in the Federal Register, an NRA of less than age 62 must comply with the final regulations under §401(a).

Qualified public safety employees. Normal Retirement Age for public safety employees (as defined in Code §72(t)(1)) (leave blank if not applicable)

- d. Age _____ (may not be less than 50 for a Money Purchase Pension Plan or 40 for a Profit Sharing Plan)

20. NORMAL RETIREMENT DATE (Plan Section 1.34) means, with respect to any Participant, the:

- a. date on which the Participant attains "NRA"
- b. first day of the month coinciding with or next following the Participant's "NRA"
- c. first day of the month nearest the Participant's "NRA"
- d. Anniversary Date coinciding with or next following the Participant's "NRA"
- e. Anniversary Date nearest the Participant's "NRA"
- f. Other: _____ (e.g., first day of the month following the Participant's "NRA").

21. EARLY RETIREMENT DATE (Plan Section 1.15)

- a. N/A (no early retirement provision provided)
- b. Early Retirement Date means the:
 - 1. date on which a Participant satisfies the early retirement requirements
 - 2. first day of the month coinciding with or next following the date on which a Participant satisfies the early retirement requirements
 - 3. Anniversary Date coinciding with or next following the date on which a Participant satisfies the early retirement requirements

Early retirement requirements

- 4. Participant attains age _____
AND, completes... (leave blank if not applicable)
 - a. at least _____ Years (or Periods) of Service for vesting purposes
 - b. at least _____ Years (or Periods) of Service for eligibility purposes
- c. Early Retirement Date means: _____ (must be definitely determinable)

COMPENSATION

22. COMPENSATION with respect to any Participant is defined as follows (Plan Sections 1.10 and 1.23).

Base definition

- a. Wages, tips and other compensation on Form W-2
- b. Code §3401(a) wages (wages for withholding purposes)
- c. 415 safe harbor compensation

NOTE: Plan Section 1.10(c) provides that the base definition of Compensation includes deferrals that are not included in income due to Code §§401(k), 125, 132(f)(4), 403(b), 402(h)(1)(B)(SEP), 414(h)(2), & 457.

Determination period. Compensation will be based on the following "determination period" (this will also be the Limitation Year unless otherwise elected at option f. under Section B of Appendix A):

- d. the Plan Year
- e. the Fiscal Year coinciding with or ending within the Plan Year
- f. the calendar year coinciding with or ending within the Plan Year

Adjustments to Compensation (for Plan Section 1.10). Compensation will be adjusted by:

- g. **No adjustments** (skip to Question 23. below)
- h. **Adjustments.** Compensation will be adjusted by (select all that apply):
 - 1. excluding salary reductions (401(k), 125, 132(f)(4), 403(b), SEP, 414(h)(2) pickup, & 457)
 - 2. excluding reimbursements or other expense allowances, fringe benefits (cash or non-cash), moving expenses, deferred compensation (other than deferrals specified in 1. above) and welfare benefits.
 - 3. excluding Compensation paid during the "determination period" while not a Participant in the Plan.
 - 4. excluding Military Differential Pay
 - 5. excluding overtime
 - 6. excluding bonuses
 - 7. other: excluding Premium Holiday Worked Pay for all contribution types (e.g., describe Compensation from the elections available above or a combination thereof as to a Participant group (e.g., no exclusions as to Division A Employees and exclude bonuses as to Division B Employees); and/or describe another exclusion (e.g., exclude shift differential pay)).

23. POST-SEVERANCE COMPENSATION (415 REGULATIONS)

415 Compensation (post-severance compensation adjustments) (select all that apply at a.; leave blank if none apply)

NOTE: Unless otherwise elected under a. below, the following defaults apply: 415 Compensation will **include** (to the extent provided in Plan Section 1.23), post-severance regular pay, leave cash-outs and payments from nonqualified unfunded deferred compensation plans.

- a. The defaults listed above apply except for the following (select one or more):
 - 1. Leave cash-outs will be **excluded**
 - 2. Nonqualified unfunded deferred compensation will be **excluded**
 - 3. Disability continuation payments will be **included** for all Participants and the salary continuation will continue for the following fixed or determinable period: _____
 - 4. Other: _____ (must be definitely determinable)

Plan Compensation (post-severance compensation adjustments)

- b. **Defaults apply.** Compensation will **include** (to the extent provided in Plan Section 1.10 and to the extent such amounts would be included in Compensation if paid prior to severance of employment) post-severance regular pay, leave cash-outs, and payments from nonqualified unfunded deferred compensation plans. (skip to Question 24)
- c. **Exclude all post-severance compensation.** Exclude all post-severance compensation for allocation purposes.
- d. **Post-severance adjustments.** The defaults listed at b. apply except for the following (select one or more):
 - 1. Exclude all post-severance compensation
 - 2. Regular pay will be **excluded**
 - 3. Leave cash-outs will be **excluded**
 - 4. Nonqualified unfunded deferred compensation will be **excluded**
 - 5. Military Differential Pay will be **included**
 - 6. Disability continuation payments will be **included** for all Participants and the salary continuation will continue for the following fixed or determinable period: _____
- e. Other: _____ (must be definitely determinable)

CONTRIBUTIONS AND ALLOCATIONS

24. EMPLOYER CONTRIBUTIONS (OTHER THAN MATCHING CONTRIBUTIONS) (Plan Section 4.1(b)(3)) (skip to Question 26 if Employer contributions are NOT selected at Question 11.b.)

CONTRIBUTION FORMULA (select one or more of the following contribution formulas:)

- a. **Discretionary contribution (no groups).** (may not be elected if this Plan is a Money Purchase Pension Plan) The Employer may make a discretionary contribution, to be determined by the Employer. Any such contribution will be allocated to each Participant eligible to share in allocations in the same ratio as each Participant's Compensation bears to the total of such Compensation of all Participants.
- b. **Discretionary contribution (Grouping method).** (may not be elected if this Plan is a Money Purchase Pension Plan) The Employer may designate a discretionary contribution to be made on behalf of each Participant group selected below (only select 1. or 2.). The groups must be clearly defined in a manner that will not violate the definite predetermined allocation formula requirement of Regulation §1.401-1(b)(1)(ii). The Employer must notify the Trustee in writing of the amount of the Employer Contribution being given to each group.
 - 1. Each Participant constitutes a separate classification.
 - 2. Participants will be divided into the following classifications with the allocation methods indicated under each classification.

Definition of classifications. Define each classification and specify the method of allocating the contribution among members of each classification. Classifications specified below must be clearly

defined in a manner that will not violate the definitely determinable allocation requirement of Regulation §1.401-1(b)(1)(ii).

Classification A will consist of _____
The allocation method will be: pro rata based on Compensation
 equal dollar amounts (per capita)

Classification B will consist of _____
The allocation method will be: pro rata based on Compensation
 equal dollar amounts (per capita)

Classification C will consist of _____
The allocation method will be: pro rata based on Compensation
 equal dollar amounts (per capita)

Classification D will consist of _____
The allocation method will be: pro rata based on Compensation
 equal dollar amounts (per capita)

Additional Classifications: _____ (specify the classifications and which of the above allocation methods (pro rata or per capita) will be used for each classification).

NOTE: If more than four (4) classifications, the additional classifications and allocation methods may be attached as an addendum to the Adoption Agreement or may be entered under Additional Classifications above.

Determination of applicable group. If a Participant shifts from one classification to another during a Plan Year, then unless selected below, the Participant is in a classification based on the Participant's status as of the last day of the Plan Year, or if earlier, the date of termination of employment. If selected below, the Administrator will apportion the Participant's allocation during a Plan Year based on the following:

- a. Beginning of Plan Year. The classification will be based on the Participant's status as of the beginning of the Plan Year.
- b. Months in each classification. Pro rata based on the number of months the Participant spent in each classification.
- c. Days in each classification. Pro rata based on the number of days the Participant spent in each classification.
- d. One classification only. The Employer will direct the Administrator to place the Participant in only one classification for the entire Plan Year during which the shift occurs.

c. **Fixed contribution** equal to (only select one):

1. _____% of each Participant's Compensation for each:

- a. Plan Year
- b. calendar quarter
- c. month
- d. pay period
- e. week

2. \$_____ per Participant.

3. \$_____ per Hour of Service worked while an Eligible Employee

a. up to _____ hours (leave blank if no limit)

4. other: _____ (the formula described must satisfy the definitely determinable requirement under Regulation §1.401-1(b)) **NOTE:** Under Question 24.c.4., the Employer may only describe the allocation of Nonelective Contributions from the elections available under Question 24.c of this Adoption Agreement and/or a combination thereof as to a Participant group (e.g., a monthly contribution applies to Group A).

d. **Sick leave/vacation leave conversion.** The Employer will contribute an amount equal to an Employee's current hourly rate of pay multiplied by the Participant's number of unused accumulated sick leave and/or vacation days (as selected below). Only unpaid sick and vacation leave for which the Employee has no right to receive in cash may be included. In no event will the Employer's contribution for the Plan Year exceed the maximum contribution permitted under Code §415(c).

The following may be converted under the Plan: (select one or both):

- 1. Sick leave
- 2. Vacation leave

Eligible Employees. Only the following Participants shall receive the Employer contribution for sick leave and/or vacation leave (select 3. and/or 4; leave blank if no limitations provided, however, that this Plan may not be used to only provide benefits for terminated Employees)

3. **Former Employees.** All Employees terminating service with the Employer during the Plan Year and who have satisfied the eligibility requirements based on the terms of the Employer's accumulated benefits plans checked below (select all that apply; leave blank if no exclusions):

- a. The Former Employee must be at least age _____ (e.g., 55)
- b. The value of the sick and/or vacation leave must be at least \$_____ (e.g., \$2,000)
- c. A contribution will only be made if the total hours is over _____ (e.g., 10) hours
- d. A contribution will not be made for hours in excess of _____ (e.g., 40) hours

4. **Active Employees.** Active Employees who have not terminated service during the Plan Year and who meet the following requirements (select all that apply; leave blank if no exclusions):
- a. The Employee must be at least age _____ (e.g., 55)
 - b. The value of the sick and/or vacation leave must be at least \$_____ (e.g., \$2,000)
 - c. A contribution will only be made if the total hours is over _____ (e.g., 10) hours
 - d. A contribution will not be made for hours in excess of _____ (e.g., 40) hours
- e. **Social Security Replacement Plan.** Except as provided below, the Employer will contribute an amount equal to 7.5% of each eligible Participant's Compensation for the entire Plan Year, reduced by mandatory Employee contributions that are picked-up under Code §414(h) and Employer contributions to this Plan actually contributed to the Participant's Account during such Plan Year. (may only be selected if Question 11.b.1. has also been selected) **AND**, only the following Employees will NOT be eligible for the Social Security Replacement Plan contribution: (select all that apply)
1. Part-time Employees who are not otherwise covered by another qualifying public retirement system as defined for purposes of Regulation §31.3121(b)(7)-2. A part-time Employee is an Employee whose regularly scheduled service is less than _____ Hours of Service in the relevant eligibility computation period (as defined in Plan Section 1.55).
 2. Seasonal Employees who are not otherwise covered by another qualifying public retirement system as defined for purposes of Regulation §31.3121(b)(7)-2. A seasonal Employee is an Employee who is categorized as a seasonal Employee on the Employer's payroll records.
 3. Temporary Employees who are not otherwise covered by another qualifying public retirement system as defined for purposes of Regulation §31.3121(b)(7)-2. A temporary Employee is an Employee who is categorized as a temporary Employee on the Employer's payroll records.
 4. Employees in elective positions (filled by an election, which may be by legislative body, board or committee, or by a jurisdiction's qualified electorate)
 5. Other: _____ (any other group of Employees that is definitely determinable and not eligible for the Social Security Replacement Plan contribution).

The minimum contribution of 7.5% stated above will be satisfied by:

- a. the Employee only (specify the contribution at the mandatory Employee contributions Question 30)
- b. the Employer only
- c. both the Employee and the Employer. The Employee shall contribute the amount specified in Question 30 for mandatory Employee contributions) and the Employer shall contribute _____% of each eligible Participant's Compensation.

NOTE: If a. or c. above is selected, then the mandatory Employee contribution must be picked-up by the Employer at Question 30. Also, if b. or c. above is selected, then the allocation conditions in Question 25 below do not apply to the Employer contribution made pursuant to this provision.

- f. Other: _____ (the formula described must satisfy the definitely determinable requirement under Regulation §1.401-1(b) and if this is a Money Purchase Pension, it must not be a discretionary contribution formula). **NOTE:** Under Question 24.f., the Employer may only describe the allocation of Nonelective Contributions from the elections available under Question 24 and/or a combination thereof as to a Participant group or contribution type (e.g., pro rata allocation applies to Group A; contributions to other Employees will be allocated in accordance with the classifications allocation provisions of Plan Section 4.3 with each Participant constituting a separate classification).

25. ALLOCATION CONDITIONS (Plan Section 4.3). If 24.a., b., c., or f. is selected above, indicate requirements to share in allocations of Employer contributions (select a. OR b. and all that apply at c. - e.)

- a. **No conditions.** All Participants share in the allocations regardless of service completed during the Plan Year or employment status on the last day of the Plan Year (skip to Question 26).
- b. **Allocation conditions apply** (select one of 1. - 5. AND one of 6. - 9. below)
Conditions for Participants NOT employed on the last day of the Plan Year
 1. A Participant must complete at least _____ (not to exceed 500) Hours of Service if the actual hours/equivalency method is selected (or at least _____ (not to exceed 3) months of service if the elapsed time method is selected).
 2. A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
 3. Participants will NOT share in the allocations, regardless of service.
 4. Participants will share in the allocations, regardless of service.
 5. Other: as follows: Participants will NOT share in allocations unless the Participant has met the earliest Retirement Age among the Employer's retirement plans for which the Participant is eligible (must be definitely determinable and not subject to Employer discretion)

Conditions for Participants employed on the last day of the Plan Year

6. No service requirement.
7. A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).

- 8. A Participant must complete at least 1,000 Hours of Service during the Plan Year.
- 9. Other: _____ (must be definitely determinable and not subject to Employer discretion)

Waiver of conditions for Participants NOT employed on the last day of the Plan Year. If b.1., 2., 3., or 5. above is selected, Participants who are not employed on the last day of the Plan Year in which one of the following events occur will be eligible to share in the allocations regardless of the above conditions (select all that apply; leave blank if none apply):

- c. Death
- d. Total and Permanent Disability
- e. Termination of employment on or after Normal Retirement Age
 - 1. or Early Retirement Date

26. EMPLOYER MATCHING CONTRIBUTIONS (Plan Section 4.1(b)(2) and Plan Section 4.12). (skip to Question 29 if matching contributions are NOT selected at Question 11.c.) The Employer will (or may with respect to any discretionary contribution) make the following matching contributions:

- A. **Employee contributions taken into account.** For purposes of applying the matching contribution provisions below, the following amounts are being matched (hereafter referred to as "matched Employee contributions" (select one or more):
 - a. Elective deferrals to a **457 plan**. Enter Plan name(s): Town of Jupiter Island Deferred Compensation Plan
 - b. Elective deferrals to a **403(b) plan**. Enter Plan name(s): _____
 - c. Voluntary Employee Contributions
 - d. Other: _____ (specify amounts that are matched under this Plan and are provided for within this Adoption Agreement)

B. **Matching Formula.** (select one)

- e. **Fixed - uniform rate/amount.** The Employer will make matching contributions equal to _____% (e.g., 50) of the Participant's "matched Employee contributions"
 - 1. that do not exceed _____% of a Participant's Compensation (leave blank if no limit)
Additional matching contribution (choose 2. if applicable):
 - 2. plus an additional matching contribution of a discretionary percentage determined by the Employer,
 - a. but not to exceed _____% of Compensation. Such contribution is subject to the Instructions and Notice requirement of Section 4.12.

- f. **Fixed - tiered.** The Employer will make matching contributions equal to a uniform percentage of each tier of each Participant's "matched Employee contributions", determined as follows:

NOTE: Fill in only percentages or dollar amounts, but not both. If percentages are used, each tier represents the amount of the Participant's applicable contributions that equals the specified percentage of the Participant's Compensation (add additional tiers if necessary):

Tiers of Contributions (indicate \$ or %)	Matching Percentage
First _____	_____ %
Next _____	_____ %
Next _____	_____ %
Next _____	_____ %

- g. **Fixed - Years of Service.** The Employer will make matching contributions equal to a uniform percentage of each Participant's "matched Employee contributions" based on the Participant's Years of Service (or Periods of Service if the elapsed time method is selected), determined as follows (add additional tiers if necessary):

Years (or Periods) of Service	Matching Percentage
_____	_____ %
_____	_____ %
_____	_____ %

For purposes of the above matching contribution formula, a Year (or Period) of Service means a Year (or Period) of Service for:

- 1. vesting purposes
- 2. eligibility purposes

- h. **Flexible Discretionary Match.** (may not be elected if this Plan is a Money Purchase Pension Plan) "Flexible Discretionary Match" means a Matching Contribution which the Employer in its sole discretion elects to make to the Plan. Except as specified below, the Employer retains discretion over the formula or formulas for allocating the Flexible Discretionary Match, including the Discretionary Matching Contribution rate or amount, the limit(s) on Elective Deferrals or Employee Contributions subject to match, the per Participant match allocation limit(s), the Participants or categories of Participants who will receive the allocation, and the time period applicable to any matching formula(s) (collectively, the "Flexible Discretionary Matching Formula"), except as the Employer otherwise elects in its Adoption Agreement. Such contributions will be subject to the Instructions and Notice requirement of Section 4.12, reproduced below, unless the Employer elects to use a "Rigid Discretionary Match" in Election 26.B.h.1. below.

The discretionary matching contribution under this Question 26.B.h. is a "Flexible Discretionary Match" unless the Employer elects to use a "Rigid Discretionary Match." (Choose 1. if applicable.)

1. **Rigid Discretionary Match.** A "Rigid Discretionary Match" means a Matching Contribution which the Employer in its sole discretion elects to make to the Plan. Such discretion will only pertain to the amount of the annual contribution. The Employer must select the allocation method for this Contribution by selecting among those Adoption Agreement options which confer no Employer Discretion regarding the allocation of such discretionary amount, for example, the limit(s) on Elective Deferrals or Employee Contributions subject to match, the per Participant match allocation limit(s), the Participants who will receive the allocation, and the time period applicable to any matching formula(s). This "Rigid Discretionary Match" is not subject to the Instructions and Notice requirement of Section 4.12.

Section 4.12 provides: INSTRUCTIONS TO ADMINISTRATOR AND NOTIFICATION TO PARTICIPANTS. For Plan Years beginning after the end of the Plan Year in which this document is first adopted, if a "Flexible Discretionary Match" contribution formula applies (i.e., a formula that provides an Employer with discretion regarding how to *allocate* a matching contribution to Participants) and the Employer makes a "Flexible Discretionary Match" to the Plan, the Employer must provide the Plan Administrator or Trustee written instructions describing (1) how the "Flexible Discretionary Match" formula will be allocated to Participants (e.g., a uniform percentage of Elective Deferrals or a flat dollar amount), (2) the computation period(s) to which the "Flexible Discretionary Match" formula applies, and (3) if applicable, a description of each business location or business classification subject to separate "Flexible Discretionary Match" allocation formulas. Such instructions must be provided no later than the date on which the "Flexible Discretionary Match" is made to the Plan. A summary of these instructions must be communicated to Participants who receive an allocation of the "Flexible Discretionary Match" no later than 60 days following the date on which the last "Flexible Discretionary Match" contribution is made to the Plan for the Plan Year.

- i. **Discretionary - tiered.** (may not be elected if this Plan is a Money Purchase Pension Plan) The Employer may make matching contributions equal to a discretionary percentage of a Participant's "matched Employee contributions," to be determined by the Employer, of each tier, to be determined by the Employer. Such discretion will only pertain to the amount of the contribution. The tiers may be based on the rate of a Participant's "matched Employee contributions" or Years of Service. Such contribution is subject to the Instructions and Notice requirement of Section 4.12.

NOTE: Fill in only percentages or dollar amounts, but not both. If percentages are used, each tier represents the amount of the Participant's applicable contributions that equals the specified percentage of the Participant's Compensation (add additional tiers if necessary):

Tiers of Contributions (indicate \$ or %)	Matching Percentage
First _____	_____ %
Next _____	_____ %
Next _____	_____ %
Next _____	_____ %

- j. Other: _____ (the formula described must satisfy the definitely determinable requirement under Regulation §1.401-1(b) and if this is a Money Purchase Pension Plan, it must not be a discretionary contribution formula. **NOTE:** Under Question 26.B.j., the Employer may only describe the allocation of Matching Contributions from the elections available under Question 26 and/or a combination thereof as to a Participant group or contribution type (e.g., fixed – uniform rate applies to Group A; contributions to other Employees will be allocated as a tiered contribution.)

27. MATCHING CONTRIBUTION PROVISIONS

- A. **Maximum matching contribution.** The total matching contribution made on behalf of any Participant for any Plan Year will not exceed:
- a. N/A (no Plan specific limit on the amount of matching contribution)
 - b. \$_____.
 - c. 10 % of Compensation.

- B. **Period of determination.** Any matching contribution other than a "Flexible Discretionary Match" will be applied on the following basis (and "matched Employee contributions" and any Compensation or dollar limitation used in determining the matching contribution will be based on the applicable period. Skip if the only Matching Contribution is a Flexible Discretionary Match.):
- d. the Plan Year (potential annual true-up required)
 - e. each payroll period (no true-up)
 - f. each month (potential monthly true-up required)
 - g. each Plan Year quarter (potential quarterly true-up required)
 - h. each payroll unit (e.g., hour) (no true-up)
 - i. Other (specify): _____ The time period described must be definitely determinable under Treas. Reg. §1.401-1(b). This line may be used to apply different options to different matching contributions (e.g., Discretionary matching contributions will be allocated on a Plan Year period while fixed

matching contributions will be allocated on each payroll period.) Such contribution period is subject to the Instructions and Notice requirement of Section 4.12.

28. ALLOCATION CONDITIONS (Plan Section 4.3) Select a. OR b. and all that apply of c. - h.
- a. **No conditions.** All Participants share in the allocations regardless of service completed during the Plan Year or employment status on the last day of the Plan Year (skip to Question 29).
 - b. **Allocation conditions apply** (select one of 1. - 5. AND one of 6. - 9. below)
 - Conditions for Participants NOT employed on the last day of the Plan Year.**
 - 1. A Participant must complete more than _____ Hours of Service (or _____ months of service if the elapsed time method is selected).
 - 2. A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
 - 3. Participants will NOT share in the allocations, regardless of service.
 - 4. Participants will share in the allocations, regardless of service.
 - 5. Other: as follows: Participants will NOT share in allocations unless the Participant has met the earliest Retirement Age among the Employer's retirement plans for which the Participant is eligible (must be definitely determinable)

Conditions for Participants employed on the last day of the Plan Year

- 6. No service requirement.
- 7. A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
- 8. A Participant must complete at least 1 Hours of Service during the Plan Year.
- 9. Other: _____ (must be definitely determinable and not subject to Employer discretion)

Waiver of conditions for Participants NOT employed on the last day of the Plan Year. If b.1., 2., 3., or 5. is selected, Participants who are not employed on the last day of the Plan Year in which one of the following events occur will be eligible to share in the allocations regardless of the above conditions (select all that apply; leave blank if none apply):

- c. Death
- d. Total and Permanent Disability
- e. Termination of employment on or after Normal Retirement Age
 - 1. or Early Retirement Date

Conditions based on period other than Plan Year. The allocation conditions above will be applied based on the Plan Year unless otherwise selected below. If selected, the above provisions will be applied by substituting the term Plan Year with the specified period (e.g., if Plan Year quarter is selected below and the allocation condition is 250 Hours of Service per quarter, enter 250 hours (not 1000) at b.8. above).

- f. The Plan Year quarter.
- g. Payroll period.
- h. Other: _____ (must be definitely determinable and not subject to Employer discretion and may not be longer than a twelve month period).

29. FORFEITURES (Plan Sections 1.21 and 4.3(e))

Timing of Forfeitures. Except as provided in Plan Section 1.21, a Forfeiture will occur:

- a. N/A (may only be selected if all contributions are fully Vested (default provisions at Plan Section 4.3(e) apply))
- b. As of the earlier of (1) the last day of the Plan Year in which the former Participant incurs five (5) consecutive 1-Year Breaks in Service, or (2) the distribution of the entire Vested portion of the Participant's Account.
- c. As of the last day of the Plan Year in which the former Participant incurs five (5) consecutive 1-Year Breaks in Service.
- d. As soon as reasonably practical after the date the Participant severs employment.

Use of Forfeitures. (skip if this is NOT a Money Purchase Pension Plan; for Profit Sharing Plans, Forfeitures are disposed of in accordance with Employer direction that is consistent with Section 4.3(e)).

Forfeitures will be (select one):

- e. added to the Employer contribution and allocated in the same manner
- f. used to reduce any Employer contribution
- g. allocated to all Participants eligible to share in the allocations of Employer contributions or Forfeitures in the same proportion that each Participant's Compensation for the Plan Year bears to the Compensation of all Participants for such year
- h. other: _____ (describe the treatment of Forfeitures in a manner that is definitely determinable and that is not subject to Employer discretion)

30. MANDATORY EMPLOYEE CONTRIBUTIONS (Plan Section 4.8) (skip if mandatory Employee contributions NOT selected at Question 11.d.)

Type of mandatory Employee Contribution. The mandatory Employee contribution is being made in accordance with the following: (select one)

- a. [] The mandatory Employee contribution is a condition of employment.
b. [] The Employee must make, on or before first being eligible to participate under any Plan of the Employer, an irrevocable election to contribute the mandatory Employee contribution to the Plan. No Eligible Employee will become a Participant unless the Employee makes such an irrevocable election.

Amount of mandatory Employee Contribution (select one)

- c. [] An Eligible Employee must contribute to the Plan _____% (not to exceed 25%) of Compensation.
d. [] An Eligible Employee must, prior to his or her first Entry Date, make a one-time irrevocable election to contribute to the Plan from _____% (not less than 1%) to _____% (not to exceed 25%) of Compensation.

Conditions of Mandatory Employee Contributions

- e. [] Additional provisions and conditions: _____ (must be definitely determinable; e.g., Only full-time Employees must make mandatory Employee contributions)

Employer pick-up contribution. The mandatory Employee contribution is "picked-up" by the Employer under Code §414(h)(2) unless elected below. (select if applicable)

- f. [] The mandatory Employee contribution is not "picked-up" by the Employer.

DISTRIBUTIONS

31. FORM OF DISTRIBUTIONS (Plan Sections 6.5 and 6.6)

Distributions under the Plan may be made in (select all that apply; must select at least one):

- a. [X] lump-sums
b. [X] substantially equal installments
c. [X] partial withdrawals, provided the minimum withdrawal is \$_____ (leave blank if no minimum)
d. [] partial withdrawals or installments are only permitted for Participants or Beneficiaries who must receive required minimum distributions under Code §401(a)(9) except for the following (leave blank if no exceptions):
1. [] Only Participants (and not Beneficiaries) may elect partial withdrawals or installments
2. [] Other: _____ (e.g., partial is not permitted for death benefits. Must be definitely determinable and not subject to Employer discretion.)
e. [] annuity: _____ (describe the form of annuity or annuities)
f. [] other: _____ (must be definitely determinable and not subject to Employer discretion)

NOTE: Regardless of the above, a Participant is not required to request a withdrawal of his or her total Account for an in-service distribution, a hardship distribution, or a distribution from the Participant's Rollover Account.

Cash or property. Distributions may be made in:

- g. [X] cash only, except for (select all that apply; leave blank if none apply):
1. [] insurance Contracts
2. [] annuity Contracts
3. [] Participant loans
4. [] all investments in an open brokerage window or similar arrangement
h. [] cash or property, except that the following limitation(s) apply: (leave blank if there are no limitations on property distributions):
1. [] _____ (must be definitely determinable and not subject to Employer discretion)

Joint and Survivor Annuity provisions. (Plan Sections 6.5(e) and 6.6(e) (select one) The Joint and Survivor Annuity provisions do not apply to the Plan unless selected below (choose if applicable)

- i. [] Joint and Survivor Annuity applicable as normal form of distribution. The Joint and Survivor annuity rules set forth in Plan Sections 6.5(e) and 6.5(f) apply to all Participants (if selected, then annuities are a form of distribution under the Plan even if e. above is not selected)
j. [] Joint and Survivor Annuity rules apply based on Participant election. Plan Section 6.5(f) will apply and the joint and survivor rules of Code §§401(a)(11) and 417 (as set forth in Plan Sections 6.5(e) and 6.6(e) will apply only if an annuity form of distribution is selected by a Participant.

AND, if i. or j. is selected above, the one-year marriage rule does not apply unless selected below (choose if applicable).

- 1. [] The one-year marriage rule applies.

Spousal consent requirements. Spousal consent is not required for any Plan provisions (except as otherwise elected in i. above for the joint and survivor annuity rules) unless selected below (choose if applicable)

- k. [] Required for all distributions. A Spouse must consent to all distributions (other than required minimum distributions).

- l. **Beneficiary designations.** A married Participant's Spouse will be the Beneficiary of the entire death benefit unless the Spouse consents to an alternate Beneficiary.

AND, if k. or l. is selected, the one-year marriage rule does not apply unless selected below (choose if applicable).

1. The one-year marriage rule applies.

32. **CONDITIONS FOR DISTRIBUTIONS UPON SEVERANCE OF EMPLOYMENT.** Distributions upon severance of employment pursuant to Plan Section 6.4(a) will not be made unless the following conditions have been satisfied:

A. **Accounts in excess of \$5,000**

- a. Distributions may be made as soon as administratively feasible following severance of employment.
b. Distributions may be made as soon as administratively feasible after the last day of the Plan Year coincident with or next following severance of employment.
c. Distributions may be made as soon as administratively feasible after the last day of the Plan Year quarter coincident with or next following severance of employment.
d. Distributions may be made as soon as administratively feasible after the Valuation Date coincident with or next following severance of employment.
e. Distributions may be made as soon as administratively feasible after _____ months have elapsed following severance of employment.
f. No distributions may be made until a Participant has reached Early or Normal Retirement Date.
g. Other: _____ (must be objective conditions which are ascertainable and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

B. **Accounts of \$5,000 or less**

- h. Same as above
i. Distributions may be made as soon as administratively feasible following severance of employment.
j. Distributions may be made as soon as administratively feasible after the last day of the Plan Year coincident with or next following severance of employment.
k. Other: _____ (must be objective conditions which are ascertainable and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

C. **Timing after initial distributable event.** If a distribution is not made in accordance with the above provisions upon the occurrence of the distributable event, then a Participant may elect a subsequent distribution at any time after the time the amount was first distributable (assuming the amount is still distributable), unless otherwise selected below (may not be selected with 32.f. and 32.h.):

- l. Other: _____ (e.g., a subsequent distribution request may only be made in accordance with l. above (i.e., the last day of another Plan Year); must be objective conditions which are ascertainable and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

D. **Participant consent (i.e., involuntary cash-outs).** Should Vested Account balances less than a certain dollar threshold be automatically distributed without Participant consent (mandatory distributions)?

NOTE: The Plan provides that distributions of amounts of \$5,000 or less are only paid as lump-sums.

- m. No, Participant consent is required for all distributions.
n. Yes, Participant consent is required only if the distribution is over:
1. \$5,000
2. \$1,000
3. \$_____ (less than \$1,000)

NOTE: If 2. or 3. is selected, rollovers will be included in determining the threshold for Participant consent.

Automatic IRA rollover. With respect to mandatory distributions of amounts that are \$1,000 or less, if a Participant makes no election, the amount will be distributed as a lump-sum unless selected below.

4. If a Participant makes no election, then the amount will be automatically rolled over to an IRA provided the amount is at least \$ 1,00 (e.g., \$200).

E. **Rollovers in determination of \$5,000 threshold.** Unless otherwise elected below, amounts attributable to rollover contributions (if any) will be **included** in determining the \$5,000 threshold for timing of distributions, form of distributions, or consent rules.

- o. Exclude rollovers (rollover contributions will be **excluded** in determining the \$5,000 threshold)

NOTE: Regardless of the above election, if the Participant consent threshold is \$1,000 or less, then the Administrator must include amounts attributable to rollovers for such purpose. In such case, an election to exclude rollovers above will apply for purposes of the timing and form of distributions.

33. **DISTRIBUTIONS UPON DEATH (Plan Section 6.8(b)(2))**

Distributions upon the death of a Participant prior to the "required beginning date" will:

- a. be made pursuant to the election of the Participant or "designated Beneficiary"
b. begin within 1 year of death for a "designated Beneficiary" and be payable over the life (or over a period not exceeding the "life expectancy") of such Beneficiary, except that if the "designated Beneficiary" is the Participant's Spouse, begin prior to December 31st of the year in which the Participant would have attained age 70 1/2
c. be made within 5 (or if lesser _____) years of death for all Beneficiaries

- d. be made within 5 (or if lesser _____) years of death for all Beneficiaries, except that if the "designated Beneficiary" is the Participant's Spouse, begin prior to December 31st of the year in which the Participant would have attained age 70 1/2 and be payable over the life (or over a period not exceeding the "life expectancy") of such "surviving Spouse"

NOTE: The elections above must be coordinated with the Form of distributions (e.g., if the Plan only permits lump-sum distributions, then options a., b. and d. would not be applicable).

34. OTHER PERMITTED DISTRIBUTIONS (select all that apply; leave blank if none apply)

A. IN-SERVICE DISTRIBUTIONS (Plan Section 6.11)

In-service distributions will NOT be allowed (except as otherwise permitted under the Plan without regard to this provision) unless selected below (if applicable, answer a. - e.; leave blank if not applicable):

- a. In-service distributions may be made to a Participant who has not separated from service provided the following has been satisfied (select one or more) (options 2. - 5. may only be selected with Profit Sharing Plans):
1. Age. The Participant has reached: (select one)
 - a. Normal Retirement Age
 - b. age 62
 - c. age 59 1/2 (may not be selected if a Money Purchase Pension Plan)
 - d. age _____ (may not be less than age 62 for Money Purchase Pension Plans)
 2. the Participant has been a Participant in the Plan for at least _____ years (may not be less than five (5))
 3. the amounts being distributed have accumulated in the Plan for at least 2 years
 4. other: _____ (must satisfy the definitely determinable requirement under Regulations §401-1(b); may not be subject to Employer discretion; and must be limited to a combination of items a.1. – a.3. or a Participant's disability.)

More than one condition. If more than one condition is selected above, then a Participant only needs to satisfy one of the conditions, unless selected below:

5. A Participant must satisfy each condition

NOTE: Distributions from a Transfer Account attributable to a Money Purchase Pension Plan are not permitted prior to age 62.

Account restrictions. In-service distributions are permitted from the following Participant Accounts:

- b. all Accounts
- c. only from the following Accounts (select one or more):
1. Account attributable to Employer matching contributions
 2. Account attributable to Employer contributions other than matching contributions
 3. Rollover Account
 4. Transfer Account
Permitted from the following assets attributable to (select one or both):
 - a. non-pension assets
 - b. pension assets (e.g., from a Money Purchase Pension Plan)
 5. Mandatory Employee Contribution Account
 6. Other: Rollover Accounts are distributable at any time (specify Account(s) and conditions in a manner that satisfies the definitely determinable requirement under Regulation §1.401-1(b) and is not subject to Employer discretion)

Limitations. The following limitations apply to in-service distributions:

- d. N/A (no additional limitations)
- e. Additional limitations (select one or more):
1. The minimum amount of a distribution is \$_____.
 2. No more than _____ distribution(s) may be made to a Participant during a Plan Year.
 3. Distributions may only be made from Accounts which are fully Vested.
 4. In-service distributions may be made subject to the following provisions: _____ (must satisfy the definitely determinable requirement under Regulation §1.401-1(b) and not be subject to Employer discretion).

B. HARDSHIP DISTRIBUTIONS (Plan Sections 6.12) (may not be selected if this is a Money Purchase Pension Plan)

Hardship distributions will NOT be allowed (except as otherwise permitted under the Plan without regard to this provision) unless selected below (leave blank if not applicable):

f. Hardship distributions are permitted from the following Participant Accounts:

1. all Accounts
2. only from the following Accounts (select one or more):
 - a. Account attributable to Employer matching contributions
 - b. Account attributable to Employer contributions other than matching contributions
 - c. Rollover Account (if not available at any time under Question 36)
 - d. Transfer Account (other than amounts attributable to a money purchase pension plan)
 - e. Mandatory Employee Contribution Account
 - f. Other: _____ (specify Account(s) and conditions in a manner that is definitely determinable and not subject to Employer discretion)

NOTE: Hardship distributions are NOT permitted from a Transfer Account attributable to pension assets (e.g., from a Money Purchase Pension Plan).

Additional limitations. The following limitations apply to hardship distributions:

- 3. N/A (no additional limitations)
- 4. Additional limitations (select one or more):
 - a. The minimum amount of a distribution is \$_____.
 - b. No more than _____ distribution(s) may be made to a Participant during a Plan Year.
 - c. Distributions may only be made from Accounts which are fully Vested.
 - d. A Participant does not include a Former Employee at the time of the hardship distribution.
 - e. Hardship distributions may be made subject to the following provisions: The Participant must demonstrate a financial hardship by providing any documentation the Administrator deems necessary to approve the hardship distribution (e.g. actual medical bills) (must satisfy the definitely determinable requirement under Regulation §1.401-1(b) and not be subject to Employer discretion).

Beneficiary Hardship. Hardship distributions for Beneficiary expenses are NOT allowed unless otherwise selected below.

- 5. Hardship distributions for expenses of Beneficiaries are allowed

Special effective date (may be left blank if effective date is same as the Plan or Restatement Effective Date; select a. and, if applicable, b.)

 - a. effective as of August 17, 2006
 - b. eliminated effective as of November 5, 2014 .

MISCELLANEOUS

- 35. LOANS TO PARTICIPANTS (Plan Section 7.4)
 - a. New loans are NOT permitted.
 - b. New loans are permitted.

NOTE: Regardless of whether new loans are permitted, if the Plan permits rollovers and/or plan-to-plan transfers, then the Administrator may, in a uniform manner, accept rollovers and/or plan-to-plan transfers of loans into this Plan.
- 36. ROLLOVERS (Plan Section 4.6) (skip if rollover contributions are NOT selected at 11.f.)

Eligibility. Rollovers may be accepted from all Participants who are Employees as well as the following (select all that apply; leave blank if not applicable):

 - a. Any Eligible Employee, even prior to meeting eligibility conditions to be a Participant
 - b. Participants who are Former Employees

Distributions. When may distributions be made from a Participant's Rollover Account?

 - c. At any time
 - d. Only when the Participant is otherwise entitled to any distribution under the Plan
- 37. **HEART ACT** (Plan Section 4.11) (select one or more)
 - a. **HEART ACT Continued benefit accruals.** Continued benefit accruals will apply
 - b. **Distributions for deemed severance of employment.** The Plan permits distributions for deemed severance of employment.

Reliance on Provider Opinion Letter. The Provider has obtained from the IRS an Opinion Letter specifying the form of this document satisfies Code §401 as of the date of the Opinion Letter. An adopting Employer may rely on the Provider's IRS Opinion Letter *only* to the extent provided in Rev. Proc. 2017-41 or subsequent guidance. The Employer may not rely on the Opinion Letter in certain other circumstances or with respect to certain qualification requirements, which are specified in the Opinion Letter and in Rev. Proc. 2017-41 or subsequent guidance. In order to have reliance in such circumstances or with respect to such qualification requirements, the Employer must apply for a determination letter to Employee Plans Determinations of the IRS.

An Employer who has ever maintained or who later adopts an individual medical account, as defined in Code §415(l)(2) in addition to this Plan may not rely on the opinion letter issued by the Internal Revenue Service with respect to the requirements of Code§415.

This Adoption Agreement may be used only in conjunction with the basic Plan document #03. This Adoption Agreement and the basic Plan document will together be known as Newport Group, Inc. Non-Standardized Governmental 401(a) Pre-Approved Plan #03-001.

The adoption of this Plan, its qualification by the IRS, and the related tax consequences are the responsibility of the Employer and its independent tax and legal advisors.

Execution for Page Substitution Amendment Only. If this paragraph is completed, this Execution Page documents an amendment to Adoption Agreement Election(s) _____ effective _____, by substitute Adoption Agreement page number(s) _____. The Employer should retain all Adoption Agreement Execution Pages and amended pages. (*Note: The Effective Date may be retroactive or may be prospective.*)

The Provider, Newport Group, Inc. will notify the Employer of any amendment to this Pre-approved Plan or of any abandonment or discontinuance by the Provider of its maintenance of this Pre-approved Plan. In addition, this Plan is provided to the Employer either in connection with investment in a product or pursuant to a contract or other arrangement for products and/or services. Upon cessation of such investment in a product or cessation of such contract or arrangement, as applicable, the Employer is no longer considered to be an adopter of this Plan and Newport Group, Inc. no longer has any obligations to the Employer that relate to the adoption of this Plan. For inquiries regarding the adoption of the Pre-approved Plan, the Provider's intended meaning of any Plan provisions or the effect of the Opinion Letter issued to the Provider, please contact the Provider or the Provider's representative.

Provider Name: Plan Document Department, Newport Group, Inc.

Address: 35 Iron Point Circle, Suite 300
Folsom California 95630-8589

Telephone Number: 916-605-4015

Email address (optional): _____

The Employer, by executing below, hereby adopts this Plan (add additional signature lines as needed). NOTE: If more than one Plan type is adopted, the Plan Provider must provide multiple plan documents for Employer signature.

EMPLOYER: Town of Jupiter Island

By: _____
DATE SIGNED

**APPENDIX A
SPECIAL EFFECTIVE DATES AND OTHER PERMITTED ELECTIONS**

- A. **Special effective dates** (leave blank if not applicable):
- a. **Special effective date(s):** _____ . For periods prior to the specified special effective date(s), the Plan terms in effect prior to its restatement under this Adoption Agreement will control for purposes of the designated provisions. A special effective date may not result in the delay of a Plan provision beyond the permissible effective date under any applicable law. (The Employer has reliance on the IRS Opinion Letter only if the features described in the preceding sentence constitute protected benefits within the meaning of Code Section 411(d)(6) and the regulations thereunder, and only if such features are permissible in a "Cycle 3" preapproved plan, i.e., the features are not specifically prohibited by Revenue Procedure 2017-41 (or any superseding guidance))
- B. **Other permitted elections** (the following elections are optional):
- a. **No other permitted elections**
- The following elections apply** (select one or more):
- b. **Deemed 125 compensation** (Plan Section 1.23). Deemed 125 compensation will be included in Compensation and 415 Compensation.
- c. **Break-in-Service Rules.** The following Break-in-Service rules apply to the Plan.(select 1. or 2.)
1. **Reemployed after five (5) 1-Year Breaks in Service ("rule of parity" provisions)** (Plan Section 3.5(e)). The "rule of parity" provisions in Plan Section 3.5(d) will apply for (select one or both):
- a. eligibility purposes
- b. vesting purposes
2. **Break-in-Service rules for rehired Employees.** The following Break-in-Service rules set forth in Plan Sections 3.2 and 3.5 apply: (select one or both)
- a. all Break-in-Service rules set forth in such Sections.
- b. only the following: _____ (specify which provisions apply to the Plan)
- d. **Beneficiary if no beneficiary elected by Participant** (Plan Section 6.2(f)). In the event no valid designation of Beneficiary exists, then in lieu of the order set forth in Plan Section 6.2(f), the following order of priority will be used: surviving spouse, then surviving children in equal shares and then the Participant's estate (specify an order of beneficiaries; e.g., children per stirpes, parents, and then step-children).
- e. **Joint and Survivor Annuity/Pre-Retirement Survivor Annuity.** If the Plan applies the Joint and Survivor Annuity rules, then the normal form of annuity will be a joint and 50% survivor annuity (i.e., if 31.i. or 31.j. is selected) and the Pre-Retirement Survivor Annuity will be equal to 50% of a Participant's interest in the Plan unless selected below (select 1. and/or 2.)
1. **Normal form of annuity.** Instead of a joint and 50% survivor annuity, the normal form of the qualified Joint and Survivor Annuity will be: (select one)
- a. joint and 100% survivor annuity
- b. joint and 75% survivor annuity
- c. joint and 66 2/3% survivor annuity
2. **Pre-Retirement Survivor Annuity.** The Pre-Retirement Survivor Annuity (minimum Spouse's death benefit) will be equal to 50% of a Participant's interest in the Plan unless a different percentage is selected below: (select one)
- a. 100% of a Participant's interest in the Plan.
- b. _____% (may not be less than 50%) of a Participant's interest in the Plan.
- f. **Limitation Year** (Plan Section 1.30). The Limitation Year for Code §415 purposes will be _____ (must be a consecutive twelve month period) instead of the "determination period" for Compensation.
- g. **415 Limits when 2 defined contribution plans are maintained** (Plan Section 4.4). If any Participant is covered under another qualified defined contribution plan maintained by the Employer or an Affiliated Employer, or if the Employer or an Affiliated Employer maintains a welfare benefit fund, as defined in Code §419(e), or an individual medical account, as defined in Code §415(l)(2), under which amounts are treated as "annual additions" with respect to any Participant in this Plan, then the provisions of Plan Section 4.4(b) will apply unless otherwise specified below:
1. Specify, in a manner that precludes Employer discretion, the method under which the plans will limit total "annual additions" to the "maximum permissible amount" and will properly reduce any "excess amounts": _____.
- h. **Recognition of Service with other employers** (Plan Sections 1.40 and 1.55). Service with the following employers (in addition to those specified at Question 15) will be recognized as follows (select one or more):

Non-Standardized Governmental 401(a)

	Eligibility	Vesting	Contribution Allocation
1. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
2. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
3. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
4. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
5. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
6. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>

Limitations

7. The following provisions or limitations apply with respect to the recognition of prior service: _____ (e.g., credit service with X only on/following 1/1/19) a. b. c.

i. **Other vesting provisions.** The following vesting provisions apply to the Plan (select one or more):

1. **Special vesting provisions.** The following special provisions apply to the vesting provisions of the Plan: Prior to October 1, 2012, the vesting schedule was the 5-Year Graded Schedule. Any participant with an hour of service on or after October 1, 2012 will receive the better of the two schedules at the completion of each Year of Service (i.e. 20%, 40%, 100%). (must be definitely determinable and satisfy the parameters set forth at Question 17)
2. **Pre-amendment vesting schedule.** (Plan Section 6.4(b)). If the vesting schedule has been amended and a different vesting schedule other than the schedule at Question 17 applies to any Participants, then the following provisions apply (must select one of a. – d.):

Applicable Participants. The vesting schedules in Question 17 only apply to:

- a. Participants who are Employees as of _____ (enter date).
- b. Participants in the Plan who have an Hour of Service on or after _____ (enter date).
- c. Participants (even if not an Employee) in the Plan on or after _____ (enter date).
- d. Other: _____ (e.g., Participants in division A. Must be definitely determinable.)

j. **Minimum distribution transitional rules** (Plan Section 6.8(e)(5))

NOTE: This Section does not apply to (1) a new Plan, (2) an amendment or restatement of an existing Plan that never contained the provisions of Code §401(a)(9) as in effect prior to the amendments made by the Small Business Job Protection Act of 1996 (SBJPA), or (3) a Plan where the transition rules below do not affect any current Participants.

The "required beginning date" for a Participant is:

1. April 1st of the calendar year following the year in which the Participant attains age 70 1/2. (pre-SBJPA rules continue to apply)
2. April 1st of the calendar year following the later of the year in which the Participant attains age 70 1/2 or retires (the post-SBJPA rules), with the following exceptions (select one or both; leave blank if both applied effective as of January 1, 1996):
 - a. A Participant who was already receiving required minimum distributions under the pre-SBJPA rules as of _____ (may not be earlier than January 1, 1996) was allowed to stop receiving distributions and have them recommence in accordance with the post-SBJPA rules. Upon the recommencement of distributions, if the Plan permits annuities as a form of distribution then the following apply:
 1. N/A (annuity distributions are not permitted)
 2. Upon the recommencement of distributions, the original Annuity Starting Date will be retained.
 3. Upon the recommencement of distributions, a new Annuity Starting Date is created.
 - b. A Participant who had not begun receiving required minimum distributions as of _____ (may not be earlier than January 1, 1996) may elect to defer commencement of distributions until retirement. The option to defer the commencement of distributions (i.e., to elect to receive in-service distributions upon attainment of age 70 1/2) applies to all such Participants unless selected below:
 1. The in-service distribution option was eliminated with respect to Participants who attained age 70 1/2 in or after the calendar year that began after the later of (1) December 31, 1998, or (2) the adoption date of the restatement to bring the Plan into compliance with the SBJPA.

- k. **Other spousal provisions** (select one or more)
1. **Definition of Spouse.** The term Spouse includes a spouse under federal law as well as the following: _____
 2. **Automatic revocation of spousal designation** (Plan Section 6.2(g)). The automatic revocation of a spousal Beneficiary designation in the case of divorce does not apply.
 3. **Timing of QDRO payment.** A distribution to an Alternate Payee shall not be permitted prior to the time a Participant would be entitled to a distribution.
- l. **Applicable law.** Instead of using the applicable laws set forth in Plan Section 9.4(a), the Plan will be governed by the laws of: _____
- m. **Total and Permanent Disability.** Instead of the definition at Plan Section 1.50, Total and Permanent Disability means: the same as the definition in the Employer's Disability Insurance Plan (must be definitely determinable).
- n. **Inclusion of Reclassified Employees** (Plan Section 1.17(a)). The Employer does not exclude Reclassified Employees subject to the following provisions: (leave blank if not applicable): _____
- o. **Claims procedures** (Plan Section 2.10). The claims procedures forth in Plan Section 2.10(a) – (b) apply unless otherwise elected below or unless the Administrator has operationally adopted alternative procedures.
1. The claims procedures set forth in Plan Section 2.10(c) – (g) apply instead of Plan Section 2.10(a).
 2. The claims procedures set forth in Plan Section 2.10(c)-(g) apply as follows: _____ (specify which provisions apply and/or modified)
- p. **Age 62 In-Service Distributions For Transferred Money Purchase Assets** (Plan Section 6.11)
 In-service distributions will be allowed for Participants at age 62. (applies only for Transfer Accounts from a Money Purchase Pension Plan) (skip this question if the Plan is a Money Purchase Pension Plan or if in-service distributions are already permitted for Transferred Accounts at Question 34)
- Limitations.** The following limitations apply to these in-service distributions:
1. The Plan already provides for in-service distributions and the restrictions set forth in the Plan (e.g., minimum amount of distributions or frequency of distributions) are applicable to in-service distributions at age 62.
 2. N/A (no limitations)
 3. The following elections apply to in-service distributions at age 62 (select one or more):
 - a. The minimum amount of a distribution is \$_____ (may not exceed \$1,000).
 - b. No more than _____ distribution(s) may be made to a Participant during a Plan Year.
 - c. Distributions may only be made from Accounts which are fully Vested.
 - d. In-service distributions may be made subject to the following provisions: ____ (must be definitely determinable and not subject to discretion).
- q. **QLACs.** (Plan Section 6.8(e)(4)) A Participant may elect a QLAC (as defined in Plan Section 6.8(e)(4)) or any alternative form of annuity permitted pursuant to a QLAC in which the Participant's Account has been invested.

ADMINISTRATIVE PROCEDURES

The following are optional administrative provisions. The Administrator may implement procedures that override any elections in this Section without a formal Plan amendment. In addition, modifications to these procedures will not affect an Employer's reliance on the Plan.

- A. **Loan Limitations.** (complete only if loans to Participants are permitted; leave blank if none apply)
- a. Limitations (select one or more):
 - 1. Loans will be treated as Participant directed investments.
 - 2. Loans will only be made for hardship or financial necessity as specified below (select a. or b.)
 - a. hardship reasons specified in Plan Section 6.12
 - b. financial necessity (as defined in the loan program).
 - 3. The minimum loan will be \$ 5,000.
 - 4. A Participant may only have one (1) (e.g., one (1)) loan(s) outstanding at any time.
 - 5. All outstanding loan balances will become due and payable in their entirety upon the occurrence of a distributable event (other than satisfaction of the conditions for an in-service distribution (including a hardship distribution), if applicable).
 - 6. The home loan term will be no more than 15 years. (if not selected, the Administrator establishes the term for repayment of a home loan)
 - 7. **Account restrictions.** Loans will only be permitted from the following Participant Accounts (select all that apply or leave blank if no limitations apply):
 - a. Account(s) attributable to Employer matching contributions
 - b. Account attributable to Employer contributions other than matching contributions
 - c. Rollover Account
 - d. Transfer Account
 - e. Other: _____
- AND**, if loans are restricted to certain accounts, the limitations of Code §72(p) will be applied:
- f. by determining the limits by only considering the restricted accounts.
 - g. by determining the limits taking into account a Participant's entire interest in the Plan.

Additional Loan Provisions (select all that apply; leave blank if none apply)

- b. **Loan payments.** Loans are repaid by (if left blank, then payroll deduction applies unless Participant is not subject to payroll (e.g., partner who only has a draw)):
 - 1. payroll deduction
 - 2. ACH (Automated Clearing House)
 - 3. check
 - a. Only for prepayment
- c. **Interest rate.** Loans will be granted at the following interest rate (if left blank, then 3. below applies):
 - 1. 0 percentage points over the prime interest rate
 - 2. _____%
 - 3. the Administrator establishes the rate at the time the loan is made
- d. **Refinancing.** Loan refinancing is allowed.

- B. **Life Insurance.** (Plan Section 7.3)
- a. Life insurance may not be purchased.
 - b. Life insurance may be purchased...
 - 1. at the option of the Administrator
 - 2. at the option of the Participant

Limitations

- 3. N/A (no limitations)
- 4. The purchase of initial or additional life insurance will be subject to the following limitations (select one or more):
 - a. Each initial Contract will have a minimum face amount of \$_____.
 - b. Each additional Contract will have a minimum face amount of \$_____.
 - c. The Participant has completed _____ Years (or Periods) of Service.
 - d. The Participant has completed _____ Years (or Periods) of Service while a Participant in the Plan.
 - e. The Participant is under age _____ on the Contract issue date.
 - f. The maximum amount of all Contracts on behalf of a Participant may not exceed \$_____.
 - g. The maximum face amount of any life insurance Contract will be \$_____.

- C. **Plan Expenses.** Will the Plan assess against an individual Participant's Account certain Plan expenses that are incurred by, or are attributable to, a particular Participant based on use of a particular Plan service?
- a. No
 - b. Yes

Use of Forfeitures

Forfeitures of Employer contributions other than matching contributions will be:

- c. added to the Employer contribution and allocated in the same manner
- d. used to reduce any Employer contribution
- e. allocated to all Participants eligible to share in the allocations of Employer contributions or Forfeitures in the same proportion that each Participant's Compensation for the Plan Year bears to the Compensation of all Participants for such year
- f. other: _____ (describe the treatment of Forfeitures in a manner that is definitely determinable and not subject to Employer discretion)

Forfeitures of Employer matching contributions will be:

- g. N/A. Same as above or no Employer matching contributions.
- h. used to reduce the Employer matching contribution.
- i. used to reduce any Employer contribution.
- j. other: _____ (describe the treatment of Forfeitures in a manner that is definitely determinable and not subject to Employer discretion)

D. Directed investments

- a. Participant directed investments are NOT permitted.
- b. Participant directed investments are permitted from the following Participant Accounts:
 - 1. all Accounts
 - 2. only from the following Accounts (select one or more):
 - a. Account attributable to Employer contributions
 - b. Rollover Account
 - c. Transfer Account
 - d. Other: _____ (specify Account(s) and conditions in a manner that is definitely determinable and not subject to Employer discretion)

E. Rollover Limitations. Will the Plan accept rollover contributions and/or direct rollovers from the sources specified below?

- a. No, Administrator determines in operation which sources will be accepted.
- b. Yes

Rollover sources. Indicate the sources of rollovers that will be accepted (select one or more)

- 1. **Direct Rollovers.** The Plan will accept a direct rollover of an eligible rollover distribution from (select one or more):
 - a. a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan), excluding after-tax employee contributions
 - b. a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan), including after-tax employee contributions
 - c. a plan described in Code §403(a) (an annuity plan), excluding after-tax employee contributions
 - d. a plan described in Code §403(a) (an annuity plan), including after-tax employee contributions
 - e. a plan described in Code §403(b) (a tax-sheltered annuity), excluding after-tax employee contributions
 - f. a plan described in Code §403(b) (a tax-sheltered annuity), including after-tax employee contributions
 - g. a plan described in Code §457(b) (eligible deferred compensation plan)

Direct Rollovers of Participant Loan. The Plan will NOT accept a direct rollover of a Participant loan from another plan unless selected below (leave blank if default applies)

- h. The Plan will accept a direct rollover of a Participant loan
- i. The Plan will only accept a direct rollover of a Participant loan only in the following situation(s):
 _____ (e.g., only from Participants who were employees of an acquired organization).

- 2. **Participant Rollover Contributions from Other Plans (i.e., not via a direct plan-to-plan transfer).** The Plan will accept a contribution of an eligible rollover distribution (select one or more):
 - a. a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan)
 - b. a plan described in Code §403(a) (an annuity plan)
 - c. a plan described in Code §403(b) (a tax-sheltered annuity)
 - d. a governmental plan described in Code §457(b) (eligible deferred compensation plan)
- 3. **Participant Rollover Contributions from IRAs:** The Plan will accept a rollover contribution of the portion of a distribution from a traditional IRA that is eligible to be rolled over and would otherwise be includible in gross income. Rollovers from Roth IRAs or a Coverdell Education Savings Account (formerly known as an Education IRA) are not permitted because they are not traditional IRAs. A rollover from a SIMPLE IRA is allowed if the amounts are rolled over after the individual has been in the SIMPLE IRA for at least two years.

F. Trustee(s) or Insurer(s). Information regarding Trustee(s)/Insurer(s) (required for the Summary Plan Description and, if requested, the Trust Agreement)

(Note: Select a. if not using provided trust. MUST select b and following questions as applicable):

- a. Do not produce the trust agreement
- b. Complete the following UNLESS not selecting supporting forms:

Trustee/Insurer (select a. OR one or more of d. - e.)

c. [] Insurer. This Plan is funded exclusively with Contracts (select one or more of 1. - 4)

Name of Insurer(s)

- 1. [] _____
2. [] _____
3. [] Use Employer address/telephone number/email
4. [] Use following address/telephone number/email
a. Street: _____
b. City: _____
c. State: _____
d. Zip: _____
e. Telephone: _____
f. Email: _____

d. [] Individual Trustee(s)

e. [X] Corporate Trustee

Name of Trust

f. Specify name of Trust (required for FIS trust): _____

Individual Trustees (if d. selected above, complete g. - j.)

Directed/Discretionary Trustees. The individual Trustee(s) executing this Adoption Agreement are (select g. or h.)

g. [] Select for each individual Trustee (skip to next question)

h. [] The following selections apply to all individual Trustee(s) (select 1. - 4. as applicable)

- 1. [] A discretionary Trustee over all plan assets (may not be selected with 2. - 4.)
2. [] A nondiscretionary (directed) Trustee over all plan assets (may not be selected with 1., 3. or 4.)
3. [] The individual Trustee(s) will serve as a discretionary Trustee over the following assets: _____ (may not be selected with 1. or 2.)
4. [] The individual Trustee(s) will serve as a nondiscretionary (directed) Trustee over the following assets: _____ (may not be selected with 1. or 2.)

Individual Trustee(s) (complete if d. selected above)

i. [] Individual Trustee(s) are (select one or more of a. - j.; enter address at j. below)

a. Name _____

Title/Email:

- 1. Title _____
2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. - 6. as applicable)

- 3. [] Discretionary Trustee over all plan assets (may not be selected with 4. - 6.)
4. [] A discretionary Trustee over the following plan assets: _____ (may not be select with 3. or 5.)
5. [] Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
6. [] A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

b. Name _____

Title/Email:

- 1. Title _____
2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. - 6. as applicable)

- 3. [] Discretionary Trustee over all plan assets (may not be selected with 4. - 6.)
4. [] A discretionary Trustee over the following plan assets: _____ (may not be select with 3. or 5.)
5. [] Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
6. [] A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

c. Name _____

Title/Email:

- 1. Title _____
2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. - 6. as applicable)

- 3. [] Discretionary Trustee over all plan assets (may not be selected with 4. - 6.)
4. [] A discretionary Trustee over the following plan assets: _____ (may not be select with 3. or 5.)
5. [] Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
6. [] A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

d. Name _____

Title/Email:

- 1. Title _____

2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

- 3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)
- 4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)
- 5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
- 6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

e. **Name** _____

Title/Email:

- 1. Title _____
- 2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

- 3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)
- 4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)
- 5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
- 6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

f. **Name** _____

Title/Email:

- 1. Title _____
- 2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

- 3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)
- 4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)
- 5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
- 6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

g. **Name** _____

Title/Email:

- 1. Title _____
- 2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

- 3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)
- 4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)
- 5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
- 6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

h. **Name** _____

Title/Email:

- 1. Title _____
- 2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

- 3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)
- 4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)
- 5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
- 6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

i. **Name** _____

Title/Email:

- 1. Title _____
- 2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

- 3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)
- 4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)
- 5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
- 6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

j. **Name** _____

Title/Email:

- 1. Title _____
- 2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

- 3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)
- 4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)

- 5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
- 6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

j. **Individual Trustee Address** (complete if d. selected above)

- 1. Use Employer address/telephone number/email
- 2. Use following address/telephone number/email
 - a. Street: _____
 - b. City: _____
 - c. State: _____
 - d. Zip: _____
 - e. Telephone: _____
 - f. Email: _____

Corporate Trustee Name/Type/Address (complete if e. selected above)

k. Name Newport Trust Company c/o Newport Group, Inc.

Address/telephone number/email

- 1. Use Employer address/telephone number/email
- 2. Use following address/telephone number/email
 - a. Street: 45 South 7th Street, Suite 2208
 - b. City: Minneapolis
 - c. State: Minnesota
 - d. Zip: 55402-1614
 - e. Telephone: (866) 499-7782
 - f. Email: _____

Directed/Discretionary. The Corporate Trustee is (select 3. - 6. as applicable)

- 3. A discretionary Trustee over all plan assets (may not be selected with 4. - 6.)
- 4. A nondiscretionary (directed) Trustee over all plan assets (may not be selected with 3., 5. or 6.)
- 5. A discretionary Trustee over the following plan assets over the following assets: _____ (may not be selected with 3. - 4.)
- 6. A nondiscretionary (directed) Trustee over the following plan assets _____ (may not be selected with 3. - 4.)

Signee (optional):

- 7. Name of person signing on behalf of the corporate Trustee _____
- 8. Email address of person signing on behalf of the corporate Trustee _____

Special Trustee for collection of contributions. The Employer appoints the following Special Trustee with the responsibility to collect delinquent contributions (*optional*)

l. **Name** _____

Title:

1. _____

Address/telephone number/email

- 2. Use Employer address/telephone number/email
- 3. Use following address/telephone number/email
 - a. Street: _____
 - b. City: _____
 - c. State: _____
 - d. Zip: _____
 - e. Telephone: _____
 - f. Email: _____

Custodian(s) Name/Address . The Custodian(s) are (*optional*)

m. **Name(s)** _____

Address/telephone number/email

- 1. Use Employer address/telephone number/email
- 2. Use following address/telephone number/email
 - a. Street: _____
 - b. City: _____
 - c. State: _____
 - d. Zip: _____
 - e. Telephone: _____
 - f. Email: _____

Investment in common, collective or pooled trust funds. The nondiscretionary Trustee, as directed or the discretionary Trustee acting without direction (and in addition to the discretionary Trustee's authority to invest in its own funds), may invest in any of the following trust funds: (*optional*)

n. _____ (Specify the names of one or more trust funds in which the Plan can invest)

Choice of law

- o. This trust will be governed by the laws of the state of:
 - 1. State in which the Employer's principal office is located
 - 2. State in which the corporate trustee or insurer is located
 - 3. Other _____

NEWPORT GROUP, INC. NON-STANDARDIZED GOVERNMENTAL 401(A) MODIFICATIONS
TOWN OF JUPITER ISLAND RETIREMENT PLAN FOR SMRU EMPLOYEES

The enclosed Plan is being submitted for expedited review as a Non-Standardized Plan.

No modifications from the approved specimen plan have been made to this Plan.

**ADOPTING RESOLUTION
FOR
TOWN OF JUPITER ISLAND**

The undersigned authorized representative of Town of Jupiter Island (the "Employer") hereby certifies that the following resolutions were duly adopted by the Employer on the date specified below, and that such resolutions have not been modified or rescinded as of the signature date below.

WHEREAS, the Employer previously adopted the Town of Jupiter Island Retirement Plan for SMRU Employees ("Plan"); and

WHEREAS, the Employer reserves the right to amend said Plan from time to time; and

WHEREAS, the Employer desires to amend the Plan to change the Normal Retirement Age (NRA) from age 65 to age 62 and modify the definition of Compensation to include overtime pay.

NOW THEREFORE BE IT RESOLVED, that the amended and restated Plan document effective October 1, 2025 is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the amended and restated Plan documents; and

FURTHER RESOLVED, that the appropriate officers are authorized, empowered and directed to do all acts and things necessary or desirable to effectuate the actions authorized herein.

TOWN OF JUPITER ISLAND

By: _____

Title: _____

Date: _____

TOWN OF JUPITER ISLAND 401(A) PLAN
SUMMARY OF PLAN PROVISIONS

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TOWN OF JUPITER ISLAND 401(A) PLAN

SUMMARY OF PLAN PROVISIONS

INTRODUCTION TO YOUR PLAN

What kind of Plan is this?

Town of Jupiter Island 401(a) Plan ("Plan") has been adopted to provide you with the opportunity to save for retirement on a tax-advantaged basis. This Plan is a type of qualified retirement plan. Generally, you are not taxed on the amounts we contribute to the Plan until you withdraw these amounts from the Plan.

What information does this Summary provide?

This Summary of Plan Provisions contains information regarding your Plan benefits, your distribution options, and many other features of the Plan. You should take the time to read this summary to get a better understanding of your rights and obligations under the Plan.

If you have any questions about the Plan, please contact the Administrator or other plan representative. The Administrator is responsible for responding to questions and making determinations related to the administration, interpretation, and application of the Plan. The name and address of the Administrator can be found at the end of this summary in the Article entitled "General Information About the Plan."

This summary describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language and is designed to comply with applicable legal requirements. If the non-technical language in this summary conflicts with the language of the Plan document, then the Plan document always governs.

The Plan and your rights under the Plan are subject to various laws, including the Internal Revenue Code. The provisions of the Plan are subject to revision due to a change in laws. Your Employer may also amend or terminate this Plan.

Types of Contributions. The Plan includes provisions for the following types of contributions:

- Employer nonelective contributions
- Employer matching contributions

ARTICLE I PARTICIPATION IN THE PLAN

How do I participate in the Plan?

Provided you are not an Excluded Employee, you may begin participating under the Plan once you have satisfied the eligibility requirements and reached your "Entry Date." The following describes the eligibility requirements and Entry Dates that apply. You should contact the Administrator if you have questions about the timing of your Plan participation.

Excluded Employees. If you are a member of a class of employees identified below, you are an Excluded Employee and you are not entitled to participate in the Plan. The Excluded Employees are:

- union employees whose employment is governed by a collective bargaining agreement under which retirement benefits were the subject of good faith bargaining, unless the collective bargaining agreement requires the employee to be included within the Plan
- certain nonresident aliens who have no earned income from sources within the United States
- leased employees
- All employees who work at the South Martin Regional Utility (SMRU) other than Elizabeth Hubbard

Eligibility Conditions. You will be eligible to participate in the Plan on your date of hire. However, you will actually become a Participant in the Plan once you reach the Entry Date as described below.

Entry Date. Your Entry Date will be the date on which you satisfy the eligibility requirements.

What happens if I'm a participant, terminate employment and then I'm rehired?

If you are no longer a participant because you terminated employment, and you are rehired, then you will be able to participate in the Plan on your date of rehire provided you are otherwise eligible to participate in the Plan.

**ARTICLE II
EMPLOYER CONTRIBUTIONS**

This Article describes Employer contributions that may be made to the Plan.

What is the Employer matching contribution and how is it allocated?

Matching Contribution. Matching contributions are Employer contributions that are based on contributions you make to Town of Jupiter Island Deferred Compensation Plan. All of these contributions that you make are collectively referred to as "salary deferrals" for purposes of applying the matching contribution described below.

Discretionary Matching contribution. Your Employer may make a discretionary matching contribution equal to a percentage of your salary deferrals. Each year, your Employer will determine the amount of the Discretionary Match percentage and the Employer is required to provide a separate notice no later than 60 days after the last match payment is made for the Plan Year.

Limit on matching contribution. Regardless of the preceding, your matching contribution in any Plan Year will not exceed 10% of your compensation.

Allocation conditions. In order to share in the matching contribution, you must satisfy the following conditions:

- If you are employed on the last day of the Plan Year quarter, you will share if you completed at least 1 Hours of Service during the Plan Year quarter.
- If you terminate employment (not employed on the last day of the Plan Year quarter), you will share as follows: Participants will NOT share in allocations unless the Participant has met the earliest Retirement Age among the Employer's retirement plans for which the Participant is eligible.
- You will share in the matching contribution for the Plan Year quarter regardless of the amount of service you complete during the Plan Year quarter in which your death or disability occurs. This waiver of allocation conditions will only apply once during your employment history with the Employer (e.g., if you retire, are rehired and then retire again, the waiver only applies to your initial retirement).

What is the Employer nonelective contribution and how is it allocated?

Nonelective contribution. Each year, your Employer may make a discretionary nonelective contribution to the Plan. Your share of any nonelective contribution is determined by the following fraction:

$$\text{Contribution} \quad \times \quad \frac{\text{Your Compensation}}{\text{Total Compensation of All Participants Eligible to Share}}$$

For example: Suppose the nonelective contribution for the Plan Year is \$20,000. Employee A's compensation for the Plan Year is \$25,000. The total compensation of all participants eligible to share, including Employee A, is \$250,000. Employee A's share will be:

$$\$20,000 \quad \times \quad \frac{\$25,000}{\$250,000} \quad \text{or} \quad \$2,000$$

Allocation conditions. In order to share in the nonelective contribution for a Plan Year, you must satisfy the following conditions:

- If you are employed on the last day of the Plan Year, you will share if you completed at least 1,000 Hours of Service during the Plan Year.
- If you terminate employment (not employed on the last day of the Plan Year), you will receive a nonelective contribution as follows: Participants will NOT share in allocations unless the Participant has met the earliest Retirement Age among the Employer's retirement plans for which the Participant is eligible.
- You will share in the nonelective contribution for the year regardless of the amount of service you complete during the Plan Year in the year of your death or disability.

How is my service determined for allocation purposes?

Hour of Service. You will be credited with your actual Hours of Service for:

- (a) each hour for which you are directly or indirectly compensated by the Employer for the performance of duties during the Plan Year;

(b) each hour for which you are directly or indirectly compensated by the Employer for reasons other than the performance of duties (such as vacation, holidays, sickness, disability, lay-off, military duty, jury duty or leave of absence during the Plan Year); and

(c) each hour for back pay awarded or agreed to by the Employer.

You will not be credited for the same Hours of Service both under (a) or (b), as the case may be, and under (c). For Employees for whom records of actual Hours of Service are not maintained or available (e.g., salaried Employees) the monthly equivalency method (190 hours per month) will be used.

What are forfeitures and how are they allocated?

Definition of forfeitures. In order to reward employees who remain employed with the Employer for a long period of time, the law permits a "vesting schedule" to be applied to certain contributions that your Employer makes to the Plan. This means that you will not be "vested" in (entitled to) all of the contributions until you have been employed with the Employer for a specified period of time (see the Article entitled "Vesting"). If a participant terminates employment before being fully vested, then the non-vested portion of the terminated participant's account balance remains in the Plan and is called a forfeiture.

Allocation of forfeitures. The Employer may use forfeitures to pay Plan expenses or to reduce amounts otherwise required to be contributed to the Plan. In some cases, remaining forfeitures will be used to reduce Employer contributions.

ARTICLE III COMPENSATION AND ACCOUNT BALANCE

What compensation is used to determine my Plan benefits?

Definition of compensation. For the purposes of the Plan, compensation has a special meaning. Compensation is generally defined as your total compensation that is subject to income tax and paid to you by your Employer during the Plan Year.

Adjustments to compensation. The following adjustments to compensation will be made:

- reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation, and welfare benefits will be excluded.
- compensation paid while not a participant in the Plan will be excluded.
- bonuses will be excluded.
- excluding Premium Holiday Worked Pay for all contribution types
- compensation paid after you terminate is generally excluded for Plan purposes. However, the following amounts will be included in compensation even though they are paid after you terminate employment, provided these amounts would otherwise have been considered compensation as described above and provided they are paid within 2 1/2 months after you terminate employment, or if later, the last day of the Plan Year in which you terminate employment:
 - compensation for services performed during your regular working hours, or for services outside your regular working hours (such as overtime or shift differential) or other similar payments that would have been made to you had you continued employment

Is there a limit on the amount of compensation which can be considered?

The Plan, by law, cannot recognize annual compensation in excess of a certain dollar limit. The limit for the Plan Year beginning in 2025 is \$350,000. After 2025, the dollar limit may increase for cost-of-living adjustments.

Is there a limit on how much can be contributed to my account each year?

Generally, the law imposes a maximum limit on the amount of contributions that may be made to your account and any other amounts allocated to any of your accounts during the Plan Year, excluding earnings. Beginning in 2025, this total cannot exceed the lesser of \$70,000 or 100% of your annual compensation. After 2025, the dollar limit may increase for cost-of-living adjustments.

How is the money in the Plan invested?

The Trustee of the Plan has been designated to hold the assets of the Plan for the benefit of Plan participants and their beneficiaries in accordance with the terms of this Plan. The trust fund established by the Plan's Trustee will be the funding medium used for the accumulation of assets from which Plan benefits will be distributed.

Participant directed investments. You will be able to direct the investment of your entire interest in the Plan. The Administrator will provide you with information on the investment choices available to you, the procedures for making investment elections, the frequency with which you can change your investment choices and other important information. You need to follow the procedures for making investment elections and you should carefully review the information provided to you before you give investment directions. If

you do not direct the investment of your applicable Plan accounts, then your accounts will be invested in accordance with the default investment alternatives established under the Plan.

Earnings or losses. When you direct investments, your accounts are segregated for purposes of determining the earnings or losses on these investments. Your account does not share in the investment performance of other participants who have directed their own investments. You should remember that the amount of your benefits under the Plan will depend in part upon your choice of investments. Gains as well as losses can occur and your Employer, the Administrator, and the Trustee will not provide investment advice or guarantee the performance of any investment you choose.

Will Plan expenses be deducted from my account balance?

Expenses allocated to all accounts. The Plan permits the payment of Plan expenses to be made from the Plan's assets. The method of allocating the expenses depends on the nature of the expense itself. For example, certain administrative (or recordkeeping) expenses would typically be allocated proportionately to each participant. If the Plan pays \$1,000 in expenses and there are 100 participants, your account balance would be charged \$10 (\$1,000/100) of the expense.

Terminated employee. After you terminate employment, your Employer reserves the right to charge your account for your pro rata share of the Plan's administration expenses, regardless of whether your Employer pays some of these expenses on behalf of current employees.

Expenses allocated to individual accounts. There are certain other expenses that may be paid just from your account. These are expenses that are specifically incurred by, or attributable to, you. For example, if you are married and get divorced, the Plan may incur additional expenses if a court mandates that a portion of your account be paid to your ex-spouse. These additional expenses may be paid directly from your account (and not the accounts of other participants) because they are directly attributable to you under the Plan. The Administrator can inform you when there will be a charge (or charges) directly to your account.

Your Employer may, from time to time, change the manner in which expenses are allocated.

**ARTICLE IV
VESTING**

What is my vested interest in my account?

In order to reward employees who remain employed with the Employer for a long period of time, the law permits a "vesting schedule" to be applied to certain contributions that your Employer makes to the Plan. This means that you will not be entitled ("vested") in all of the contributions until you have been employed with the Employer for a specified period of time.

Vesting schedules. Your "vested percentage" for certain Employer contributions is based on vesting Years of Service. This means at the time you stop working, your account balance attributable to contributions subject to a vesting schedule is multiplied by your vested percentage. The result, when added to the amounts that are always 100% vested as shown above, is your vested interest in the Plan, which is what you will actually receive from the Plan.

Employer Contributions other than Matching Contributions

Your "vested percentage" in your account attributable to Employer contributions other than matching contributions is determined under the following schedule. You will always, however, be 100% vested in these contributions if you are employed on or after your Normal Retirement Age or if you die or become disabled.

Vesting Schedule Nonelective Contributions	
Years of Service	Percentage
Less than 3	0%
3	100%

Matching Contributions

Your "vested percentage" in your account attributable to matching contributions is determined under the following schedule. You will always, however, be 100% vested in your matching contributions if you are employed on or after your Normal Retirement Age or if you die or become disabled.

Vesting Schedule Matching Contributions	
Years of Service	Percentage
Less than 3	0%
3	100%

How is my service determined for vesting purposes?

Year of Service. To earn a Year of Service, you must be credited with at least 1,000 Hours of Service during a Plan Year. The Plan contains specific rules for crediting Hours of Service for vesting purposes. The Administrator will track your service and will credit you with a Year of Service for each Plan Year in which you are credited with the required Hours of Service, in accordance with the terms of the Plan. If you have any questions regarding your vesting service, you should contact the Administrator.

Hour of Service. You will be credited with your actual Hours of Service for:

- (a) each hour for which you are directly or indirectly compensated by the Employer for the performance of duties during the Plan Year;
- (b) each hour for which you are directly or indirectly compensated by the Employer for reasons other than the performance of duties (such as vacation, holidays, sickness, disability, lay-off, military duty, jury duty or leave of absence during the Plan Year); and
- (c) each hour for back pay awarded or agreed to by the Employer.

You will not be credited for the same Hours of Service both under (a) or (b), as the case may be, and under (c). For Employees for whom records of actual Hours of Service are not maintained or available (e.g., salaried Employees) the monthly equivalency method (190 hours per month) will be used.

What service is counted for vesting purposes?

Service with the Employer. In calculating your vested percentage, all service you perform for the Employer will generally be counted.

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. If you may be affected by this law, ask the Administrator for further details.

When will the non-vested portion of my account balance be forfeited?

If you are partially vested in your account balance when you leave, the non-vested portion of your account balance will be forfeited on the earlier of the date:

- (a) of the distribution of your vested account balance, or
- (b) when you incur five consecutive 1-year Breaks in Service.

ARTICLE V DISTRIBUTIONS PRIOR TO TERMINATION AND HARDSHIP DISTRIBUTIONS

Can I withdraw money from my account while working?

In-service distributions. You may be entitled to receive an in-service distribution. However, this distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement. This distribution is made at your election and will be made in accordance with the forms of distributions available under the Plan.

Conditions and Limitations. Generally, you may receive a distribution from the Plan from certain accounts prior to your termination of employment provided you satisfy the condition described below:

- you have attained age 59 1/2

Account restrictions. You may request an in-service distribution only from the vested portion of the following accounts:

- account(s) attributable to Employer matching contributions
- accounts attributable to Employer nonelective contributions
- rollover accounts
- Rollover Accounts are distributable at any time

Qualified birth or adoption distribution. You may request a distribution of up to \$5,000 per child as a Qualified Birth or Adoption Distribution (QBAD), provided certain conditions are met. A QBAD must be made during the 1-year period beginning on the date your child is born or the date you adopt someone who is not your child or your spouse's child and who is under age 18 or is physically or mentally incapable of caring for themselves. You can later recontribute this distribution to an IRA. If you have separated from service, you cannot request a QBAD.

Account restrictions. You may request a QBAD only from the vested portion of the following accounts:

- Permitted from all accounts, other than pension accounts (subject to spousal consent rules) and Employer Stock

Can I withdraw money from my account in the event of financial hardship?

Hardship distributions. You may withdraw money for financial hardship if you satisfy certain conditions. This hardship distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement.

Qualifying expenses. A hardship distribution may be made to satisfy certain immediate and heavy financial needs that you have. A hardship distribution may only be made for payment of the following:

- Expenses for medical care (described in Section 213(d) of the Internal Revenue Code) previously incurred by you, your spouse or your dependents or necessary for you, your spouse or your dependents to obtain medical care.
- Costs directly related to the purchase of your principal residence (excluding mortgage payments).
- Tuition, related educational fees, and room and board expenses for the next twelve (12) months of post-secondary education for yourself, your spouse or your dependents.
- Amounts necessary to prevent your eviction from your principal residence or foreclosure on the mortgage of your principal residence.
- Payments for burial or funeral expenses for your deceased parent, spouse, children or other dependents.
- Expenses for the repair of damage to your principal residence that would qualify for the casualty deduction under the Internal Revenue Code without regard to the limit on casualty losses that are deductible for income tax purposes under IRC 165(h).
- Expenses for disasters arising from federally declared disasters, such as your expenses and losses (including loss of income) attributable to that disaster, provided your principal residence or place of employment was in an area FEMA designates as qualifying for individual assistance.

Conditions. If you have any of the above expenses, a hardship distribution can only be made if you certify and agree that all of the following conditions are satisfied:

- (a) The distribution is not in excess of the amount of your immediate and heavy financial need. The amount of your immediate and heavy financial need may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution.
- (b) You have obtained all distributions, other than hardship distributions, available under all retirement plans maintained by the Employer.
- (c) You certify (via a form for that purpose) that you have insufficient cash or other liquid assets reasonably available to satisfy the need.

Limitations. The following limitations apply to hardship distributions:

- You must be employed with the Employer at the time of the hardship distribution.
- Hardship distributions may be made subject to the following: The Participant must demonstrate a financial hardship by providing any documentation the Administrator deems necessary to approve the hardship distribution (e.g. actual medical bills).

Account restrictions. You may request a hardship distribution only from the vested portion of the following accounts:

- accounts attributable to Employer matching contributions
- accounts attributable to Employer nonelective contributions

ARTICLE VI BENEFITS AND DISTRIBUTIONS UPON TERMINATION OF EMPLOYMENT

When can I get money out of the Plan?

You may receive a distribution of the vested portion of some or all of your accounts in the Plan for the following reasons:

- termination of employment for reasons other than death, disability or retirement
- normal retirement

- disability
- death

This Plan is designed to provide you with retirement benefits. However, distributions are permitted if you die or become disabled. In addition, certain payments are permitted when you terminate employment for any other reason. The rules under which you can receive a distribution are described in this Article. The rules regarding the payment of death benefits to your beneficiary are described in "Benefits and Distributions Upon Death."

You may also receive distributions while you are still employed with the Employer. (See the Article entitled "Distributions Prior to Termination and Hardship Distributions" for a further explanation.)

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. There may also be benefits for employees who die or become disabled while on active duty. Employees who receive wage continuation payments while in the military may benefit from various changes in the law. If you think you may be affected by these rules, ask the Administrator for further details.

What happens if I terminate employment before death, disability or retirement?

If your employment terminates for reasons other than death, disability or normal retirement, you will be entitled to receive only the "vested percentage" of your account balance.

You may elect to have your vested account balance distributed to you as soon as administratively feasible following your termination of employment. However, if the value of your vested account balance does not exceed \$5,000, then a distribution will be made to you regardless of whether you consent to receive it. (See the question entitled "How will my benefits be paid to me?" for additional information.)

What happens if I terminate employment at Normal Retirement Date?

Normal Retirement Date. You will attain your Normal Retirement Age when you reach age 62. Your Normal Retirement Date is the date on which you attain your Normal Retirement Age.

Payment of benefits. You will become 100% vested in all of your accounts under the Plan if you retire on or after your Normal Retirement Age. However, the actual payment of benefits generally will not begin until you have terminated employment and reached your Normal Retirement Date. In such event, a distribution will be made, at your election, as soon as administratively feasible. If you remain employed past your Normal Retirement Date, you may generally defer the receipt of benefits until you actually terminate employment. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

What happens if I terminate employment due to disability?

Definition of disability. Under the Plan, disability is defined as the same as the definition in the Employer's Disability Insurance Plan.

Payment of benefits. If you become disabled while an employee, you will become 100% vested in all of your accounts under the Plan. Payment of your disability benefits will be made to you as if you had retired. However, if the value of your account balance does not exceed \$5,000, then a distribution of your account balance will be made to you, regardless of whether you consent to receive it. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

How will my benefits be paid to me?

Forms of distribution. If your vested account balance does not exceed \$5,000, then your vested account balance may only be distributed to you in a single lump-sum payment.

In addition, if your vested account balance exceeds \$5,000, you must consent to any distribution before it may be made. If your vested account balance exceeds \$5,000, you may elect to receive a distribution of your vested account balance in:

- a single lump-sum payment
- installments over a period of not more than your assumed life expectancy (or the assumed life expectancies of you and your beneficiary)
- partial withdrawals

Delaying distributions. You may delay the distribution of your vested account balance unless a distribution is required to be made, as explained earlier, because your vested account balance does not exceed \$5,000. However, if you elect to delay the distribution of your vested account balance, there are rules that require that certain minimum distributions be made from the Plan. Distributions are required to begin not later than the April 1st following the later of the end of the year in which you reach age 70 1/2 (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949) or retire.

Medium of payment. Benefits under the Plan will generally be paid to you in cash only.

ARTICLE VII BENEFITS AND DISTRIBUTIONS UPON DEATH

What happens if I die while working for the Employer?

If you die while still employed by the Employer, then your vested account balance will be used to provide your beneficiary with a death benefit.

Who is the beneficiary of my death benefit?

Beneficiary designation. You may designate a beneficiary for your death benefit. The designation must be made in accordance with the procedures set forth by the Administrator. You should periodically review your designation to ensure it continues to meet your goals.

Divorce. If you have designated your spouse as your beneficiary for all or a part of your death benefit, then upon your divorce, the designation is no longer valid. This means that if you do not select a new beneficiary after your divorce, then you are treated as not having a beneficiary for that portion of the death benefit (unless you have remarried).

No beneficiary designation. At the time of your death, if you have not designated a beneficiary or the individual named as your beneficiary is not alive, then the death benefit will be paid in the following order of priority to: surviving spouse, then surviving children in equal shares and then the Participant's estate.

How will the death benefit be paid to my beneficiary?

Form of distribution. If the death benefit payable to a beneficiary does not exceed \$5,000, then the benefit may only be paid as a lump-sum. If the death benefit exceeds \$5,000, your beneficiary may elect to have the death benefit paid in:

- a single lump-sum payment
- installments over a period of not more than the assumed life expectancy of your beneficiary
- partial withdrawals

When must the last payment be made to my beneficiary?

The law generally restricts the ability of a retirement plan to be used as a method of retaining money for purposes of your death estate. Thus, there are rules that are designed to ensure that death benefits are distributable to beneficiaries within certain time periods.

Regardless of the method of distribution selected, if your designated beneficiary is a person (rather than your estate or some trusts) then minimum distributions of your death benefit will begin by the end of the year following the year of your death ("1-year rule") and must be paid over a period not extending beyond your beneficiary's life expectancy. If your spouse is the beneficiary, then under the "1-year rule," the start of payments will be delayed until the year in which you would have attained age 70 1/2 (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949) unless your spouse elects to begin distributions over his or her life expectancy before then. However, instead of the "1-year rule" your beneficiary may elect to have the entire death benefit paid by the end of the fifth year following the year of your death (the "5-year rule"). Generally, if your beneficiary is not a person, your entire death benefit must be paid under the "5-year rule."

Effective after December 31, 2021, the law now requires complete distributions to some beneficiaries of deceased participants no later than December 31, 10 year(s) following the year of the participant's death. Generally, if your beneficiary is not a person, then your entire death benefit must be paid within five years after your death.

Distributions must generally begin by April 1 of the calendar year following the year you turn age 70 1/2 (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949) or, in some cases, when you retire, if later. For more information, see IRS Publication 590-B.

What happens if I'm a participant, terminate employment and die before receiving all my benefits?

If you terminate employment with the Employer and subsequently die, your beneficiary will be entitled to your remaining interest in the Plan at the time of your death. The provision in the Plan providing for full vesting of your benefit upon death does not apply if you die after terminating employment.

ARTICLE VIII TAX TREATMENT OF DISTRIBUTIONS

What are my tax consequences when I receive a distribution from the Plan?

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution. Certain distributions made to you when you are under age 59 1/2 could be subject to an additional 10% tax.

Can I elect a rollover to reduce or defer tax on my distribution?

Rollover or Direct Transfer. You may reduce, or defer entirely, the tax due on your distribution through use of one of the following methods:

- (a) **60-day rollover.** The rollover of all or a portion of the distribution to an Individual Retirement Account or Annuity (IRA) or another employer retirement plan willing to accept the rollover. This will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, **MUST** be made within strict time frames (normally, within 60 days after you receive your distribution). Under certain circumstances, all or a portion of a distribution (such as a hardship distribution) may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. For this reason, if you wish to roll over all or a portion of your distribution amount, then the direct transfer option described in paragraph (b) below would be the better choice.
- (b) **Direct rollover.** For most distributions, you may request that a direct transfer (sometimes referred to as a direct rollover) of all or a portion of a distribution be made to either an Individual Retirement Account or Annuity (IRA) or another employer retirement plan willing to accept the transfer. A direct transfer will result in no tax being due until you withdraw funds from the IRA or other employer plan. Like the rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct transfer. If you elect to actually receive the distribution rather than request a direct transfer, then in most cases 20% of the distribution amount will be withheld for federal income tax purposes.

Automatic IRA Rollover. If a mandatory distribution is being made to you because your vested interest in the Plan exceeds \$1.00 but does not exceed \$5,000, then the Plan will rollover your distribution to an IRA if you do not make an affirmative election to either receive or roll over the distribution. The IRA provider selected by the Plan will invest the rollover funds in a type of investment designed to preserve principal and provide a reasonable rate of return and liquidity (e.g., an interest-bearing account, a certificate of deposit or a money market fund). The IRA provider will charge your account for any expenses associated with the establishment and maintenance of the IRA and with the IRA investments. You may transfer the IRA funds to any other IRA you choose. You will be provided with details regarding the IRA at the time you are entitled to a distribution. However, you may contact the Administrator at the address and telephone number indicated in this summary for further information regarding the Plan's automatic rollover provisions, the IRA provider, and the fees and expenses associated with the IRA.

Tax Notice. WHENEVER YOU RECEIVE A DISTRIBUTION THAT IS AN ELIGIBLE ROLLOVER DISTRIBUTION, THE ADMINISTRATOR WILL DELIVER TO YOU A MORE DETAILED EXPLANATION OF THESE OPTIONS. HOWEVER, THE RULES WHICH DETERMINE WHETHER YOU QUALIFY FOR FAVORABLE TAX TREATMENT ARE VERY COMPLEX. YOU SHOULD CONSULT WITH QUALIFIED TAX COUNSEL BEFORE MAKING A CHOICE.

ARTICLE IX LOANS

Is it possible to borrow money from the Plan?

Yes, you may request a participant loan from all your accounts using an application form provided by the Administrator. Your ability to obtain a participant loan depends on several factors. The Administrator will determine whether you satisfy these factors.

What are the loan rules and requirements?

There are various rules and requirements that apply to any loan, which are outlined in this question. In addition, your Employer has established a written loan program which explains these requirements in more detail. You can request a copy of the loan program from the Administrator. Generally, the rules for loans include the following:

- Loans are available to participants on a reasonably equivalent basis. Loans will be made to participants who are creditworthy. The Administrator may request that you provide additional information, such as financial statements, tax returns and credit reports to make this determination.
- All loans must be adequately secured. You must sign a promissory note along with a loan pledge. Generally, you must use your vested interest in the Plan as security for the loan, provided the outstanding balance of all your loans does not exceed 50% of your vested interest in the Plan. In certain cases, the Administrator may require you to provide additional collateral to receive a loan.
- You will be charged an interest rate equal to 0% above the prime rate. The interest rate will be fixed for the duration of the loan.

- If approved, your loan will provide for level amortization with payments to be made not less frequently than quarterly. Generally, the term of your loan may not exceed five (5) years. However, if the loan is for the purchase of your principal residence, the Administrator may permit a longer repayment term. Generally, the Administrator will require that you repay your loan by agreeing to either payroll deduction or payment by check (for prepayments only). If you have an unpaid leave of absence or go on military leave while you have an outstanding loan, please contact the Administrator to find out your repayment options.
- All loans will be considered a directed investment of your account under the Plan. All payments of principal and interest by you on a loan will be credited to your account.
- The amount the Plan may loan to you is limited by rules under the Internal Revenue Code. Any new loans, when added to the outstanding balance of all other loans from the Plan, will be limited to the lesser of:
 - (a) \$50,000 reduced by the excess, if any, of your highest outstanding balance of loans from the Plan during the one-year period ending on the day before the date of the new loan over your current outstanding balance of loans as of the date of the new loan; or
 - (b) 1/2 of your vested interest in the Plan.
- No loan in an amount less than \$5,000 will be made.
- The maximum number of Plan loans that you may have outstanding at any one time is one (1).
- Loans will only be granted if you incur a financial hardship or have a specified financial need.
- If you fail to make payments when they are due under the terms of the loan, you will be considered to be "in default." The Administrator will consider your loan to be in default if any scheduled loan repayment is not made by the end of the calendar quarter following the calendar quarter in which the missed payment was due. The Plan would then have authority to take all reasonable actions to collect the balance owed on the loan. This could include filing a lawsuit or foreclosing on the security for the loan. Under certain circumstances, a loan that is in default may be considered a distribution from the Plan and could be considered taxable income to you. In any event, your failure to repay a loan will reduce the benefit you would otherwise be entitled to from the Plan.

The Administrator may periodically revise the Plan's loan policy. If you have any questions on participant loans or the current loan policy, please contact the Administrator.

ARTICLE X PROTECTED BENEFITS AND CLAIMS PROCEDURES

Are my benefits protected?

As a general rule, your interest in your account, including your "vested interest," may not be alienated. This means that your interest may not be sold, used as collateral for a loan (other than for a Plan loan), given away or otherwise transferred. In addition, your creditors (other than the IRS) may not attach, garnish or otherwise interfere with your benefits under the Plan.

Are there any exceptions to the general rule?

There are three exceptions to this general rule. The Administrator must honor a "qualified domestic relations order." A "qualified domestic relations order" is defined as a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, children or other dependents. If a qualified domestic relations order is received by the Administrator, all or a portion of your benefits may be used to satisfy that obligation. The Administrator will determine the validity of any domestic relations order received. You and your beneficiaries can obtain from the Administrator, without charge, a copy of the procedure used by the Administrator to determine whether a qualified domestic relations order is valid.

The second exception applies if you are involved with the Plan's operation. If you are found liable for any action that adversely affects the Plan, the Administrator can offset your benefits by the amount that you are ordered or required by a court to pay the Plan. All or a portion of your benefits may be used to satisfy any such obligation to the Plan.

The last exception applies to Federal tax levies and judgments. The Federal government is able to use your interest in the Plan to enforce a Federal tax levy and to collect a judgment resulting from an unpaid tax assessment.

Can the Plan be amended?

Your Employer has the right to amend the Plan at any time. In no event, however, will any amendment authorize or permit any part of the Plan assets to be used for purposes other than the exclusive benefit of participants or their beneficiaries. Additionally, no amendment will cause any reduction in the amount credited to your account.

What happens if the Plan is discontinued or terminated?

Although your Employer intends to maintain the Plan indefinitely, your Employer reserves the right to terminate the Plan at any time. Upon termination, no further contributions will be made to the Plan and all amounts credited to your accounts will become 100% vested. Your Employer will direct the distribution of your accounts in a manner permitted by the Plan as soon as practicable. (See the question entitled "How will my benefits be paid to me?" for a further explanation.) You will be notified if the Plan is terminated.

How do I submit a claim for Plan benefits?

Benefits will generally be paid to you and your beneficiaries without the necessity for formal claims. Contact the Administrator if you are entitled to benefits or if you think an error has been made in determining your benefits. Any such request should be in writing.

If the Administrator determines the claim is valid, then you will receive a statement describing the amount of benefit, the method or methods of payment, the timing of distributions and other information relevant to the payment of the benefit.

What if my benefits are denied?

Your request for Plan benefits will be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Administrator will provide you with notification of the Plan's adverse determination. This written or electronic notification will be provided to you within a reasonable period of time.

**ARTICLE XI
GENERAL INFORMATION ABOUT THE PLAN**

There is certain general information which you may need to know about the Plan. This information has been summarized for you in this Article.

Plan Name

The full name of the Plan is Town of Jupiter Island 401(a) Plan.

Plan Effective Dates

This Plan was originally effective on October 1, 2009. The amended and restated provisions of the Plan become effective on October 1, 2025.

Other Plan Information

Valuations of the Plan assets are generally made every business day. Certain distributions are based on the Anniversary Date of the Plan. This date is the last day of the Plan Year.

The Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year ends on September 30th.

Employer Information

Your Employer's name, address and identification number are:

Town of Jupiter Island
2 Bridge Road
Hobe Sound, Florida 33455

59-6011135

Administrator Information

The Administrator is responsible for the day-to-day administration and operation of the Plan. For example, the Administrator maintains the Plan records, including your account information, provides you with the forms you need to complete for Plan participation, and directs the payment of your account at the appropriate time. The Administrator will also allow you to review the formal Plan document and certain other materials related to the Plan. If you have any questions about the Plan or your participation, you should contact the Administrator. The Administrator may designate other parties to perform some duties of the Administrator.

The Administrator has the complete power, in its sole discretion, to determine all questions arising in connection with the administration, interpretation, and application of the Plan (and any related documents and underlying policies). Any such determination by the Administrator is conclusive and binding upon all persons.

Your Administrator's name and contact information are:

Town of Jupiter Island
2 Bridge Road
Hobe Sound, Florida 33455
772-545-0100

Plan Trustee Information and Plan Funding Medium

All money that is contributed to the Plan is held in a trust fund. The Trustee is responsible for the safekeeping of the trust fund and must hold and invest Plan assets in a prudent manner and in the best interest of you and your beneficiaries. The trust fund established by the Plan's Trustee(s) will be the funding medium used for the accumulation of assets from which benefits will be distributed. While all the Plan assets are held in a trust fund, the Administrator separately accounts for each Participant's interest in the Plan.

The Plan's Trustee is:

Newport Trust Company c/o Newport Group, Inc.

45 South 7th Street, Suite 2208
Minneapolis, Minnesota 55402-1614
Telephone: 866-499-7782

TOWN OF JUPITER ISLAND RETIREMENT PLAN FOR SMRU EMPLOYEES
SUMMARY OF PLAN PROVISIONS

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TOWN OF JUPITER ISLAND RETIREMENT PLAN FOR SMRU EMPLOYEES

SUMMARY OF PLAN PROVISIONS

INTRODUCTION TO YOUR PLAN

What kind of Plan is this?

Town of Jupiter Island Retirement Plan for SMRU Employees ("Plan") has been adopted to provide you with the opportunity to save for retirement on a tax-advantaged basis. This Plan is a type of qualified retirement plan. Generally, you are not taxed on the amounts we contribute to the Plan until you withdraw these amounts from the Plan.

What information does this Summary provide?

This Summary of Plan Provisions contains information regarding your Plan benefits, your distribution options, and many other features of the Plan. You should take the time to read this summary to get a better understanding of your rights and obligations under the Plan.

If you have any questions about the Plan, please contact the Administrator or other plan representative. The Administrator is responsible for responding to questions and making determinations related to the administration, interpretation, and application of the Plan. The name and address of the Administrator can be found at the end of this summary in the Article entitled "General Information About the Plan."

This summary describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language and is designed to comply with applicable legal requirements. If the non-technical language in this summary conflicts with the language of the Plan document, then the Plan document always governs.

The Plan and your rights under the Plan are subject to various laws, including the Internal Revenue Code. The provisions of the Plan are subject to revision due to a change in laws. Your Employer may also amend or terminate this Plan.

Types of Contributions. The Plan includes provisions for the following types of contributions:

- Employer nonelective contributions
- Employer matching contributions

ARTICLE I PARTICIPATION IN THE PLAN

How do I participate in the Plan?

Provided you are not an Excluded Employee, you may begin participating under the Plan once you have satisfied the eligibility requirements and reached your "Entry Date." The following describes the eligibility requirements and Entry Dates that apply. You should contact the Administrator if you have questions about the timing of your Plan participation.

Excluded Employees. If you are a member of a class of employees identified below, you are an Excluded Employee and you are not entitled to participate in the Plan. The Excluded Employees are:

- union employees whose employment is governed by a collective bargaining agreement under which retirement benefits were the subject of good faith bargaining, unless the collective bargaining agreement requires the employee to be included within the Plan
- certain nonresident aliens who have no earned income from sources within the United States
- leased employees
- all employees who do NOT work at the South Martin Regional Utility (SMRU) and Elizabeth Hubbard

Eligibility Conditions. You will be eligible to participate in the Plan on your date of hire. However, you will actually become a Participant in the Plan once you reach the Entry Date as described below.

Entry Date. Your Entry Date will be the date on which you satisfy the eligibility requirements.

What happens if I'm a participant, terminate employment and then I'm rehired?

If you are no longer a participant because you terminated employment, and you are rehired, then you will be able to participate in the Plan on your date of rehire provided you are otherwise eligible to participate in the Plan.

**ARTICLE II
EMPLOYER CONTRIBUTIONS**

This Article describes Employer contributions that may be made to the Plan.

What is the Employer matching contribution and how is it allocated?

Matching Contribution. Matching contributions are Employer contributions that are based on contributions you make to Town of Jupiter Island Deferred Compensation Plan. All of these contributions that you make are collectively referred to as "salary deferrals" for purposes of applying the matching contribution described below.

Discretionary Matching contribution. Your Employer may make a discretionary matching contribution equal to a percentage of your salary deferrals. Each year, your Employer will determine the amount of the Discretionary Match percentage and the Employer is required to provide a separate notice no later than 60 days after the last match payment is made for the Plan Year.

Limit on matching contribution. Regardless of the preceding, your matching contribution in any Plan Year will not exceed 10% of your compensation.

Allocation conditions. In order to share in the matching contribution, you must satisfy the following conditions:

- If you are employed on the last day of the Plan Year quarter, you will share if you completed at least 1 Hours of Service during the Plan Year quarter.
- If you terminate employment (not employed on the last day of the Plan Year quarter), you will share as follows: Participants will NOT share in allocations unless the Participant has met the earliest Retirement Age among the Employer's retirement plans for which the Participant is eligible.
- You will share in the matching contribution for the Plan Year quarter regardless of the amount of service you complete during the Plan Year quarter in which your death or disability occurs. This waiver of allocation conditions will only apply once during your employment history with the Employer (e.g., if you retire, are rehired and then retire again, the waiver only applies to your initial retirement).

What is the Employer nonelective contribution and how is it allocated?

Nonelective contribution. Each year, your Employer may make a discretionary nonelective contribution to the Plan. Your share of any nonelective contribution is determined by the following fraction:

$$\text{Contribution} \quad \times \quad \frac{\text{Your Compensation}}{\text{Total Compensation of All Participants Eligible to Share}}$$

For example: Suppose the nonelective contribution for the Plan Year is \$20,000. Employee A's compensation for the Plan Year is \$25,000. The total compensation of all participants eligible to share, including Employee A, is \$250,000. Employee A's share will be:

$$\$20,000 \quad \times \quad \frac{\$25,000}{\$250,000} \quad \text{or} \quad \$2,000$$

Allocation conditions. In order to share in the nonelective contribution for a Plan Year, you must satisfy the following conditions:

- If you are employed on the last day of the Plan Year, you will share if you completed at least 1,000 Hours of Service during the Plan Year.
- If you terminate employment (not employed on the last day of the Plan Year), you will receive a nonelective contribution as follows: Participants will NOT share in allocations unless the Participant has met the earliest Retirement Age among the Employer's retirement plans for which the Participant is eligible.
- You will share in the nonelective contribution for the year regardless of the amount of service you complete during the Plan Year in the year of your death or disability.

How is my service determined for allocation purposes?

Hour of Service. You will be credited with your actual Hours of Service for:

- (a) each hour for which you are directly or indirectly compensated by the Employer for the performance of duties during the Plan Year;

(b) each hour for which you are directly or indirectly compensated by the Employer for reasons other than the performance of duties (such as vacation, holidays, sickness, disability, lay-off, military duty, jury duty or leave of absence during the Plan Year); and

(c) each hour for back pay awarded or agreed to by the Employer.

You will not be credited for the same Hours of Service both under (a) or (b), as the case may be, and under (c). For Employees for whom records of actual Hours of Service are not maintained or available (e.g., salaried Employees) the monthly equivalency method (190 hours per month) will be used.

What are forfeitures and how are they allocated?

Definition of forfeitures. In order to reward employees who remain employed with the Employer for a long period of time, the law permits a "vesting schedule" to be applied to certain contributions that your Employer makes to the Plan. This means that you will not be "vested" in (entitled to) all of the contributions until you have been employed with the Employer for a specified period of time (see the Article entitled "Vesting"). If a participant terminates employment before being fully vested, then the non-vested portion of the terminated participant's account balance remains in the Plan and is called a forfeiture.

Allocation of forfeitures. The Employer may use forfeitures to pay Plan expenses or to reduce amounts otherwise required to be contributed to the Plan. In some cases, remaining forfeitures will be used to reduce Employer contributions.

ARTICLE III COMPENSATION AND ACCOUNT BALANCE

What compensation is used to determine my Plan benefits?

Definition of compensation. For the purposes of the Plan, compensation has a special meaning. Compensation is generally defined as your total compensation that is subject to income tax and paid to you by your Employer during the Plan Year.

Adjustments to compensation. The following adjustments to compensation will be made:

- reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation, and welfare benefits will be excluded.
- compensation paid while not a participant in the Plan will be excluded.
- bonuses will be excluded.
- excluding Premium Holiday Worked Pay for all contribution types
- compensation paid after you terminate is generally excluded for Plan purposes. However, the following amounts will be included in compensation even though they are paid after you terminate employment, provided these amounts would otherwise have been considered compensation as described above and provided they are paid within 2 1/2 months after you terminate employment, or if later, the last day of the Plan Year in which you terminate employment:
 - compensation for services performed during your regular working hours, or for services outside your regular working hours (such as overtime or shift differential) or other similar payments that would have been made to you had you continued employment

Is there a limit on the amount of compensation which can be considered?

The Plan, by law, cannot recognize annual compensation in excess of a certain dollar limit. The limit for the Plan Year beginning in 2025 is \$350,000. After 2025, the dollar limit may increase for cost-of-living adjustments.

Is there a limit on how much can be contributed to my account each year?

Generally, the law imposes a maximum limit on the amount of contributions that may be made to your account and any other amounts allocated to any of your accounts during the Plan Year, excluding earnings. Beginning in 2025, this total cannot exceed the lesser of \$70,000 or 100% of your annual compensation. After 2025, the dollar limit may increase for cost-of-living adjustments.

How is the money in the Plan invested?

The Trustee of the Plan has been designated to hold the assets of the Plan for the benefit of Plan participants and their beneficiaries in accordance with the terms of this Plan. The trust fund established by the Plan's Trustee will be the funding medium used for the accumulation of assets from which Plan benefits will be distributed.

Participant directed investments. You will be able to direct the investment of your entire interest in the Plan. The Administrator will provide you with information on the investment choices available to you, the procedures for making investment elections, the frequency with which you can change your investment choices and other important information. You need to follow the procedures for making investment elections and you should carefully review the information provided to you before you give investment directions. If

you do not direct the investment of your applicable Plan accounts, then your accounts will be invested in accordance with the default investment alternatives established under the Plan.

Earnings or losses. When you direct investments, your accounts are segregated for purposes of determining the earnings or losses on these investments. Your account does not share in the investment performance of other participants who have directed their own investments. You should remember that the amount of your benefits under the Plan will depend in part upon your choice of investments. Gains as well as losses can occur and your Employer, the Administrator, and the Trustee will not provide investment advice or guarantee the performance of any investment you choose.

Will Plan expenses be deducted from my account balance?

Expenses allocated to all accounts. The Plan permits the payment of Plan expenses to be made from the Plan's assets. The method of allocating the expenses depends on the nature of the expense itself. For example, certain administrative (or recordkeeping) expenses would typically be allocated proportionately to each participant. If the Plan pays \$1,000 in expenses and there are 100 participants, your account balance would be charged \$10 (\$1,000/100) of the expense.

Terminated employee. After you terminate employment, your Employer reserves the right to charge your account for your pro rata share of the Plan's administration expenses, regardless of whether your Employer pays some of these expenses on behalf of current employees.

Expenses allocated to individual accounts. There are certain other expenses that may be paid just from your account. These are expenses that are specifically incurred by, or attributable to, you. For example, if you are married and get divorced, the Plan may incur additional expenses if a court mandates that a portion of your account be paid to your ex-spouse. These additional expenses may be paid directly from your account (and not the accounts of other participants) because they are directly attributable to you under the Plan. The Administrator can inform you when there will be a charge (or charges) directly to your account.

Your Employer may, from time to time, change the manner in which expenses are allocated.

**ARTICLE IV
VESTING**

What is my vested interest in my account?

In order to reward employees who remain employed with the Employer for a long period of time, the law permits a "vesting schedule" to be applied to certain contributions that your Employer makes to the Plan. This means that you will not be entitled ("vested") in all of the contributions until you have been employed with the Employer for a specified period of time.

Vesting schedules. Your "vested percentage" for certain Employer contributions is based on vesting Years of Service. This means at the time you stop working, your account balance attributable to contributions subject to a vesting schedule is multiplied by your vested percentage. The result, when added to the amounts that are always 100% vested as shown above, is your vested interest in the Plan, which is what you will actually receive from the Plan.

Employer Contributions other than Matching Contributions

Your "vested percentage" in your account attributable to Employer contributions other than matching contributions is determined under the following schedule. You will always, however, be 100% vested in these contributions if you are employed on or after your Normal Retirement Age or if you die or become disabled.

Vesting Schedule Nonelective Contributions	
Years of Service	Percentage
Less than 3	0%
3	100%

Matching Contributions

Your "vested percentage" in your account attributable to matching contributions is determined under the following schedule. You will always, however, be 100% vested in your matching contributions if you are employed on or after your Normal Retirement Age or if you die or become disabled.

Vesting Schedule Matching Contributions	
Years of Service	Percentage
Less than 3	0%
3	100%

Special Vesting Provisions

- Prior to October 1, 2012, the vesting schedule was the 5-Year Graded Schedule. Any participant with an hour of service on or after October 1, 2012 will receive the better of the two schedules at the completion of each Year of Service (i.e. 20%, 40%, 100%).

How is my service determined for vesting purposes?

Year of Service. To earn a Year of Service, you must be credited with at least 1,000 Hours of Service during a Plan Year. The Plan contains specific rules for crediting Hours of Service for vesting purposes. The Administrator will track your service and will credit you with a Year of Service for each Plan Year in which you are credited with the required Hours of Service, in accordance with the terms of the Plan. If you have any questions regarding your vesting service, you should contact the Administrator.

Hour of Service. You will be credited with your actual Hours of Service for:

- (a) each hour for which you are directly or indirectly compensated by the Employer for the performance of duties during the Plan Year;
- (b) each hour for which you are directly or indirectly compensated by the Employer for reasons other than the performance of duties (such as vacation, holidays, sickness, disability, lay-off, military duty, jury duty or leave of absence during the Plan Year); and
- (c) each hour for back pay awarded or agreed to by the Employer.

You will not be credited for the same Hours of Service both under (a) or (b), as the case may be, and under (c). For Employees for whom records of actual Hours of Service are not maintained or available (e.g., salaried Employees) the monthly equivalency method (190 hours per month) will be used.

What service is counted for vesting purposes?

Service with the Employer. In calculating your vested percentage, all service you perform for the Employer will generally be counted.

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. If you may be affected by this law, ask the Administrator for further details.

When will the non-vested portion of my account balance be forfeited?

If you are partially vested in your account balance when you leave, the non-vested portion of your account balance will be forfeited on the earlier of the date:

- (a) of the distribution of your vested account balance, or
- (b) when you incur five consecutive 1-year Breaks in Service.

ARTICLE V DISTRIBUTIONS PRIOR TO TERMINATION AND HARDSHIP DISTRIBUTIONS

Can I withdraw money from my account while working?

In-service distributions. You may be entitled to receive an in-service distribution. However, this distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement. This distribution is made at your election and will be made in accordance with the forms of distributions available under the Plan.

Conditions and Limitations. Generally, you may receive a distribution from the Plan from certain accounts prior to your termination of employment provided you satisfy the condition described below:

- you have attained age 59 1/2

Account restrictions. You may request an in-service distribution only from the vested portion of the following accounts:

- account(s) attributable to Employer matching contributions
- accounts attributable to Employer nonelective contributions
- rollover accounts
- Rollover Accounts are distributable at any time

Qualified birth or adoption distribution. You may request a distribution of up to \$5,000 per child as a Qualified Birth or Adoption Distribution (QBAD), provided certain conditions are met. A QBAD must be made during the 1-year period beginning on the date your child is born or the date you adopt someone who is not your child or your spouse's child and who is under age 18 or is physically or mentally incapable of caring for themselves. You can later recontribute this distribution to an IRA. If you have separated from service, you cannot request a QBAD.

Account restrictions. You may request a QBAD only from the vested portion of the following accounts:

- Permitted from all accounts, other than pension accounts (subject to spousal consent rules) and Employer Stock

Can I withdraw money from my account in the event of financial hardship?

Hardship distributions. You may withdraw money for financial hardship if you satisfy certain conditions. This hardship distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement.

Qualifying expenses. A hardship distribution may be made to satisfy certain immediate and heavy financial needs that you have. A hardship distribution may only be made for payment of the following:

- Expenses for medical care (described in Section 213(d) of the Internal Revenue Code) previously incurred by you, your spouse or your dependents or necessary for you, your spouse or your dependents to obtain medical care.
- Costs directly related to the purchase of your principal residence (excluding mortgage payments).
- Tuition, related educational fees, and room and board expenses for the next twelve (12) months of post-secondary education for yourself, your spouse or your dependents.
- Amounts necessary to prevent your eviction from your principal residence or foreclosure on the mortgage of your principal residence.
- Payments for burial or funeral expenses for your deceased parent, spouse, children or other dependents.
- Expenses for the repair of damage to your principal residence that would qualify for the casualty deduction under the Internal Revenue Code without regard to the limit on casualty losses that are deductible for income tax purposes under IRC 165(h).
- Expenses for disasters arising from federally declared disasters, such as your expenses and losses (including loss of income) attributable to that disaster, provided your principal residence or place of employment was in an area FEMA designates as qualifying for individual assistance.

Conditions. If you have any of the above expenses, a hardship distribution can only be made if you certify and agree that all of the following conditions are satisfied:

- (a) The distribution is not in excess of the amount of your immediate and heavy financial need. The amount of your immediate and heavy financial need may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution.
- (b) You have obtained all distributions, other than hardship distributions, and nontaxable loans available under all retirement plans maintained by the Employer.
- (c) You certify (via a form for that purpose) that you have insufficient cash or other liquid assets reasonably available to satisfy the need.

Limitations. The following limitations apply to hardship distributions:

- You must be employed with the Employer at the time of the hardship distribution.
- Hardship distributions may be made subject to the following: The Participant must demonstrate a financial hardship by providing any documentation the Administrator deems necessary to approve the hardship distribution (e.g. actual medical bills).

Account restrictions. You may request a hardship distribution only from the vested portion of the following accounts:

- accounts attributable to Employer matching contributions
- accounts attributable to Employer nonelective contributions

**ARTICLE VI
BENEFITS AND DISTRIBUTIONS UPON TERMINATION OF EMPLOYMENT**

When can I get money out of the Plan?

You may receive a distribution of the vested portion of some or all of your accounts in the Plan for the following reasons:

- termination of employment for reasons other than death, disability or retirement
- normal retirement
- disability
- death

This Plan is designed to provide you with retirement benefits. However, distributions are permitted if you die or become disabled. In addition, certain payments are permitted when you terminate employment for any other reason. The rules under which you can receive a distribution are described in this Article. The rules regarding the payment of death benefits to your beneficiary are described in "Benefits and Distributions Upon Death."

You may also receive distributions while you are still employed with the Employer. (See the Article entitled "Distributions Prior to Termination and Hardship Distributions" for a further explanation.)

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. There may also be benefits for employees who die or become disabled while on active duty. Employees who receive wage continuation payments while in the military may benefit from various changes in the law. If you think you may be affected by these rules, ask the Administrator for further details.

What happens if I terminate employment before death, disability or retirement?

If your employment terminates for reasons other than death, disability or normal retirement, you will be entitled to receive only the "vested percentage" of your account balance.

You may elect to have your vested account balance distributed to you as soon as administratively feasible following your termination of employment. However, if the value of your vested account balance does not exceed \$5,000, then a distribution will be made to you regardless of whether you consent to receive it. (See the question entitled "How will my benefits be paid to me?" for additional information.)

What happens if I terminate employment at Normal Retirement Date?

Normal Retirement Date. You will attain your Normal Retirement Age when you reach age 62. Your Normal Retirement Date is the date on which you attain your Normal Retirement Age.

Payment of benefits. You will become 100% vested in all of your accounts under the Plan if you retire on or after your Normal Retirement Age. However, the actual payment of benefits generally will not begin until you have terminated employment and reached your Normal Retirement Date. In such event, a distribution will be made, at your election, as soon as administratively feasible. If you remain employed past your Normal Retirement Date, you may generally defer the receipt of benefits until you actually terminate employment. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

What happens if I terminate employment due to disability?

Definition of disability. Under the Plan, disability is defined as the same as the definition in the Employer's Disability Insurance Plan.

Payment of benefits. If you become disabled while an employee, you will become 100% vested in all of your accounts under the Plan. Payment of your disability benefits will be made to you as if you had retired. However, if the value of your account balance does not exceed \$5,000, then a distribution of your account balance will be made to you, regardless of whether you consent to receive it. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

How will my benefits be paid to me?

Forms of distribution. If your vested account balance does not exceed \$5,000, then your vested account balance may only be distributed to you in a single lump-sum payment.

In addition, if your vested account balance exceeds \$5,000, you must consent to any distribution before it may be made. If your vested account balance exceeds \$5,000, you may elect to receive a distribution of your vested account balance in:

- a single lump-sum payment
- installments over a period of not more than your assumed life expectancy (or the assumed life expectancies of you and your beneficiary)

- partial withdrawals

Delaying distributions. You may delay the distribution of your vested account balance unless a distribution is required to be made, as explained earlier, because your vested account balance does not exceed \$5,000. However, if you elect to delay the distribution of your vested account balance, there are rules that require that certain minimum distributions be made from the Plan. Distributions are required to begin not later than the April 1st following the later of the end of the year in which you reach age 70 1/2 (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949) or retire.

Medium of payment. Benefits under the Plan will generally be paid to you in cash only.

ARTICLE VII BENEFITS AND DISTRIBUTIONS UPON DEATH

What happens if I die while working for the Employer?

If you die while still employed by the Employer, then your vested account balance will be used to provide your beneficiary with a death benefit.

Who is the beneficiary of my death benefit?

Beneficiary designation. You may designate a beneficiary for your death benefit. The designation must be made in accordance with the procedures set forth by the Administrator. You should periodically review your designation to ensure it continues to meet your goals.

Divorce. If you have designated your spouse as your beneficiary for all or a part of your death benefit, then upon your divorce, the designation is no longer valid. This means that if you do not select a new beneficiary after your divorce, then you are treated as not having a beneficiary for that portion of the death benefit (unless you have remarried).

No beneficiary designation. At the time of your death, if you have not designated a beneficiary or the individual named as your beneficiary is not alive, then the death benefit will be paid in the following order of priority to: surviving spouse, then surviving children in equal shares and then the Participant's estate.

How will the death benefit be paid to my beneficiary?

Form of distribution. If the death benefit payable to a beneficiary does not exceed \$5,000, then the benefit may only be paid as a lump-sum. If the death benefit exceeds \$5,000, your beneficiary may elect to have the death benefit paid in:

- a single lump-sum payment
- installments over a period of not more than the assumed life expectancy of your beneficiary
- partial withdrawals

When must the last payment be made to my beneficiary?

The law generally restricts the ability of a retirement plan to be used as a method of retaining money for purposes of your death estate. Thus, there are rules that are designed to ensure that death benefits are distributable to beneficiaries within certain time periods.

Regardless of the method of distribution selected, if your designated beneficiary is a person (rather than your estate or some trusts) then minimum distributions of your death benefit will begin by the end of the year following the year of your death ("1-year rule") and must be paid over a period not extending beyond your beneficiary's life expectancy. If your spouse is the beneficiary, then under the "1-year rule," the start of payments will be delayed until the year in which you would have attained age 70 1/2 (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949) unless your spouse elects to begin distributions over his or her life expectancy before then. However, instead of the "1-year rule" your beneficiary may elect to have the entire death benefit paid by the end of the fifth year following the year of your death (the "5-year rule"). Generally, if your beneficiary is not a person, your entire death benefit must be paid under the "5-year rule."

Effective after December 31, 2021, the law now requires complete distributions to some beneficiaries of deceased participants no later than December 31, 10 year(s) following the year of the participant's death. Generally, if your beneficiary is not a person, then your entire death benefit must be paid within five years after your death.

Distributions must generally begin by April 1 of the calendar year following the year you turn age 70 1/2 (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949) or, in some cases, when you retire, if later. For more information, see IRS Publication 590-B.

What happens if I'm a participant, terminate employment and die before receiving all my benefits?

If you terminate employment with the Employer and subsequently die, your beneficiary will be entitled to your remaining interest in the Plan at the time of your death. The provision in the Plan providing for full vesting of your benefit upon death does not apply if you die after terminating employment.

ARTICLE VIII TAX TREATMENT OF DISTRIBUTIONS

What are my tax consequences when I receive a distribution from the Plan?

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution. Certain distributions made to you when you are under age 59 1/2 could be subject to an additional 10% tax.

Can I elect a rollover to reduce or defer tax on my distribution?

Rollover or Direct Transfer. You may reduce, or defer entirely, the tax due on your distribution through use of one of the following methods:

(a) **60-day rollover.** The rollover of all or a portion of the distribution to an Individual Retirement Account or Annuity (IRA) or another employer retirement plan willing to accept the rollover. This will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, **MUST** be made within strict time frames (normally, within 60 days after you receive your distribution). Under certain circumstances, all or a portion of a distribution (such as a hardship distribution) may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. For this reason, if you wish to roll over all or a portion of your distribution amount, then the direct transfer option described in paragraph (b) below would be the better choice.

(b) **Direct rollover.** For most distributions, you may request that a direct transfer (sometimes referred to as a direct rollover) of all or a portion of a distribution be made to either an Individual Retirement Account or Annuity (IRA) or another employer retirement plan willing to accept the transfer. A direct transfer will result in no tax being due until you withdraw funds from the IRA or other employer plan. Like the rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct transfer. If you elect to actually receive the distribution rather than request a direct transfer, then in most cases 20% of the distribution amount will be withheld for federal income tax purposes.

Automatic IRA Rollover. If a mandatory distribution is being made to you because your vested interest in the Plan exceeds \$1.00 but does not exceed \$5,000, then the Plan will rollover your distribution to an IRA if you do not make an affirmative election to either receive or roll over the distribution. The IRA provider selected by the Plan will invest the rollover funds in a type of investment designed to preserve principal and provide a reasonable rate of return and liquidity (e.g., an interest-bearing account, a certificate of deposit or a money market fund). The IRA provider will charge your account for any expenses associated with the establishment and maintenance of the IRA and with the IRA investments. You may transfer the IRA funds to any other IRA you choose. You will be provided with details regarding the IRA at the time you are entitled to a distribution. However, you may contact the Administrator at the address and telephone number indicated in this summary for further information regarding the Plan's automatic rollover provisions, the IRA provider, and the fees and expenses associated with the IRA.

Tax Notice. WHENEVER YOU RECEIVE A DISTRIBUTION THAT IS AN ELIGIBLE ROLLOVER DISTRIBUTION, THE ADMINISTRATOR WILL DELIVER TO YOU A MORE DETAILED EXPLANATION OF THESE OPTIONS. HOWEVER, THE RULES WHICH DETERMINE WHETHER YOU QUALIFY FOR FAVORABLE TAX TREATMENT ARE VERY COMPLEX. YOU SHOULD CONSULT WITH QUALIFIED TAX COUNSEL BEFORE MAKING A CHOICE.

ARTICLE IX LOANS

Is it possible to borrow money from the Plan?

Yes, you may request a participant loan from all your accounts using an application form provided by the Administrator. Your ability to obtain a participant loan depends on several factors. The Administrator will determine whether you satisfy these factors.

What are the loan rules and requirements?

There are various rules and requirements that apply to any loan, which are outlined in this question. In addition, your Employer has established a written loan program which explains these requirements in more detail. You can request a copy of the loan program from the Administrator. Generally, the rules for loans include the following:

- Loans are available to participants on a reasonably equivalent basis. Loans will be made to participants who are creditworthy. The Administrator may request that you provide additional information, such as financial statements, tax returns and credit reports to make this determination.

- All loans must be adequately secured. You must sign a promissory note along with a loan pledge. Generally, you must use your vested interest in the Plan as security for the loan, provided the outstanding balance of all your loans does not exceed 50% of your vested interest in the Plan. In certain cases, the Administrator may require you to provide additional collateral to receive a loan.
- You will be charged an interest rate equal to 0% above the prime rate. The interest rate will be fixed for the duration of the loan.
- If approved, your loan will provide for level amortization with payments to be made not less frequently than quarterly. Generally, the term of your loan may not exceed five (5) years. However, if the loan is for the purchase of your principal residence, the Administrator may permit a longer repayment term. Generally, the Administrator will require that you repay your loan by agreeing to either payroll deduction or payment by check (for prepayments only). If you have an unpaid leave of absence or go on military leave while you have an outstanding loan, please contact the Administrator to find out your repayment options.
- All loans will be considered a directed investment of your account under the Plan. All payments of principal and interest by you on a loan will be credited to your account.
- The amount the Plan may loan to you is limited by rules under the Internal Revenue Code. Any new loans, when added to the outstanding balance of all other loans from the Plan, will be limited to the lesser of:
 - (a) \$50,000 reduced by the excess, if any, of your highest outstanding balance of loans from the Plan during the one-year period ending on the day before the date of the new loan over your current outstanding balance of loans as of the date of the new loan; or
 - (b) 1/2 of your vested interest in the Plan.
- No loan in an amount less than \$5,000 will be made.
- The maximum number of Plan loans that you may have outstanding at any one time is one (1).
- Loans will only be granted if you incur a financial hardship or have a specified financial need.
- If you fail to make payments when they are due under the terms of the loan, you will be considered to be "in default." The Administrator will consider your loan to be in default if any scheduled loan repayment is not made by the end of the calendar quarter following the calendar quarter in which the missed payment was due. The Plan would then have authority to take all reasonable actions to collect the balance owed on the loan. This could include filing a lawsuit or foreclosing on the security for the loan. Under certain circumstances, a loan that is in default may be considered a distribution from the Plan and could be considered taxable income to you. In any event, your failure to repay a loan will reduce the benefit you would otherwise be entitled to from the Plan.
- If you become entitled to a distribution from the Plan (except in the case of a hardship distribution, or an in-service distribution), or if you terminate employment, your loan generally becomes due and payable in full immediately. You may repay the entire outstanding balance of the loan (including any accrued interest). If you do not repay the entire outstanding loan balance, your vested account balance will be reduced by the remaining outstanding balance of the loan.

The Administrator may periodically revise the Plan's loan policy. If you have any questions on participant loans or the current loan policy, please contact the Administrator.

ARTICLE X PROTECTED BENEFITS AND CLAIMS PROCEDURES

Are my benefits protected?

As a general rule, your interest in your account, including your "vested interest," may not be alienated. This means that your interest may not be sold, used as collateral for a loan (other than for a Plan loan), given away or otherwise transferred. In addition, your creditors (other than the IRS) may not attach, garnish or otherwise interfere with your benefits under the Plan.

Are there any exceptions to the general rule?

There are three exceptions to this general rule. The Administrator must honor a "qualified domestic relations order." A "qualified domestic relations order" is defined as a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, children or other dependents. If a qualified domestic relations order is received by the Administrator, all or a portion of your benefits may be used to satisfy that obligation. The Administrator will determine the validity of any domestic relations order received. You and your beneficiaries can obtain from the Administrator, without charge, a copy of the procedure used by the Administrator to determine whether a qualified domestic relations order is valid.

The second exception applies if you are involved with the Plan's operation. If you are found liable for any action that adversely affects the Plan, the Administrator can offset your benefits by the amount that you are ordered or required by a court to pay the Plan. All or a portion of your benefits may be used to satisfy any such obligation to the Plan.

The last exception applies to Federal tax levies and judgments. The Federal government is able to use your interest in the Plan to enforce a Federal tax levy and to collect a judgment resulting from an unpaid tax assessment.

Can the Plan be amended?

Your Employer has the right to amend the Plan at any time. In no event, however, will any amendment authorize or permit any part of the Plan assets to be used for purposes other than the exclusive benefit of participants or their beneficiaries. Additionally, no amendment will cause any reduction in the amount credited to your account.

What happens if the Plan is discontinued or terminated?

Although your Employer intends to maintain the Plan indefinitely, your Employer reserves the right to terminate the Plan at any time. Upon termination, no further contributions will be made to the Plan and all amounts credited to your accounts will become 100% vested. Your Employer will direct the distribution of your accounts in a manner permitted by the Plan as soon as practicable. (See the question entitled "How will my benefits be paid to me?" for a further explanation.) You will be notified if the Plan is terminated.

How do I submit a claim for Plan benefits?

Benefits will generally be paid to you and your beneficiaries without the necessity for formal claims. Contact the Administrator if you are entitled to benefits or if you think an error has been made in determining your benefits. Any such request should be in writing.

If the Administrator determines the claim is valid, then you will receive a statement describing the amount of benefit, the method or methods of payment, the timing of distributions and other information relevant to the payment of the benefit.

What if my benefits are denied?

Your request for Plan benefits will be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Administrator will provide you with notification of the Plan's adverse determination. This written or electronic notification will be provided to you within a reasonable period of time.

ARTICLE XI GENERAL INFORMATION ABOUT THE PLAN

There is certain general information which you may need to know about the Plan. This information has been summarized for you in this Article.

Plan Name

The full name of the Plan is Town of Jupiter Island Retirement Plan for SMRU Employees.

Plan Effective Dates

This Plan was originally effective on October 1, 2007. The amended and restated provisions of the Plan become effective on October 1, 2025.

Other Plan Information

Valuations of the Plan assets are generally made every business day. Certain distributions are based on the Anniversary Date of the Plan. This date is the last day of the Plan Year.

The Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year ends on September 30th.

Employer Information

Your Employer's name, address and identification number are:

Town of Jupiter Island
2 Bridge Road
Hobe Sound, Florida 33455

59-6011135

Administrator Information

The Administrator is responsible for the day-to-day administration and operation of the Plan. For example, the Administrator maintains the Plan records, including your account information, provides you with the forms you need to complete for Plan participation, and

directs the payment of your account at the appropriate time. The Administrator will also allow you to review the formal Plan document and certain other materials related to the Plan. If you have any questions about the Plan or your participation, you should contact the Administrator. The Administrator may designate other parties to perform some duties of the Administrator.

The Administrator has the complete power, in its sole discretion, to determine all questions arising in connection with the administration, interpretation, and application of the Plan (and any related documents and underlying policies). Any such determination by the Administrator is conclusive and binding upon all persons.

Your Administrator's name and contact information are:

Town of Jupiter Island
2 Bridge Road
Hobe Sound, Florida 33455
772-545-0100

Plan Trustee Information and Plan Funding Medium

All money that is contributed to the Plan is held in a trust fund. The Trustee is responsible for the safekeeping of the trust fund and must hold and invest Plan assets in a prudent manner and in the best interest of you and your beneficiaries. The trust fund established by the Plan's Trustee(s) will be the funding medium used for the accumulation of assets from which benefits will be distributed. While all the Plan assets are held in a trust fund, the Administrator separately accounts for each Participant's interest in the Plan.

The Plan's Trustee is:

Newport Trust Company c/o Newport Group, Inc.

45 South 7th Street, Suite 2208
Minneapolis, Minnesota 55402-1614
Telephone: (866) 499-7782



MEMORANDUM

TO: TOWN OF JUPITER ISLAND, COMMISSION
THRU: ROBERT GARLO, TOWN MANAGER
FROM: MICHAEL EWING, DIRECTOR OF PUBLIC SAFETY *mse*
DATE: OCTOBER 14, 2025
SUBJECT: CAPITAL PURCHASE AUTHORIZATION TO PURCHASE THREE REPLACEMENT PUBLIC SAFETY PATROL VEHICLES

Public Safety is seeking to purchase three two (3) Ford Interceptor Utility Patrol vehicles. The individual cost for each vehicle is \$44,669.25 the individual cost of upfit and equipment each vehicles is, \$18,493.85 for a total cost of \$189,489.30. This purchase price is based on the piggy-back contract with Pasco County, contract #IFB-RR-21-042 and Bradford County, contract # #BCSO 22-27-1.0

Funding was approved in the current FY2025/2026 Public Safety budget for the purchase of three new patrol vehicles.

The vehicles are needed to replace three of Public Safety's current patrol vehicles, one 2017, 2018, and 2019 Ford Interceptor Utility Patrol Vehicles. All three patrol vehicles are at the end of their useful life. Repairs to the vehicles would be impractical due to their age and current overall poor condition. These vehicles will be traded in or sold at public auction.

Staff is requesting the Town Commission approve the purchase of three (3) Ford Interceptor Utility Vehicles in the specified amount of \$189,489.30.

ATTACHMENT

/mse



May 9, 2025

**Jupiter Island Public Safety
Devan Wilson**

DESCRIPTION			
K8A	2025 Ford Interceptor Utility		
99B	3.3L V6 Direct-Injection GAS Engine		
44U	10 Speed Automatic Transmission		
	Front Headlamp Prep		
51T	Factory Pillar Mounted LED Spotlight		
86T	Rear Taillight Prep Package		
43D	Dark Car Feature		
60A	Factory Grill, Lamp, Siren & Speaker Wiring		
17C	Rear Air Cond		
	Voice Activated Bluetooth		
55F	Keyless Entry Fob		
76R	Reverse Sensing		
52T	Class III Trailer Tow Lighting Package		
76P	Pre-Collision Assist w/Pedestrian Detection		
	Factory Rear View Camera		
	Factory Invoice		\$47,827.00
	Government Price Concession Discount		\$1,800.00
	4.06% Contract Discount		\$1,868.70
1	Deep Window Tint		\$275.00
1	Bartow Ford Labor Hours	\$97.00	\$97.00
1	Yellow CITY Tag		\$138.95
TOTAL PURCHASE AMOUNT PER UNIT			\$44,669.25
TOTAL PURCHASE AMOUNT FOR THREE UNITS			\$134,007.75

Pricing in accordance with the Pasco County Award of Bid No. IFB-RR-21-042

If you have any questions or need any additional information please feel free contact me anytime.

Sincerely Yours,
Richard Weissinger
Commercial Fleet Sales
Direct Line (813) 477-0052
Fax (863) 533-8485

DANA SAFETY SUPPLY, INC
 4809 KOGER BLVD
 GREENSBORO, NC 27407

Sales Quote

Telephone: 800-847-8762

Sales Quote No.	579324-E
Customer No.	JUPITISLA

Bill To

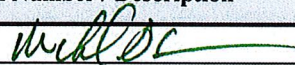
JUPITER ISLAND PUBLIC SAFETY DEPT
 103 BUNKER HILL ROAD
 ATT: DEVAN WILSON
 HOBE SOUND, FL 33455

Ship To

DANA SAFETY SUPPLY- FT. LAUDERDALE
 ATT: JUPITER ISLAND PUBLIC SAFETY DEPT
 HOBE SOUND, FL 33455

Contact: DEVAN WILSON
 Telephone: 772 545 0112
 E-mail:

Contact: INSTALLS
 Telephone: 954-708-2071
 E-mail:

Quote Date	Ship Via	F.O.B.	Customer PO Number	Payment Method	
05/23/25	UPS GROUND FREIGHT	QUOTED FREIGHT	2025 PIUT	NET30	
Entered By		Salesperson	Ordered By	Resale Number	
Carlos Rodriguez		CARLOS	DEVAN WILSON	53-00014456-54C	
Order Quantity	Approve Quantity	Tax	Item Number / Description	Unit Price	Extended Price
			Approved By: <u></u> <input checked="" type="checkbox"/> Approve All Items & Quantities Quote Good for 30 Days		

Print Date	06/03/25
Print Time	10:46:31 PM
Page No.	1

Subtotal	17,625.08
Freight	868.77
Order Total	18,493.85

Printed By: Carlos Rodriguez



TOWN OF JUPITER ISLAND

MEMORANDUM

To: Mayor & Town Commission

Through: Robert Garlo, Town Manager *RG*

CC: Kimberly Kogos, Town Clerk

From: John Duchock, Asst. Town Manager

RE: Agenda Item No. 6b. – Purchase Authorization
Request: Caterpillar 906 Compact Wheel Loader

Date: 10/17/2025

Background:

Public Works utilizes a range of equipment, including front end loaders/compact wheel loaders for movement of materials, grading, brush pickup, and other applications. The department currently operates a 2014 Volvo L20F compact wheel loader. Over the 11 years of operation in an exposed environment, the current loader is close to the end of its useful life and requires significant investment to repair/replace the corroded cab and other operating features for full functionality. A replacement loader is required to ensure safe and continuous capabilities for the department moving forward. As a replacement for this vehicle, the department has obtained price quotes through the Florida Sheriff’s Association (FSA) Contract, State Term Contract, and Sourcwell for a new (2026) a Caterpillar 906 Compact Wheel Loader, with the following price quotes.

Contract	Base Price	Options/Fees	Total
FSA	\$81,705	\$39,547	\$121,252
State Term	\$92,881	\$35,192	\$128,073
Sourcwell	\$87,218	\$36,312	\$123,530

Recommendation:

Staff is seeking Commission authorization to purchase a new Caterpillar 906 Compact Wheel Loader under the FSA Contract, with requested upgrades and attachments in the amount of \$121,252.



TOWN OF JUPITER ISLAND

MEMORANDUM

To: Mayor & Town Commission

Through: Robert Garlo, Town Manager *RG*

CC: Kimberly Kogos, Town Clerk

From: John Duchock, Asst. Town Manager

RE: Agenda Item No. 6c. – Purchase Authorization
Request: ¾ Ton Pickup Truck

Date: 10/20/2025

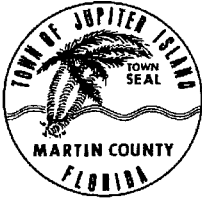
Background:

Public Works utilizes a range of equipment, including light and heavy duty pickup trucks for movement of personnel, light equipment, trailers, and materials. The department currently utilizes a 2009 Ford Ranger as a “runner” vehicle to shuttle personnel and materials. This vehicle reached the end of its useful life was disposed of through auction. As a replacement for this vehicle, the department has obtained price quotes through the City of Tallahassee Contract, Florida Sherrif’s Association (FSA) Contract, and Sourcewell for a new (2026) Dodge 2500 crew cab pickup truck, with the following price quotes.

Contract	Base Price	Fees/Options	Total
Tallahassee	\$45,458	\$1,095	\$46,553
FSA	\$44,061	\$752	\$44,813
Sourcewell	\$45,685	\$630	\$46,315

Recommendation:

Staff is seeking Commission authorization to purchase a new 2026 Dodge 2500 pickup truck under the current FSA Contract in the amount of \$44,813.00.



TOWN OF JUPITER ISLAND

MEMORANDUM

To: Mayor & Town Commission

Through: Robert Garlo, Town Manager *RG*

CC: Kimberly Kogos, Town Clerk

From: John Duchock, Asst. Town Manager

RE: Agenda Item No. 6d. – Coastal Waste & Recycling (Yard Waste/Brush Disposal)

Date: 10/1/2025

Background

The Town provides yard waste and debris recycling services to Town residents in the form of curbside brush pickup at a fee of \$250/load. Disposal of yard waste is through a licensed recycling facility and the waste is subsequently used for mulch and soil amendments.

Coastal Waste, Inc. has been providing yard waste disposal service to the Town for several years and is the only licensed facility in Hobe Sound of its kind. Staff has considered alternative options for disposal at other permitted service providers as follows.

Analysis

Three permitted providers operate within reasonable proximity to the Town - Coastal Waste, Inc. (CWI), Martin County Solid Waste (MCSW), and the Palm Beach County Solid Waste Authority (SWA).

Coastal Waste, Inc. is less than 5 miles from Town limits. The Palm Beach County Solid Waste Authority and Martin County Solid Waste provide service to this area and are both a 45-mile round trip per visit. The table below demonstrates the total cost for a 20 cubic yard truck, which is equivalent to a single brush service call. Loose cut tree and landscape vegetation weighs between 250 and 500 pounds per cubic yard, yielding an average 20 cubic yard load weight of roughly 3.75 tons. For this analysis, a 4-ton load is applied.

Yard Waste Disposal Alternatives Analysis

	<u>Coastal Waste</u>	<u>MCSW</u>	<u>SWA</u>
\$/4-ton load	\$220.48	\$135.20	\$140
Additional Staff Time \$/load	N/A	\$42	\$42
Additional Vehicle travel \$/load	N/A	\$45	\$45
Total	\$220.48	\$222	\$227

MCSW and SWA are one and one-half additional hours of travel time over Coastal Waste. While operating two trucks to transport debris, one truck is traveling while the other is being loaded, and the loader operator is idle when both trucks are on the road. The estimated tractor operator will be sitting idle for over 30 minutes between loads. The total additional man-hours needed to provide disposal at MCSW and SWA would include both the drive time and the idle time of the loader operator. The total would be an additional 1.5 man-hours per load at an average cost to the Town of an additional \$42.00 per load. Both SWA and MCSW options would also reduce the number of loads that could be serviced in a day, in turn reducing the revenue provided by this service and the present level of service to the town due to lost time in transit. Additionally, the 45-mile additional distance per round trip would add roughly \$45 of wear and tear (\$0.33/mi), fuel (8 gallons/trip), and lifecycle costs per load at today's rates.

Recommendation

Based on this analysis, staff has determined that disposal at Coastal Waste, Inc. remains the most cost-effective option for the Town and allows the staff to retain the expected level of service.

Staff requests purchase approval in the amount of \$50,000.00.

John Duchock

From: Bill Sutton
Sent: Monday, October 20, 2025 11:09 AM
To: John Duchock
Subject: Fw: Contract Pricing

Bill Sutton, MCSE

Director of Information Technology
TOWN OF JUPITER ISLAND
Office: (772) 545-0180
Cell: (772) 260-4199

From: Bo Milton <bmilton@coastalwasteinc.com>
Sent: Monday, October 20, 2025 7:52 AM
To: Jason Coppock <jcoppock@tji.martin.fl.us>; Chad Abell <cabell@coastalwasteinc.com>
Subject: Re: Contract Pricing

External Email - Use Caution

Good morning- effective 1/1/2026 -\$55.12

Bo Milton
Senior District Manager



P: 772-545-3055
M: 772-528-6207
www.coastalwasteinc.com
12967 SE Suzanne Drive, Hobe Sound, FL 33455



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From: Jason Coppock <jcoppock@tji.martin.fl.us>
Sent: Monday, October 20, 2025 7:16:15 AM
To: Bo Milton <bmilton@coastalwasteinc.com>; Chad Abell <cabell@coastalwasteinc.com>
Subject: FW: Contract Pricing

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Good Morning Bo

The Town's Public Works Director sent an email back on 10/8 asking the question below. All requisitions must be justified with a written memo as a backup document and then presented to the Town Commission for approval. Once approved, a purchase order can be written. But first we need clarification so John can write the justification memo.

We would like to get this on the Commission meeting agenda early next week.

Just to be clear, please provide the cost per ton after 1/1/2026. The Town has already begun paying a 5% increase over the past year (price was \$50/ton, now \$52.50/ton). Thank you.

Regards,
John

Jason Coppock
Assistant Director
Town Of Jupiter Island Public Works
772-545-0174
jcoppock@tji.martin.fl.us

From: John Duchock <jduchock@tji.martin.fl.us>
Sent: Monday, October 20, 2025 7:03 AM
To: Jason Coppock <jcoppock@tji.martin.fl.us>
Subject: FW: Contract Pricing

Can you help me get an e-mail response from Coastal on the pricing? Bo has not replied yet. Thanks.

John

From: John Duchock
Sent: Tuesday, October 14, 2025 9:41 AM
To: Bo Milton <bmilton@coastalwasteinc.com>; Jason Coppock <jcoppock@tji.martin.fl.us>; Chad Abell <cabell@coastalwasteinc.com>
Subject: RE: Contract Pricing

Good morning all. Following up on the message below. Please confirm the price per ton for 1/1/2026. Thank you.

John

John Duchock
Asst. Town Manager/Beach District Dir.
Town of Jupiter Island
2 Bridge Road

Hobe Sound, FL 33455
p: (772) 545-0187

From: John Duchock
Sent: Wednesday, October 8, 2025 2:42 PM
To: 'Bo Milton' <bmilton@coastalwasteinc.com>; Jason Coppock <jcoppock@tji.martin.fl.us>; Chad Abell <cabell@coastalwasteinc.com>
Subject: RE: Contract Pricing

Good afternoon all,

Just to be clear, please provide the cost per ton after 1/1/2026. The Town has already begun paying a 5% increase over the past year (price was \$50/ton, now \$52.50/ton). Thank you.

Regards,
John

John Duchock
Asst. Town Manager/Beach District Dir.
Town of Jupiter Island
2 Bridge Road
Hobe Sound, FL 33455
p: (772) 545-0187

From: Bo Milton <bmilton@coastalwasteinc.com>
Sent: Friday, September 26, 2025 12:16 PM
To: Jason Coppock <jcoppock@tji.martin.fl.us>; Chad Abell <cabell@coastalwasteinc.com>
Cc: John Duchock <jduchock@tji.martin.fl.us>
Subject: Re: Contract Pricing

External Email - Use Caution

Jason good to talk to you sir , per our conversation there will be a 5% increase on 1/1/2026 for all material if you have any questions feel free to give me a call . We appreciate your Business.

Bo Milton
Senior District Manager



P: 772-545-3055
M: 772-528-6207
www.coastalwasteinc.com
12967 SE Suzanne Drive, Hobe Sound, FL 33455



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From: Jason Coppock <jcoppock@tji.martin.fl.us>
Sent: Friday, September 26, 2025 11:32:36 AM
To: Chad Abell <cabell@coastalwasteinc.com>
Cc: John Duchock <jduchock@tji.martin.fl.us>; Bo Milton <bmilton@coastalwasteinc.com>
Subject: RE: Contract Pricing

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You as well.
Thank You!

Jason Coppock
Assistant Director
Town Of Jupiter Island Public Works
772-545-0174
jcoppock@tji.martin.fl.us

From: Chad Abell <cabell@coastalwasteinc.com>
Sent: Friday, September 26, 2025 11:29 AM
To: Jason Coppock <jcoppock@tji.martin.fl.us>
Cc: John Duchock <jduchock@tji.martin.fl.us>; Bo Milton <bmilton@coastalwasteinc.com>
Subject: RE: Contract Pricing

External Email - Use Caution

Jason,

Thanks for the note. I am adding Bo Milton on this email to follow up with you on this and answer your question.

Have a great weekend!!

Chad Abell
Vice President, EHS & Engineering



P: 954-947-4000
M: 954-778-0115
www.coastalwasteinc.com
Field Support Office - 4950 Communication Ave Ste 920, Boca Raton, FL 33431



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From: Jason Coppock <jcoppock@tji.martin.fl.us>
Sent: Friday, September 26, 2025 11:23 AM
To: Chad Abell <cabell@coastalwasteinc.com>
Cc: John Duchock <jduchock@tji.martin.fl.us>
Subject: Contract Pricing

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Good Morning Chad

We are entering our new fiscal year as of 10/1/25 and updating our Purchase Orders. I wanted to make sure the current pricing is going to stay the same through September 30th 2026. Please advise as soon as possible.


Regards
Jason Coppock
Assistant Director
Town Of Jupiter Island Public Works
772-545-0174
jcoppock@tji.martin.fl.us

This email was scanned by Bitdefender

Exhibit A
Rates and Regulations
Solid Waste Facility

1. The rate for all Solid Waste Facility users shall be in accordance with the following schedule effective October 1, 2024.

A. Rates and Fees:	<u>Rates</u>	<u>*Alternative Rates</u>
1. Class I (Garbage)	\$72.70/Ton	\$20.20/Cubic Yard
2. Class III (Bulky Waste & C&D)	\$51.50/Ton	\$13.20/Cubic Yard
3. Special Wastes as Follows:		
a. Clean Cardboard	\$0.00/Ton	\$0.00/Ton
b. Tires (Small Tires)	\$145.50/Ton	\$6.50 Each
c. Loaders & Truck Tires	\$335.80/Ton	\$59.30 Each
d. Yard Waste (Vegetation)	\$32.50/Ton	\$4.20/Cubic Yard
e. Clean Debris (Source Separated Concrete, Wood, and metal for recycling)	\$25.80/Ton	\$11.20/Cubic Yard
4. Other Services/Charges:		
a. Minimum Charge	\$6.00/Vehicle	\$6.00 Each
b. Certified Tare/Gross Weight on Vehicles	\$5.00/Vehicle	\$5.00 Each
c. Uncovered loads or loads received or completing transactions outside normal operational hours shall be at two (2) times the standard rate.		
d. Surcharge for bulky waste or construction and demolition debris in roll-off containers shall be equal to five percent (5%) of the County's rate for the disposal of such materials.		

 B. Rates for FY26 shall be increased up to 4%. Rates for FY27 shall be increased up to 4%.

C. Solid Waste Facility hours of operation:
Monday thru Friday 8:00 a.m. to 5:00 p.m. All vehicles must be weighed in before 4:45 p.m.
The transfer station gates are closed at 5:00 p.m. All transactions must be completed, and
vehicles must be out of the site by this time or subject to the rate stated in A.4.c.

D. Saturday 8:00 a.m. to 12:00 p.m. All vehicles must be weighed in by 11:45 a.m. The transfer
station gates are closed at 12:00 p.m. All transactions must be completed, and vehicles must
be out of the site by this time or subject to the rate stated in A.4.c.

E. The landfill is closed on the following holidays: Memorial Day, Labor Day, 4th of July,
Thanksgiving Day and Christmas Day and New Year's Day.

*Alternative rates shall be used only when scales are down, and accurate weights are not
available.



**SOLID WASTE AUTHORITY OF PALM BEACH COUNTY
TIPPING FEE RATE SCHEDULE
EFFECTIVE DATE: 10/1/2025**

RATES APPLY TO ALL SOLID WASTE AUTHORITY FACILITIES

Waste Categories (Refer to Notes on Reverse Side)	Per Ton	Per Cubic Yard(1)	Other
Garbage	\$42.00	\$15.23	
Trash ⁽²⁾	42.00	6.30	
Construction Debris/Large Vegetation ⁽³⁾	80.00	28.00	
Vegetation ⁽⁴⁾	80.00 35.00	5.25	
C/D Recycling Residue ⁽⁵⁾	25.00	3.75	
Restricted Use Fill ⁽⁶⁾	4.00	5.00	
Tires: Whole (without rims) ^(7a)	100.00	10.00	
Whole Truck/Oversized	190.00	21.38	
Shredded/Segmented (8 or more pieces) ^(7b)	10.00	2.65	
Livestock Waste ⁽⁸⁾	25.00	7.50	
Special Waste – Class A ⁽⁹⁾	80.00	21.21	
Special Waste – Class B ⁽¹⁰⁾	150.00	22.50	
Whole Animals ⁽¹¹⁾	30.00	7.95	
White Goods (Appliances)	10.00	1.50	
Trailers (Mobile Homes & RVs) ⁽¹²⁾	90.00	10.35	\$11.00 per ft
Minimum Charge			\$10.00
Unsecured Load Surcharge ⁽¹³⁾	10.00		\$10.00 each
Out of County (for Garbage, C/D & Trash) ⁽¹⁴⁾	156.00 156.00	56.57	

Disposal Locations	Hours	Days
Renewable Energy Facilities #1/ #2 (REF#1/#2) 6895 N. Jog Road, West Palm Beach	7:00 A.M. to 5:00 P.M.	Monday - Saturday
North County Landfill Complex 6330 N. Jog Road, West Palm Beach	7:00 A.M. to 5:00 P.M.	Monday - Saturday
Jupiter Transfer Station 14185 N. Military, Jupiter	7:00 A.M. to 5:00 P.M. 7:00 A.M. to 3:00 P.M.	Monday - Friday Saturday
Royal Palm Beach Transfer Station 9743 Weisman Way, Royal Palm Beach		
West Delray Transfer Station 13400 S. State Rd. 7, Delray Beach		
Delray Transfer Station 1901 SW 4 th Avenue, Delray Beach		
Lantana Transfer Station 1810 Lantana Road, Lantana	7:00 A.M. to 5:00 P.M. 7:00 A.M. to Noon	Monday – Friday Saturday
Belle Glade Transfer Station 1701 State Road 15, Belle Glade	7:30 A.M. to 4:00 P.M.	Monday - Friday

- All disposal locations will be closed on: Thanksgiving and Christmas. **Authority facilities are closed on Sundays.**
- All customers are required to weigh out unless they have a tare weight on file. If you leave without weighing out, your fee will be based on the full weight of the load as well as the vehicle.
- Transfer stations and REF#1/#2 **cannot** accept the following **materials**: concrete, chain link fencing, farm plastic, block, brick, tile, steel, rebar, roofing material, construction lumber, trusses, pallets, trailers, dirt, fill, sod, stumps and tree remains greater than 50 pounds or 6 feet in length, and other similar materials which may damage the facility or equipment. Loads containing more than a small quantity of these materials will be rejected. Additionally, loads of tires (transfer stations), animals, animal waste, sludge, loads delivered in a tractor trailer and other items that require special handling are never accepted at transfer stations. The Landfill will accept these items. Acceptance or rejection of loads at a Transfer Station or at the Renewable Energy Facilities is at the Authority's discretion.
- The SWA accepts cash or credit cards (VISA, Mastercard and Discover) at the Weigh Stations. Payment on account is available but prior approval of a Credit Application is required.
- Mixed loads will be charged at the higher waste category rate.

NOTES:

1. Yardage rates **ONLY APPLY** if the scales are inoperative and are based on the full volume of the vehicle and container
2. **TRASH** – Household and commercial waste free of garbage and consisting of furniture, appliances, textiles, plastics, some wood, cardboard, paper, glass, street sweepings, contaminated recycling or 4 or less passenger tires and other similar materials that would typically be found in a household garage. May include small amounts of construction and demolition debris with the exception of concrete, metal weighing more than 50 pounds or more than six feet in length, roofing material, ceramic tile, rock, soil, and stumps or tree trunks weighing more than 50 pounds or more than 6 feet in length. *Also, boats and watercraft are usually charged at this rate but must first be inspected by Hazardous Waste staff at 6161 N Jog Rd, Monday – Friday 7:00a.m. – 5:00p.m., prior to disposal at the North County Landfill.*
3. **CONSTRUCTION AND DEMOLITION DEBRIS/LARGE VEGETATION (CD)** - Materials including but not limited to steel, glass, brick, block, concrete, asphalt roofing material, pipe, gypsum wallboard, lumber, plywood, cabinetry, pallets, fencing, stumps and any other material from a construction or demolition project or from the renovation of a structure. The term also includes rocks, soils, sod, tree remains, trees and other vegetative matter that normally results from land clearing or land development operations exceeding the vegetation limits shall be classified as CD. Generally, dump trucks and open top roll-off containers will be charged at this rate. **Please also refer to the note on the front regarding Prohibited Materials Delivered to Transfer Stations and REF#1/#2.**
4. **VEGETATION** - Vegetative matter resulting from yard and landscaping maintenance including materials such as tree and shrub materials, grass clippings, palm fronds, tree branches and similar other matter usually produced as refuse in the care of lawns, landscaping and yards. The vegetation cannot be mixed with garbage, trash, sand, or other types of contamination. Vegetative Waste must be no more than 6 feet in length and no single item shall weigh more than 50 pounds. Mulch will also be charged at the vegetation rate.
5. **C/D RECYCLING RESIDUE** - Unrecoverable combustible waste delivered by SWA permitted recyclers after all recyclable material has been recovered from construction debris. This waste is primarily trash like in appearance and does not contain any substantial quantities of readily recoverable components. Loads with more than de minimis amounts of recoverable components will be charged the CD rate. Authority employees will verify this waste type at the time of delivery. Not accepted at our transfer stations.
6. **RESTRICTED USE FILL** – Soil like material with limited use applications as determined by the Authority based on appearance, structural characteristics and/or physical contents. Receipt of this material is subject to the needs of the Authority at the Landfill only. Prior arrangement is required. Non-conforming material may be charged the full tipping fee or may be rejected.
- 7a. **TIRES** – Whole passenger tires or whole truck tires without rims will be charged the “Tire” rate. Tires with rims, large tires and all others will be charged the higher rate (\$190/ton). Mixed loads will be charged the higher rate.
- 7b. **SHREDDED /SEGMENTED TIRES** - Passenger tires, including tractor trailer tires, cut into at least eight (8) substantially equal pieces or oversized/off-road tires shredded to less than 4” x 4” x 2” pieces.
8. **LIVESTOCK WASTE** – Waste composed of excrement from animals with residual materials that have been used for bedding, sanitary, or feeding purposes for such animals and must be accepted at the REF#2 to receive this rate.
9. **SPECIAL WASTE-A** - Waste that **cannot** be processed through transfer stations or the REF #1/#2 including incinerator ash, animal processing residues, treated biohazardous waste, waste water residue, sewage residues, lime sludge and animal excrement. Does not include dewatered sludge or material accepted under a separate contract. Also, includes debris that requires special handling such as liquor/beer/saleable goods. Must be delivered to the Landfill.
10. **SPECIAL WASTE-B** - Material requiring disposal on a special manifest, such as asbestos or fuel contaminated soils.
* Cubic yard rates for Special Waste - Class B vary depending on the debris. For specific rates contact the Solid Waste Authority Administration Office.
11. **WHOLE ANIMALS** - Whole deceased animal carcasses.
** If scales are inoperative the unit cost of \$3.00 each for small (cats/dogs) and \$15.00 each for large will apply.
12. **TRAILERS** - Charged by weight when possible. Empty trailers that are unable to fit on the scales will be charged by the linear foot.
13. **UNSECURED LOADS** – An unsecured load fee will be charged for any load that is not secured with a rope, tarp or object that prevents **any** debris from falling out of the vehicle. Loads must remain secured until reaching the tipping floor.
14. **OUT OF COUNTY** – This rate applies to garbage, trash, and construction debris from other counties (not delivered under contract).
- Notice to Late Arriving Customers – Cash customers arriving 60 minutes prior to closing of a facility will be required to provide a larger deposit and mail or email the scale ticket with vehicle weight noted to Accounts Receivable within a week of the transaction to obtain a refund. We also reserve the right to not accept cash within 60 minutes of closing if payment by credit card is available:

Email or text a picture of the ticket to ticketrefunds@swa.org or mail to
Solid Waste Authority, Attn: Accounts Receivable, 7501 N. Jog Road, West Palm Beach, FL 33412



For more information, please visit our website www.swa.org or call (561) 640-4000

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TOWN OF JUPITER ISLAND/SMRU

SINGLE SOURCE MEMORANDUM

TO : Robert Garlo, Town Manager 
 FROM : Matthew Pazanski, Finance/HR Director 
 REGARDING : **Request for Approval of Single Source Purchasing**
 VENDOR : AGW Capital Advisors
 GOOD/SERVICE : Investment Consultant – Pension and Retirement Plans
 DATE REQUESTED : 10/1/2025
 EST FY EXPENDITURE: \$77,000.00
 VALID FISCAL YEAR : **2025-2026**

Please provide a detailed explanation/supporting documentation for Single Source Request

In 2012 the Town’s Pension Committees and staff spent six months reviewing and dissecting the four Town retirement plans; Defined Benefit Plan, two (2) 401a Defined Contribution Plans, and the 457b Deferred Compensation Plan. They looked at all the roles and responsibilities of the committees, the recordkeeper, the investment consultant, and the custodian. At the time, the investment advisor was more passive as a consultant than as a technical advisor, so the Town issued a Request for Qualifications (RFQ) for an Investment Monitoring/Advisor for the retirement and pension plans.

In addition, the committees wanted the investment advisor to proactively work for the benefit of the employees in the defined contribution retirement plans and deferred compensation plan. In addition, the committees were looking for a more active investment advisor that could pick the funds so that the portfolio funds could have a better chance to outperform the benchmarks within their criteria.

The Town received five (5) RFQ responses, the Pension Committee narrowed the selection down to AGW Capital Advisors (AGW), out of Tampa, FL as the investment advisor.

AGW continues to serve as Investment Consultant for the Town’s Group Defined Benefit Pension Plan, two (2) 401a Defined Contribution Plans, and the 457b Deferred Compensation Plan. AGW delivers comprehensive oversight and guidance, and their responsibilities include providing fiduciary and strategic investment advisory services for the Town’s pension and retirement funds, as well as conducting quarterly individual consultations with employees to support informed retirement planning decisions.

Over the years, AGW’s services have provided continuity for the pension and retirement plans investment goals and objectives. AGW advisory fees are currently 0.28% of asset balance.

As part of AGW's commitment to transparency, fiduciary responsibility, and the long-term financial health of the Town's retirement plans, the following update is provided regarding their investment advisory fee and related cost benchmarking efforts: Each year, AGW conducts a comprehensive fee benchmarking analysis using third-party industry data to evaluate the competitiveness and fairness of all plan-related fees. This includes: AGW's investment advisory fee, the recordkeeper's administrative fee, and the expense ratios of underlying mutual funds and commingled investment trusts. These fees are assessed in relation to peer plans of similar size—measured by total assets, number of participants, and the scope of services provided.

This annual process helps ensure that the Town's Defined Benefit and Defined Contribution plans remain cost-efficient and aligned with industry standards.

While the current advisory fee remains unchanged year over year, it's important to note that past benchmarking studies have led to proactive fee reductions by AGW—voluntarily implemented to reflect evolving market trends and to serve the Town's best interest. AGW remains committed to monitoring and adjusting its fee structure as appropriate based on these ongoing evaluations.

Estimated FY 2026 expenses based on fund and plan type:

- General Fund - Defined Benefit Plan (Frozen Plan) - \$29,500
- General Fund - 401(a) Defined Contribution Plan - \$18,350
- General Fund - 457b Deferred Compensation Plan - \$9,710
- SMRU - 401(a) Defined Contribution Plan - \$9,730
- SMRU - 457b Deferred Compensation Plan - \$9,710

Options:

1. Approve the continuation of the engagement with AGW.
2. Approve the continuation of the engagement with AGW for a specified time.
3. Direct staff to issue a Request for Qualifications (RFQ) for an Investment Monitoring/Advisor for the retirement and pension plans. (Under this scenario we will need to approve a continuation for approximately six months to complete the RFQ process and administer the changes.)
4. Other - to be suggested or determined.

Requested Action:

Staff recommends the Town Commission consider a motion to approve the continuation of the Town's engagement with AGW Capital Advisors as Investment Consultant for the Town's pension and retirement plans.

Client Agreement



511 W. Bay Street, Suite 310
Tampa, FL 33606
(813) 254-4700

CLIENT AGREEMENT

This Agreement is entered into as of the effective date (as defined below) between the undersigned client ("Client") and Annis Gardner Whiting Capital Advisors, LLC, a Florida limited liability company doing business as AGW Capital Advisors ("AGW"), an investment adviser registered with the U.S. Securities and Exchange Commission ("SEC") pursuant to the provisions of the Investment Advisers Act of 1940, as amended ("Advisers Act").

1. Services of AGW

By execution of this Agreement, Client hereby appoints AGW to perform the following services on the Client's assets contained in accounts with various third parties, including without limitation those listed on Schedule A (individually, an "Account"; collectively, the "Accounts") in accordance with the Client's stated objectives and financial goals which will be summarized in written form as agreed to by the client (investment policy statement).

- Review existing investment policies, make recommendations for the development of new policies and/or the amendment of existing ones.
- Advise on the asset allocation and portfolio structure of the defined benefit plan (e.g., active vs. passive, number and types of managers and strategies).
- Advise on the design and structure of the list of investment options and asset allocation strategies available to defined contribution plan participants (e.g., active vs. passive, number and types of managers and strategies).
- Provide research on current, replacement and/or additional investment managers (individually, an "Investment Manager"; collectively, the "Investment Managers") or investments, as needed (individually, an "Investment"; collectively, the "Investments").
- Review existing contracts with service providers (e.g. Investment Managers, custodians, record keepers) and make recommendations for change (such as renegotiation of fees); and, if necessary, conduct a search for new service providers.
- Attend periodic meetings as reasonably required of the Client and provide ongoing email and/or phone support.
- Provide quarterly performance measurement reports.
- Coordinate participant education.
- Attend up to four (4) onsite participant meetings per year and provide ongoing email and/or phone support.
- Monitor costs and expenses.

AGW hereby accepts such appointment.

In furtherance of its performance of the above services for Client, AGW is authorized to transmit instructions as directed by the Client to the Investment Manager, registered broker-dealer, bank, or custodian of the Account, or other necessary persons or entities. Client acknowledges that AGW may assist with the preparation of certain documents in connection with an Account (e.g. account paperwork, letter of authorization) but Client maintains sole responsibility for the completeness and accuracy of the information contained therein.

2. Non-Discretionary Authority of AGW

AGW will serve as investment adviser to the Client, but does not possess discretionary authority with respect to the Client's Accounts. AGW will make recommendations to Client but Client is under no obligation to accept any of the recommendations. Client, or, in the case of a participant-directed account, the plan participant retains sole discretion over the Investments to be purchased and sold in the Account(s).

3. Execution, Clearance and Custody Services

AGW does not have the discretionary authority to select the registered broker-dealer, bank or custodian to be retained by Client. AGW may suggest registered broker/dealers, banks or custodians to Client. The Account(s) will be placed with a registered broker-dealer, bank or custodian of Client's choosing which will execute purchase and sale orders, perform clearing of same and serve as the custodian for funds and securities held in the Account(s).

4. Investment Objectives and Restrictions

Client agrees to furnish AGW or cause to be furnished to AGW such information as AGW may request with respect to the services to be performed by AGW hereunder. Client acknowledges that AGW will rely on this information provided to AGW in providing its services. Client agrees to give AGW prompt written notice of any modifications, changes or investment restrictions applicable to the Account(s) and to notify AGW if Client deems any Investments or Investment Managers recommended or made for the Account to be inconsistent with such investment objectives or restrictions. Unless Client promptly notifies AGW in writing of specific investment restrictions on the Account(s), the Investments and Investment Managers recommended for or made on behalf of the Account(s) shall be deemed to be in conformity with Client's investment objectives.

5. Limitation of Liability

In providing the services described herein, Client agrees that except for AGW's negligence or willful misconduct, neither AGW nor any of its officers, members, directors, representatives, or employees shall be liable for any inaction or action performed, including without limitation any errors of judgment in providing services to Client or for Client's Account(s) under this Agreement. Furthermore, neither AGW nor any of its officers, members, directors, representatives, or employees shall be liable for any good faith error of judgment or mistake of fact or law arising out of any act or omission on the part of any third party (including, without limitation, third party Investment Managers, registered broker/dealers, banks, custodians or other service providers). Except as may be limited by the provisions of Florida Statute 768.28, Client agrees to indemnify and hold harmless AGW, its officers, members, directors, representatives, or employees from any claims of and liabilities to any Client based on or in any way arising out of this Agreement or any investment products or services arranged for hereunder, including reasonable attorneys' fees and costs incurred in defending against any such claim, including through all appeals, except to the extent such claim or liability directly results from the negligence or willful misconduct of AGW.

Notwithstanding the foregoing, Client understands that AGW and other persons protected from liability as described above may owe certain duties to Client under the Advisers Act, federal or state securities laws, or other federal or state statutes, or rules or regulations thereunder, or the rules or regulations of self-regulatory organizations, the breach of which may confer upon Client certain non-waivable rights of action against AGW or other persons even if any breach of duties under those laws did not involve an act of negligence or willful misconduct. Accordingly, the waiver in this paragraph shall not apply to non-waivable claims under such laws. Further, nothing herein waives any of the provisions of Florida Statute 768.28 relating to sovereign immunity.

6. Confidential Relationship

Except as required by law or requested or compelled by regulatory or other governmental authorities, (a) AGW agrees to maintain in strict confidence all personal and financial information regarding Client that is furnished to AGW or by Client (except that Client consents to disclosure of Client's identity as a client of AGW) and (b) Client agrees to maintain in strict confidence all investment advice and information furnished to Client by AGW. AGW will not release Client information to any third party without Client's prior consent (with the exception of third-party consultants, advisors, contractors, vendors or members and staff of AGW, whose use of or access to such Client information is reasonably necessary to the performance of the services and who agree to maintain the confidentiality of such Client information). Client acknowledges receipt of AGW's Privacy Policy.

7. Service to Other Clients

It is understood that AGW performs investment advisory services for various other clients who may or may not have investment policies, objectives and Investments similar to those of the Account. Client agrees that AGW may give advice and take action with respect to any of its other clients which may differ from the advice given or the timing or nature of action taken with respect to Client's Account(s). It is understood that AGW has no obligation to disclose to Client the purchase or sale of any security which AGW, its principals, affiliates, or employees may purchase or sell for its or their own account or for the accounts of any other client.

8. Proxies and Class Action Lawsuits

Client understands and agrees that Client retains the right to vote all proxies, which are solicited for securities held in the Accounts. AGW is hereby expressly precluded from voting proxies for securities held in the Account(s) and will not be required to take any action or render advice with respect to the voting of proxies. In addition, AGW will not take any action or render any advice with respect to any securities held in any Account(s) that are named in or subject to class action lawsuits. AGW will, however, forward to Client any information received by AGW regarding class action legal matters involving any security held in the Account(s).

9. Fees and Charges

The compensation of AGW for its services under this Agreement ("Advisory Fees") shall be calculated in accordance with the Advisory Fee Schedule attached as Schedule B which may be amended from time to time by AGW. Advisory Fees will be assessed, and will be due and payable, at the beginning of each calendar quarter based on the Total of All Values of the Account(s) as of the close of business on the last business day of the preceding quarter. Notwithstanding the above, the initial Advisory Fee Payment will be due upon execution of this Agreement and will be based on the Total of All Values of the Account(s) listed in Schedule A. The initial Advisory Fee Payment will be prorated based on the number of days remaining in the quarter. Advisory fees shall be billed directly to the Client.

The maximum advisory fee is 1.00% per annum, subject to negotiation depending upon a number of factors, including the Total of All Values, number of Accounts, and types and complexities of services being rendered. Client understands that AGW's representatives, in connection with their performance of services, shall be entitled to and may share in the advisory fees payable hereunder.

Client may also incur certain charges imposed by third parties other than AGW in connection with Investments made through the Account(s), including but not limited to mutual fund fees and expense ratios, certain deferred sales charges on previously purchased mutual funds, fees associated with exchange-traded funds, and fees associated with independent Investment Managers, registered broker/dealers, banks or custodians. Advisory Fees do not include certain charges such as 12b-1 fees paid by mutual funds held in Client's Account(s). The amount of a mutual fund's 12b-1 fees are included among normal mutual fund expenses and are reflected on the fund financial statements. Notwithstanding the foregoing, no 12b-1 fees will be received by AGW with respect to any assets in an Account of a Client. Charges such as margin interest, transfer costs, transaction costs, custodial fees and other similar charges are not included in Advisory Fees and are in addition thereto.

Client acknowledges and agrees that the Advisory Fee Schedule set forth in Schedule B is in effect for Client's Accounts and shall continue until thirty (30) days after AGW has notified the Client in writing of any change in the amount of the fees or charges applicable to the Client's Account(s). At such time, the new fees or charges will become effective unless the Client notifies AGW in writing prior thereto that the Account is to be closed.

10. Minimum Account Size; Additions To/Withdrawals From The Account

All accounts are subject to a minimum account size depending upon the type of Account as described in AGW's Disclosure Documents. Exceptions can be made depending on Client circumstances. Client may make cash additions to the Accounts at any time and may withdraw Account assets upon notice to AGW. If assets are either deposited or withdrawn after the inception of a quarter, the Advisory Fee Payment with respect to such assets will not be prorated or adjusted. If a Client withdrawal request necessitates securities liquidation of any of their assets contained in their Account(s), it is understood that the proceeds may not be available until two days following the settlement of the liquidating trades. In the event Client withdrawals or market fluctuations cause the asset value of the Account(s) to fall below the required minimum, Client understands that this Agreement may be subject to immediate termination under the provisions of Section 13 of this Agreement. Client understands that asset withdrawals may impair the achievement of Client's investment objectives.

11. Valuation

The market value of any security or other Investment in the Accounts is determined by the custodian. Any Investment in the Accounts which is not priced by the custodian or for which there is no readily available price quotation shall be valued in a manner determined in good faith by AGW or another third party to reflect fair market value. Any such valuations shall not be deemed a guarantee of any kind with respect to the value of those assets.

12. Client Authority

Client represents and confirms that the employment of AGW is authorized by the governing documents relating to the Account(s), that the Client has full power and authority to enter into this Agreement, and that terms hereof do not violate any obligations by which Client is bound, whether arising by contract, operation of law or otherwise, and, if Client is a company, government, trust, estate or other entity, that (a) this Agreement has been duly authorized by appropriate action and when executed and delivered will be binding upon Client in accordance with its terms, and (b) Client will deliver to AGW such evidence of such authority as AGW may reasonably request, whether by way of a certified resolution or otherwise.

If this Agreement is entered into by a corporation, limited liability company, other legal entity, trustee or other fiduciary, Client represents and warrants that Client's participation in the Account(s) is permitted by the relevant governing instrument and, as appropriate, entity action of such Client, and that Client is duly authorized to enter into this Agreement. Client agrees to furnish AGW with such documents as they shall reasonably request with respect to the foregoing. Client further agrees to notify AGW of any event which might affect this authority or the validity of the Agreement.

In addition, Client represents and warrants that (i) the Signatory (a) is a "named fiduciary" as defined by Section 112.656(2), Florida Statutes and has the power and authority under the Plan to take all actions as are contemplated to be taken with respect to the assets of the Plan under this Agreement; (b) is knowledgeable with respect to administration and funding matters related to the Plan; (c) is able to make an informed decision regarding the services to be provided under this Agreement; (d) has considered, in a prudent manner, the fees to be paid by the Plan in relationship to the level of service to be provided; and (e) is not obligated, at its own expense, to provide to or procure for you services of any type provided under this Agreement, and has no reason to believe that this Agreement will have the effect of relieving any other party of such obligation; and (ii) the services provided under this Agreement will be used for the exclusive benefit of you and participants in the Plan and will not inure to the benefit of any other party.

Except as may be limited by the provisions of Florida Statute 768.28, Client agrees to indemnify and hold harmless AGW and all of its members, officers, directors, representatives, or employees from and against all losses, costs (including attorneys' fees and costs through all appeals), or damages, whether direct, indirect, special, incidental, consequential, punitive, or otherwise of any kind, claims, demands, proceedings, suits and actions, and all liabilities and expenses resulting from, in connection with, or arising out of any actions taken or not taken by AGW or any of its officers, members, directors, representatives, or employees or its affiliates in reliance on representations made by the named fiduciary as to this Section 12. Nothing herein waives the provisions of Florida Statute 768.28 relating to sovereign immunity.

13. Client Acknowledgements

AGW will not have the power or authority to manage, acquire or dispose of any of the Plan's assets, and any and all decisions made by the Plan and its fiduciaries with respect to the selection of the Plan's Investments, including but not limited to the adoption or modification of the Investment Policy, will be made after Plan's and fiduciaries' own independent consideration. Client acknowledges that AGW is not the named fiduciary within the meaning of Section 112.656(2), Florida Statutes of any employee benefit plan Client operates and that AGW has no duties and responsibilities of any kind with respect to the Plan other than for the investment consulting and/or advisory services to be performed under this Agreement. AGW acknowledges that it is a fiduciary as defined in Section 112.656(1), Florida Statutes, such fiduciary status to be limited to the investment consulting and/or advisory services to be provided under this Agreement.

14. Termination of Agreement

This Agreement may be terminated at any time by either party giving to the other a minimum thirty day written notice of such termination; provided, however, that Client may terminate this Agreement within five business days of its signing without penalty. In the event of termination, Client will be entitled to a pro rata refund of any quarterly Advisory Fees previously paid based upon the number of days remaining in the quarter after the day which is 30 days following the date of termination as set forth in the notice. Termination of the Agreement will not affect the liabilities or obligations of the parties arising from

transactions initiated prior to termination, including the provision regarding arbitration, which shall survive any expiration or termination of this Agreement.

15. Assignment of Agreement

No assignment, as that term is defined in the Advisers Act, of this Agreement shall be made by AGW without the consent of Client.

16. Arbitration

To the extent not otherwise prohibited by law, any controversy arising out of or relating to Client's Accounts, to transactions with or for Client or to this Agreement or breach thereof, shall be settled by arbitration in Florida or other location not detrimental to the client pursuant to the then effective rules of the American Arbitration Association or other nationally recognized arbitration association selected by AGW in accordance with the substantive laws of the State of Florida. Any award granted by arbitration is to be supported by a written rationale which indicates the basis on which the award was made. Judgment upon any award rendered by the arbitrators may be entered in any court having jurisdiction thereof. All parties shall be conclusively bound by such arbitration. **Client understands that this agreement to arbitrate does not constitute a waiver of the right to seek a judicial forum where such a waiver would be void under state or federal laws.**

17. Severability

If any provision of this Agreement shall be held or made non-enforceable by a statute, rule, regulation, decision of a tribunal or otherwise, such provision shall be automatically reformed and construed so as to be valid, operative and enforceable to the maximum extent permitted by law or equity while most nearly preserving its original intent. The invalidity of any part of this Agreement shall not render invalid the remainder of this Agreement and, to that extent, the provision of this Agreement shall be deemed to be severable.

18. Governing Law

This Agreement shall be construed under the laws of the State of Florida in a manner consistent with the Advisers Act, as amended, and the rules and regulations of the SEC, or any rule, regulation or order thereunder whose investment advisory laws apply to the relationship created under this Agreement. Venue in regard to any litigation ensuing as a result of this agreement shall be in Martin County, Florida or the appropriate federal court having jurisdiction in Martin County.

19. Notices

Unless specified otherwise herein, all notices, instructions, and documents related to the services described herein or any other matter contemplated by this Agreement shall be deemed duly given to AGW or Client when received in writing by AGW or Client, respectively, at the party's fax number provided below and to the registered broker/dealer, bank or custodian at such address as it may specify to AGW in writing, or at such other address or addresses as shall be specified by Client.

Client Address for Notices:

Town of Jupiter Island
2 Bridge Rd.
Hobe Sound, FL 33455
Fax: 772-545-0188

Adviser Address for Notices:

AGW Capital Advisors
511 W. Bay Street, Suite 310
Tampa, Florida 33606
Fax: 813-254-4717

Attention: Jay S. Annis, CCO

20. Acknowledgment of Disclosure Statement and Privacy Policy

Client hereby acknowledges receipt of a copy of AGW's Disclosure Brochure (ADV Part 2), AGW's Privacy Policy, and any applicable Schedule H Brochure(s).

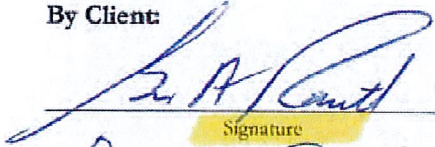

21. Entire Agreement

This Agreement including all Schedules attached hereto represents the entire Agreement between the parties with respect to the subject matter contained herein. This Agreement may not be changed orally, but only by an agreement in writing and signed by the parties hereto.

THIS AGREEMENT CONTAINS AN ARBITRATION CLAUSE IN SECTION 15.

Accepted and agreed to this 9 day of July, 2012.

By Client:

 
Signature

Gene A. Rault
Print Name

Its: TM
Title (If Entry)

Signature

Print Name

Its: _____
Title (If Entry)

Signature

Print Name

By AGW Capital Advisors:


Signature

Jeffrey S. Annis
Print Name

Its: Managing Member/CCO
Title

SCHEDULE A

SCHEDULE OF ASSETS

Account No.: DB Plan #CT73009 (Diversified)
Client Name: The Town of Jupiter Island
Value: Value is taken from attached custodial information

Account No.: SMRU #PE62350 (Diversified)
Client Name: The Town of Jupiter Island
Value: Value is taken from attached custodial information

Account No.: 401(a) #PE62525 (Diversified)
Client Name: The Town of Jupiter Island
Value: Value is taken from attached custodial information

Account No.: 457(b) #PE61487 (Diversified)
Client Name: The Town of Jupiter Island
Value: Value is taken from attached custodial information

Account No.: _____
Client Name: _____
Value: _____

Account No.: _____
Client Name: _____
Value: _____

Account No.: _____
Client Name: _____
Value: _____

Account No.: _____
Client Name: _____
Value: _____

Account No.: _____
Client Name: _____
Value: _____

TOTAL OF ALL VALUES: \$See Attached Custodial Information

ORDINANCE NO. 408

AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF JUPITER ISLAND, MARTIN COUNTY, FLORIDA, AMENDING APPENDIX A OF THE TOWN'S CODE OF ORDINANCES WHICH CONTAINS THE TOWN'S LAND DEVELOPMENT REGULATIONS; PROVIDING FOR THE AMENDMENT OF ARTICLE I, DIVISION 3, SECTION 3.03 REGARDING THE AUTHORITY OF THE TOWN COMMISSION; PROVIDING FOR THE AMENDMENT OF ARTICLE IV, DIVISION 2, SECTION 2.00B AND DIVISION 10, SECTION 10.01; PROVIDING FOR THE AMENDMENT OF ARTICLE IV, DIVISION 2, SECTION, 2.00D PERTAINING TO VARIANCES FOR THE INITIAL MEASURING POINT OF A BUILDING, ARTICLE IV, DIVISION 3, SECTION 3.01 PERTAINING TO VARIANCES FOR THE PLACEMENT OF MORE THAN THREE FEET OF FILL ON A PROPERTY, SECTION 3.05 PERTAINING TO TENNIS COURT DESIGN AND LOCATION, SECTION 3.06A PERTAINING TO WALLS, FENCES, AND BULKHEADS/SEAWALLS, SECTIONS 3.07B 3.07 C2, AND 3.07 D2, PERTAINING TO DOCKS AND DUNE CROSSOVERS, SECTION 3.12A AND 3.12C PERTAINING TO WIRELESS COMMUNICATIONS TOWERS; PROVIDING FOR AMENDMENTS TO ARTICLE VI, DIVISION 2, SECTION 2.02F PERTAINING TO SIGNS; PROVIDING FOR THE AMENDMENTS TO ARTICLE IX, DIVISION 2, SECTIONS 2.01 AND 2.02; PROVIDING FOR AMENDMENTS TO ARTICLE IX, DIVISION 4, SECTION 4.00C PERTAINING TO NONCONFORMING STRUCTURES; PROVIDING FOR THE REPEAL OF ORDINANCES IN CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town Commission of the Town of Jupiter Island, Martin County, Florida (Town) has such powers and authority as conferred upon it by the Florida Constitution and Chapter 166, Florida Statutes; and

WHEREAS, the Town Commission has previously created Land Development Regulations (LDR) codified in Appendix A of the Code of Ordinances of Jupiter Island, Florida (Code); and

WHEREAS, the Town Commission has concluded that it is necessary and appropriate to clarify certain Articles of the LDR previously adopted to confirm its policy direction that the references to variances contained therein require an applicant to meet the standards contained in Article X, Division 5, Section 5.00 to establish a legal hardship; and

WHEREAS, this ordinance is necessary and appropriate to amend the LDR to eliminate the Impact Review Committee and the Board of Adjustment, and to replace references to these entities with a Development Review Board; and

WHEREAS, the Town Commission has reviewed the revisions to the Town's LDR as set forth herein and finds that their adoption will further the public health, safety and general welfare.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF JUPITER ISLAND, MARTIN COUNTY, FLORIDA, AS FOLLOWS:

Section 1: The whereas clauses are incorporated herein as the legislative findings of the Town Commission.

Section 2. Article 1, Division 3, Section 3.03, town commission is hereby amended to read as follows:

Sec. 3.03. Town commission.

The town commission's powers and duties under these land development regulations shall be as follows:

A. *Authority.* The town commission has the authority to:

1. Review and decide:

a. ~~Applications for subdivision approval;~~

- ~~a~~b. Applications for district boundary changes;
- ~~b~~e. Applications for certificates of appropriateness for alterations to historic buildings and landmarks;
- ~~c~~d. Applications for text amendments to these land development regulations; and
- ~~d~~e. Applications for comprehensive plan amendments
- e. Development Orders approved by the Development Review Board in accordance with the procedure established in 9 below.

2. Hear appeals from decisions of the ~~board of adjustment, impact review committee~~ development review board, and administrative official.

3. Amend the comprehensive plan.

4. Amend or repeal any or all of these land development regulations, including the official zoning map.

5. Determine whether a proposed use is of the same general character as a permitted use.

6. Exercise all other powers and carry out all other duties provided by Florida Law and these land development regulations.

7. The mayor, or in his or her absence the vice mayor, may administer oaths and compel the attendance of witnesses.

8. The town commission shall have the authority to review any application or proposal for development or improvements in the PLD or CPD zoning districts. The town commission may apply standards set forth in Division 2, Section 2.02 for impact review and any goals, objectives, or policies of the town's comprehensive plan it determines to be appropriate. The town commission shall have the authority to apply conditions to [mitigate the impact] of any application or proposal for development or improvements within the PLD or CPD zoning districts.

9. Where a member of the Town Commission makes a request through the Town Manager to review a development order approved by the Board of Adjustment or Impact Review Committee, the development order which is the subject of the request shall be presented to the Town Commission for its consideration. Upon presentation of the development order to the Town Commission, it shall have the authority, by a majority vote of the total membership of the Town Commission, following a quasi-judicial proceeding, to deny, affirm, or affirm with amendments the development order. The Town

Commission's review of the development order shall be de novo. Following the Town Commission's determination at the hearing, unless affirmed, the Town Attorney shall prepare a final order reflecting the Town Commission's decision. The final order rendered by the Town Commission may be appealed by a person or entity with standing to the Circuit Court in and for the 19th Judicial Circuit of Florida.

Section 3. Article IV. Supplemental Regulations, Division 2.00, Measurements,

Sec. 2.00, Building Height is hereby amended to read as follows:

Sec. 2.00. Building height.

Building height is measured as follows:

- A. The initial measuring point is the highest elevation of the following:
 1. The lower of:
 - a. The average elevation of the finished grade across the front building line prior to the placement of fill; or
 - b. The finished floor elevation; or
 2. 6.5 feet NAVD
- B. The height of exterior walls is measured from the initial measuring point to the point at which the outside wall meets the horizontal eave of the roof or the bottom of a parapet wall.
- C. The height of the building is measured from the initial measuring point to the highest point on the building, excluding chimneys, ventilators, skylights, spires, belfries, cupolas, and similar architectural features that are usually carried above the roof level and not used for human occupancy, provided that each such feature shall be erected only to such height and size as is necessary to accomplish the purpose it is to serve.
- D. ~~The board of adjustment~~ development review board may approve a variance to Article IV, section 2.00,-regarding the initial measuring point for building height, provided it finds that the applicant has met the standards contained in Art. X, Division 5, Section 5.00 and where if the applicant demonstrates:
 1. The new initial measuring point will not result in a building which is taller in elevation (NAVD) than the tallest building which could be constructed on a contiguous lot.
 2. Will not result in a building which is more visible from adjacent properties or the public right-of-way than the existing surrounding structures.

Section 4. Article IV, Division 3, Development Standards, Sections 3.01, 3.05, 3.06, 3.07 B., 3.07 C.2., 3.07 D. 2. and 3.12, are hereby amended to read as follows:

Sec. 3.01. Fill.

If authorized as part of an approved site plan, up to ~~three~~ four feet of fill may be placed on a lot. The ~~board of adjustment~~ development review board may approve a variance for a greater amount of fill provided it finds that the applicant has met the standards contained in Art. IX, Division 5, Section 5.00 and if the applicant demonstrates that:

- A. The additional fill will not result in a building which is taller than the maximum height permitted on an adjacent lot; and
- B. Fill shall be placed in a manner that will not create ~~an~~ additional stormwater runoff onto an adjacent property or public right-of-way; and
- C. Fill shall be placed in a manner that will not create significant soil erosion; and
- D. The portion of the lot for where the fill is proposed to be added has not been previously filled pursuant to the approval of a special exception or the use of alternative development standards; or the elevation of said portion of the lot has decreased by more than three feet since the fill was placed; and
- E.
 - 1. The fill shall not result in a building which is more visible from adjacent property or a public right-of-way; and
 - 2. The fill is necessary to build the finished floor of the building at an elevation of 6.5 NAVD.

Sec. 3.05. Tennis court design and location.

A. *Required setbacks.*

- 1. A tennis court shall be set back as if it were a building.

No part of a tennis court shall be located within 50 feet of the mean highwater mark.

- 3. The required setback shall be measured from the outer edge of an apron, fence, or appurtenance to a tennis court.

B. *Lights.* A tennis court shall not be lit for night play, except that the ~~board of adjustment~~ development review board may approve a variance for tennis courts in the RCD District provided it finds that applicant has met the standards contained in Art. X, Division 5, Section 5.00 and where ~~if~~ the applicant demonstrates:

1. The lighting does not spill over onto any adjacent lot in a residential zoning district; and
2. The lighting standards and fixtures shall not be visible from any of the neighboring lots in the applicable zoning district; and
3. The lighting shall be turned off between the hours of 9:30 p.m. and 6:00 a.m.

C. *Backboards.* Tennis backboards are prohibited.

Sec. 3.06. Walls, fences, and bulkheads/seawalls.

A. *Location and design of walls and fences.*

1. *Front yards.* Walls and fences may be constructed in required front yards provided that:
 - a. The walls or fences are set back at least 30 feet from the front lot line; and
 - b. The area between the walls or fences and the front lot line is comprehensively landscaped; and
 - c. Sight triangles with no leg smaller than 15 feet are preserved in both directions for each driveway that connects to the contiguous street.
2. *Side and rear yards.* Walls and fences may be constructed in required side yards, or rear yards of lots which are not waterfront, provided that:
 - a. The walls or fences are set back at least three feet from side lot lines unless an agreement to locate the wall or fence closer to the property line is executed by the applicant and the owner of the property which shares the property line and is provided to the town in recordable form; and
 - b. The walls or fences are not constructed in or over any utility or other public easement; and
 - c. The area between the wall or fence and the side lot line is landscaped with hardy, low maintenance landscape material.
3. *Rear yards of waterfront lots.* No wall or fence may be constructed in a required rear yard of a waterfront lot unless the board of adjustment approves a development review board finds that the applicant has met the standards contained in Art. X, Division 5, Section 5.00, and finds that the wall or fence meets all of the following standards:
 - a. The wall or fence does not exceed four feet in height; and

- b. The wall or fence is designed and constructed in a manner which will be visually compatible with the character of the buildings on the lot where the wall or fence is proposed; and
 - c. The wall or fence will not interfere with the visual access to the water from the building envelopes of adjacent lots; and
 - d. The wall or fence is constructed to comply with F.S. Ch. 515 or Section 424 of the Florida Building Code; and
 - e. In the area waterward of the waterfront setback line, the wall or fence does not extend more than ten feet from the edge of the pool which it encloses.
4. *Within the building envelope.* Walls and fences may be constructed within the building envelope provided that the manner in which walls or fences are attached to buildings does not create apparent mass in excess of the floor area and building volume permitted in the zoning district in which the lot is located.

Sec. 3.07. Docks and dune crossovers.

- B. *Size.* No dock shall exceed 500 square feet, and no dune crossover shall have a sitting or reviewing deck exceeding 100 square feet in addition to the area of the walkway, provided the applicant meets the standards contained in Art. X, Division 5, Section 5.00 unless approved by the board of adjustment.
- C. *Height.*
- 1. *Docks.*
 - a. The deck of a dock shall not be higher than four feet above mean high water, or five feet above mean high water if the Department of Environmental Protection so requires after performing an official survey and providing a statement of seagrass that is acceptable to the administrative official. (See Illustration 21: Dock Dimensions, Exhibit A)
 - b. Pilings supporting such dock or used in conjunction therewith shall not be higher than eight feet above mean high water. (See Illustration 21: Dock Dimensions, Exhibit A)
 - 2. *Dune crossovers.*
 - a. The deck of a dune crossover shall not be higher than one foot above the existing grade, unless a variance for a greater height is approved by the ~~board of adjustment~~ development review board upon its determination that the standards contained in Art. X, Division 5, Section 5.00 have been met in accordance with this section.

- b. Dune crossover posts and railings shall not be higher than three feet above the deck of the dune crossover.

D. *Design.*

1. Railings shall be of post and rail construction that does not create a material visual obstruction to the waters of the Indian River or tributaries, or to the Atlantic Ocean from contiguous lots or rights-of-way.
2. Fencing, screening, walls or louvered windbreaks on docks or dune crossovers are prohibited unless a variance is approved by the board of adjustment development review board upon its determination that the standards contained in Art. X, Division 5, Section 5.00 have been met.
3. Covered structures or buildings of any type are prohibited on docks and dune crossovers.
4. Dock boxes not exceeding 30 inches in height are permitted on docks; provided that such boxes are limited to one dock box per boat regularly moored at the dock. (See Illustration 21: Dock Dimensions, Exhibit A)
5. Overhead hoists, davits or machinery connected therewith shall not exceed eight feet above mean high water.
6. Dock construction shall meet the standards for dock construction as prescribed by the United States Army Corps of Engineers.

Sec. 3.12. Wireless communications towers and antennas

A. *Findings and purpose.* The town finds that it is in the public interest to regulate the placement, construction or modification of wireless communications towers and antennas within the municipal boundaries of the town to protect the town's unique aesthetic environment and community character. The town commission may approve a variance regarding the placement of communication towers and/or antennas, provided it determines that the standards contained in Art. X, Division 5, Section 5.00 have been met and if the applicant demonstrates that:

1. The tower/antenna is in a PLD or RCD District; and
2. The tower/antenna will not interfere with the use and enjoyment of adjacent and nearby properties; and
3. The visual impact of the tower/antenna and associated structures is substantially mitigated by either or both of the following:
 - (a) A combination of topography and existing or provided landscaping in the surrounding area; or
 - (b) A "stealth" design; and
4. The proposed ingress and egress to the tower and/or antenna will not interfere with the safe flow of traffic on adjacent rights-of-way; and

5. Off-street parking for at least one maintenance vehicle is provided; and
6. There are no suitable existing towers, antennas, or other structures, or alternative technologies, that the applicant can utilize to provide the same service; and
7. The tower is set back at least 110 percent of the height of the tower from any neighboring properties in an RD zoning district; and
8. The tower is set back at least 130 percent of the height of the tower from any neighboring property in a residential zoning district; and
9. Guy wires and accessory buildings satisfy the minimum zoning district setback requirements; and
10. The structure is designed to accommodate co-locations of equipment and attachments with a minimum wind load rated at 130 mph or more; and
11. A performance bond is posted in favor of the town to cover the cost of the town's removal of the structure if it is abandoned or otherwise violates these land development regulations.

C. *Other towers and antennas.*

1. No other tower or antenna shall be permitted in the town, except pursuant to subsection B, above, unless the applicant demonstrates to the town commission that no reasonable alternative exists that can accommodate the applicant's proposed telecommunications service because:
 - a. No existing towers or structures located within the relevant geographic area accommodate antennas adequate to provide the applicant's service within the Town; and
 - b. The fees, costs, or contractual provisions required by the owner to share an existing tower or structure or to adapt an existing tower or structure for sharing are unreasonable; and
 - c. There are other limiting factors that render existing towers and structures unsuitable; and
 - d. The applicant demonstrates that an alternative technology, such as a cable microcell network using multiple low-powered transmitters/receivers attached to a wire line system, is unsuitable.
2. If the applicant demonstrates that no reasonable alternative exists that can accommodate the applicant's proposed telecommunications service, and the town commission may consider the variance application and finds whether it that the applicant's application meets the standards contained in Art. X, Division 5, Section 5.00.

Section 5. Article VI – Signs, Division 2, Standards, 2.02 F., Variances is hereby amended to read as follows:

Sec. 2.02. Sign design standards.

F. Variance for signs.

1. The town commission may approve a sign variance in the PLD, RCS, and CPD zoning districts, provided an applicant demonstrates that the application meets the standards contained in Art. X, Division 5, Section 5.00, and finds that:

A. The proposed sign:

1. Is demonstrably more attractive than a sign that could otherwise be constructed in the underlying zoning district; and
2. Is no more than six feet in height; and
3. Is less than 12 square feet in area; or

B. The sign area of the proposed sign is necessary to convey critical information that will protect the public health and safety.

2. ~~The board of adjustment~~ development review board or town commission, as applicable may approve a variance to section 2.02(E), regarding illumination if the applicant demonstrates that its application meets the standards contained in Art. X, Division 5, Section 5.00, and that:

- a. The lighting will not spill over onto any adjacent lot in a residential zoning district; and
- b. The lighting standards and fixtures are not visible from any neighboring lot in a residential zoning district; and
- c. The lighting will be turned off between the hours of 9:30 p.m. and 6:00 a.m.

Section 6. Article IX. - Nonconformities. Division 2. Nonconforming Structures, Sections 2.01 and 2.02 are hereby amended to read as follows.

Sec. 2.01. Nonconforming docks or dune crossovers.

A nonconforming dock or dune crossover shall be considered a "building," subject to the provisions of section 2.02, below. However, if the nonconforming dock or dune crossover is nonconforming due to location, the property owner may apply for a variance from the ~~board of adjustment~~ development review board to make the dock or dune crossover "conforming" ~~in accordance with section 2.02(D) below.~~ The development

review board may approve a variance where if determines that the applicant has met the standards contained in Art. X, Division 5, Section 5.00.

Sec. 2.02. Nonconforming buildings.

- A. *Continuation.* Any building which was lawfully in existence on the effective date of these land development regulations, or any amendment thereto, which is made nonconforming by the adoption of these land development regulations or any such amendment thereto, may be continued and maintained or repaired notwithstanding such nonconformity.
- B. *Extension or expansion.* No nonconforming building shall be enlarged, increased, expanded or altered in any way unless such enlargement, increase, expansion or alteration complies with each and every requirement of these Land Development Regulations.
- C. *Replacement.* In the event part or all of a nonconforming building is destroyed or made structurally unsound by fire, casualty, or other Act of God (which shall include, but not be limited to, wood eating organisms, degraded concrete, or similar factor not within the control of the property owner) to the point where repair is impracticable, the building may be reconstructed or replaced if approved by the Board of Adjustment using Sec. 2.02(C).A. below.
- D. ~~The board of adjustment~~ development review board may approve a variance for the replacement of a destroyed nonconforming building, dock, or dune crossover, provided the applicant demonstrates that the application meets the variance standards contained in Art. X, Division 5, Section 5.00 and all of the standards below are met:
 - 1. All or a material part of the nonconforming building has been destroyed by fire, casualty, or an Act of God; and
 - 2. The building will be replaced with a building that is located in either:
 - a. The same location as the destroyed building, and is designed and configured such that the extent of the prior nonconformity is not increased; or
 - b. A different location than the building to be replaced, and is designed and configured such that the replacement building does not have a greater apparent mass when viewed from public rights-of-way or neighboring properties; and:
 - (1) The extent of the totality of nonconformities of the building to be replaced reduced by the replacement building, and if an individual nonconformity is increased, the increase is not material; or

- (2) The totality of nonconformities of the replacement building is unchanged and the building official determines that there will be a material safety benefit realized by the relocation of the building; and
- (3) Is of the character and architectural style of the building that previously existed, unless such character or architectural styles is impracticable due to state or federal regulations; and
- (4) The building official determines that the replacement building complies with these land development regulations to the maximum extent possible; and
- (5) The replacement building contains no more floor area than the building to be replaced; and
- (6) The application for approval has been submitted to the Town within three years of the date on which the destruction occurred.

Section 7. Article IX, Division 4. - Nonconforming Uses, Sections 4.00 is hereby amended to read as follows:

Sec. 4.00. Nonconforming uses.

- C. *Conversion.* The ~~board of adjustment~~ development review board may approve a variance for the conversion of a nonconforming use to another nonconforming use with fewer external impacts provided the applicant meets the variance standards contained in Art. X, Division 5, Section 5.00 and the if an applicant demonstrates:
1. The existing nonconforming use has not been terminated by discontinuance or destruction; and
 - b. The proposed use is more compatible with the predominant character of the uses in the zoning district than the existing nonconforming use; and
 3. The proposed use will have no greater adverse effect on the surrounding lots than the existing nonconforming use, in that:
 - a. It will generate the same or lower level of traffic; and
 - b. It will have no impact or a positive impact on surrounding property values; and
 - c. It involves the same or lower level of dust, noise, or odors; and
 - d. If the existing nonconforming use also includes a nonconforming sign, the nonconforming sign shall be removed.

D. *Termination.*

1. *By discontinuance.* If a nonconforming use is discontinued for a period of six consecutive months, the nonconforming use shall not be resumed or re-established, and any subsequent use of the land or structure shall conform to each and every requirement of these land development regulations.
2. *By destruction or partial destruction.* In the event that 50 percent or more of the existing floor area of a building occupied by a nonconforming use is destroyed by fire or other casualty, Act of God, or by the acts of the owner or any lessee, agent or representative of the owner thereof, the nonconforming use shall be deemed terminated and shall not be resumed or re-established, and any subsequent use of the land or structure shall conform to each and every requirement of these land development regulations.

Section 8. Repeal of ordinances in conflict.

All other ordinances of the Town of Jupiter Island, Florida, or parts thereof which conflict with this or any part of this ordinance are hereby repealed.

Section 9. Severability. If any court of competent jurisdiction holds any word, part, section, paragraph or provision hereof to be unlawful or unconstitutional, such ruling or finding shall not affect the remaining portions of this ordinance, which shall remain in full force and effect.

Section 10. Codification. This ordinance shall may be codified and made a part of the official Code of Ordinances of the Town of Jupiter Island.

Section 11. Effective Date. This ordinance shall become effective immediately upon execution.

(Continued on Next Page)

ORDINANCE NO. 408 PASSED UPON FIRST READING THE ____ DAY OF _____, 2025.

PASSED AND ADOPTED UPON THE SECOND READING FOLLOWING PUBLIC HEARING THE ____ DAY OF _____, 2025.

(SEAL)

TOWN OF JUPITER ISLAND, FLORIDA

Mayor

Vice Mayor

Commissioner

Commissioner

Commissioner

ATTEST:

TOWN CLERK

#6193174 v5 18270-00002

ORDINANCE NO. 413

AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF JUPITER ISLAND, MARTIN COUNTY, FLORIDA, PROVIDING FOR THE AMENDMENT OF ARTICLE V OF APPENDIX "A" OF THE CODE OF ORDINANCES ENTITLED "SUBDIVISION CODE"; PROVIDING FOR THE AMENDMENT OF ARTICLE V, DIVISION 1, SECTION 1.02; PROVIDING FOR THE REPEAL OF ORDINANCES IN CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town Commission of the Town of Jupiter Island, Martin County, Florida (Town) has such powers and authority as conferred upon it by the Florida Constitution and Chapter 166, Florida Statutes; and,

WHEREAS, the Florida Legislature has amended Section 177.071, Florida Statutes, to require that plats and replats be subject only to an administrative review and approval by a designated local government official, and

WHEREAS, the recently adopted legislation provides that a plat shall only be subject to administrative approval when it complies with the statutory requirements for plats in the statute; and

WHEREAS, the amended statute requires that each local government designate, by ordinance or resolution, the administrative official responsible for the administrative approval of plats and replats; and

WHEREAS, the Town has designated the Building Department as the administrative authority for receiving, reviewing and processing plat and replat submittals and the Town Manager as the administrative official authorized to approve, approve with

conditions or deny plat and replat submittals as adopted by the Town Commission through Resolution No. 940 on September 16, 2025.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF JUPITER ISLAND, MARTIN COUNTY, FLORIDA, AS FOLLOWS:

Section 1: The whereas clauses are incorporated herein as the legislative findings of the Town Commission.

Section 2. Article V, Division 1, Section 1.02, entitled, “Applicability” is hereby amended as follows.

Sec. 1.02 – Applicability.

The Subdivision Code is applicable to all new subdivisions in the Town. No one may proceed with subdivision improvements until a subdivision plat has been reviewed by the Building Department as the administrative authority and approved by the Town Manager as the administrative official and approved as to form by the Town Attorney.

Section 3. Repeal of ordinances in conflict.

All other ordinances of the Town of Jupiter Island, Florida, or parts thereof which conflict with this or any part of this ordinance are hereby repealed.

Section 4. Severability.

If any court of competent jurisdiction holds any word, part, section, paragraph or provision hereof to be unlawful or unconstitutional, such ruling or finding shall not affect the remaining portions of this ordinance, which shall remain in full force and effect.

Section 5. Codification.

This ordinance may be codified and made a part of the Jupiter Island Code of Ordinances.

Section 6. Effective Date.

This ordinance shall become effective immediately upon execution.

PASSED UPON FIRST READING ON THE ____ DAY OF _____ 2025.
PASSED AND ADOPTED UPON SECOND READING ON THE ____ DAY OF
_____ 2025.

(SEAL)

TOWN OF JUPITER ISLAND, FLORIDA

Mayor

Vice Mayor

Commissioner

Commissioner

Commissioner

ATTEST:

Town Clerk

#7164167 v1 18270-00002

TOWN OF JUPITER ISLAND

2 BRIDGE ROAD
HOBE SOUND, FLORIDA 33455

TELEPHONE
(772) 545-0100

FAX
(772) 545-0188

October 2, 2025

Robert M. Kaye
404 South Beach Road
Hobe Sound, FL 33455

Re.: 404 South Beach Road Subdivision

Dear Mr. Kaye,

On behalf of the Town of Jupiter Island, this letter serves as formal notification of administrative approval for the subdivision application titled 404 SD, as submitted.

The application has been thoroughly reviewed and approved by Catherine Harding, Director of Building, Planning and Zoning (see attached memo), and by the Administrative Official/Town Manager, Robert Garlo, in accordance with applicable Town ordinances and procedures.

Please note that the full application and supporting materials are available for public review at Town Hall during regular business hours.

We appreciate your cooperation throughout the review process. Should you have any questions or require further information, please contact the Town Clerk's office.

Sincerely,



Robert Garlo
Town Manager

cc: Jared Gaylord, Esq. of Marc R. Gaylord, P.A.
Town of Jupiter Island Commission
Catherine Harding, Building Planning and Zoning Director

Memorandum

To: Robert Garlo, Manager, Town of Jupiter Island
From: Catherine Harding, Building Planning and Zoning Director
Date: October 1, 2025

Reference: 404 South Beach Road Subdivision
Comprehensive Plan Analysis

Resolution No. 940, dated September 16, 2025, designated the Building Department as the Administrative Authority for receiving, reviewing, and processing plat and replat submittals. This application has been reviewed and approved as follows for submittal to the Town Manager, as Administrative Official, to approve, approve with conditions or deny.

Property Description:

The subdivision consists of a single lot located at 404 South Beach Road. The lot is divided by South Beach Road with property on the west and the east sides of the road. The applicant is requesting a division of the lot into two lots, one on the west side of South Beach Road, Lot No. 1, a 3.39034-acre lot in the A-80 Zoning District and one on the east side of South Beach Road, Lot No. 2, a 1.04676-acre lot in the B-40 Zoning District.

Analysis:

The Subdivision is consistent with the Town of Jupiter Island Comprehensive Plan, *Future Land Use Element* for Residential, both prior to and after the proposed subdivision.

The Subdivision complies with the Comprehensive Plan Policy 01.01.03.01 *Consistent Land Development Regulations*.

The Subdivision is consistent with the Subdivision Regulations in Article V of the Town of Jupiter Island Land Development Regulations.

The Subdivision is consistent with the underlying Zoning Regulations in Appendix A of the Town of Jupiter Island Land Development Regulations.

The current and future Land Development Regulations have been analyzed in the 3 attached Site Zoning Analysis. All required setbacks, height limits and lot coverage meet the Land Development Regulations, for the existing lot, except for the driveway setback. The required setback is 8 feet from the property line, and the pre-existing setback is approximately 6-7 feet. The proposed Westerly Lot No. 1 will have the pre-existing driveway setback non-conformity. The proposed Easterly Lot No. 2 will be completely conforming.

No driveway setbacks were shown on the plan submitted for Driveway, Pier and Gate Layout dated 1/19/04 or plans stamped Reviewed by Code Compliance dated 12/6/05. This is a pre-existing, non-conforming driveway setback. There is no proposal to expand the nonconformity.

Cah10/1/25

MEMORANDUM

TO: Robert Garlo, Town Manager *RG*

FROM: Bill Sutton, Director of Information Technology

RE: Public Meeting Remote Participation

DATE: 10/09/2025

The IT department was tasked with identifying a solution to enable residents to participate in public meetings remotely. In evaluating potential options, several key factors were prioritized.

- **Integration with existing systems:** Preserve compatibility with the Town's website and CivicClerk platform, including:
 - Bookmarked video playback.
 - Co-located agendas and meeting materials.
- **User accessibility and simplicity with live interaction:** Ensure seamless participation without barriers, such as:
 - No registration required.
 - No software installation needed.
 - Browser-based access.
 - Platform-agnostic functionality.
- **System reliability:** Maintain robust performance through:
 - Dedicated hardware.
 - Direct streaming of audio and video.
 - Elimination of telephone or VoIP dependencies.
- **Bandwidth optimization:** Minimize resource demands by:
 - Avoiding concurrent streams.
 - Eliminating the need for an additional Internet Service Provider (ISP).

Staff recommends BoxCast as an optimal solution that fully aligns with these criteria. This streaming service employs dedicated hardware to broadcast meetings directly to the Town's website, while simultaneously routing the feed to the CivicClerk platform for archiving and indexing. Residents can access live meetings via any web browser by navigating to the website and selecting the live meetings page. Adjacent to the video stream, a live chat interface allows users to submit public comments for staff to read into the record. Participation requires only a display name for the chat; no applications need to be installed, and it is compatible with PCs, Macs, iPads, and mobile devices



TOWN OF JUPITER ISLAND

MEMORANDUM

TO: Mayor and Town Commission

FROM: Robert Garlo, Town Manager

DATE: October 22, 2025

SUBJECT: Elected Official Legal Expenses

Background:

As discussed during the September 16, 2025 Town Commission Meeting and in accordance with established practice and pursuant to Ordinance No. 387, Vice Mayor Scott submitted documentation detailing legal expenses incurred in connection with Town litigation matters. The Commission requested an affidavit or statement from Vice Mayor Scott's attorney stating that the expenses were incurred in connection with Town litigation. The itemized expenses and affidavit are attached.

Recommendation:

Vice Mayor Scott has formally requested that the Town Commission review and consider reimbursement for legal expenses she has personally incurred in connection with Town-related litigation matters. Her attorney, Shai Ozery, has provided an affidavit related to same. This request is submitted for discussion and potential action in accordance with Ordinance No. 387.

AFFIDAVIT OF SHAI OZERY

STATE OF FLORIDA

COUNTY OF BROWARD

1. I am over the age of 18 and sui juris.
2. I am an attorney with the law firm of Hartsell Ozery, P.A.
3. My firm Hartsell Ozery, P.A. was engaged to represent Ms. Anne Scott, who currently serves as the Vice Mayor of the Town of Jupiter Island. At the time the firm was engaged, Ms. Scott was a commissioner.
4. A complaint was originally filed against Mayor Penny Townsend and her husband, Peter as defendants in their individual capacities. The complaint alleged that the Townsends did not comply with certain provisions of Chapter 119, the Public Records Act, and that Mayor Townsend did not comply with Chapter 286, the Sunshine Law. The complaint was later amended to name the Town of Jupiter Island (Town) as a defendant.
5. An allegation of the complaint implied that there had been communications between Mayor Townsend and Commissioner Scott related to a letter authored by Mayor Townsend, in her personal capacity, that she sent to Governor DeSantis asking that he veto certain legislation.
6. Plaintiff's complaint made various allegations which if proven may have given rise to a Sunshine Law violation, specifically the allegations that such communications existed that reveal that Mayor Townsend and Commissioner Scott had some discussion about an item that could have been a communication outside of a public meeting.
7. It is my legal opinion that the complaint contained no factual basis to support the allegation that Commissioner Scott and Mayor Townsend may have communicated in some way regarding the letter to Governor DeSantis, or otherwise improperly.

8. The Town has codified at Chapter 2, Article VII, Sections 2-146 to 2-150, a right to indemnification for its elected and appointed officials and employees.

9. It is my legal opinion that pursuant to § 2-146 (a) of the Code, Ms. Scott, as an elected public official is entitled to indemnification (including reimbursement of her attorney fees) to the fullest extent permitted by law where the public official has been made, or is threatened to be made, a party to any threatened, or pending litigation, or investigative proceeding.

10. Given that at all times material Ms. Scott was a Town Commissioner, and the Sunshine Law allegations of the complaint implied potentially wrongful conduct on her behalf in her capacity as a Town Commissioner, followed by the Town then being made a party defendant to the pending litigation, it is my legal opinion that it was reasonable for Commissioner Scott to believe that she might be made a party in her individual capacity, whether baselessly or not, to the proceedings.

11. It is my opinion that the allegations of the complaint, on their face, if proven true, would have necessitated the naming of Ms. Scott as a party defendant, and that the litigation, investigating, discovering directed at her was for that very purpose of prospectively naming Ms. Scott as a defendant.

12. The Town's attorneys, Jones Foster was representing the Town in the litigation. To avoid any possible conflict, and given the prospect of becoming a defendant, it is my belief and opinion that it was reasonable and prudent for Commissioner Scott to retain outside counsel as authorized by Code § 2-146.

13. Once engaged, I was instructed by my client, Ms. Scott, and obligated, to vigorously defend her, including by seeking a protective order to prohibit her deposition in the proceedings.

14. A Motion for a Protective Order was filed by our law firm, relying upon the APEX doctrine and other relevant law, which I believe I had a good faith basis for filing and a duty to prosecute

this motion in accordance with my client's prudent direction, which resulted in the motion and arguments on the APEX doctrine being presented to both a trial court and an appellate court.

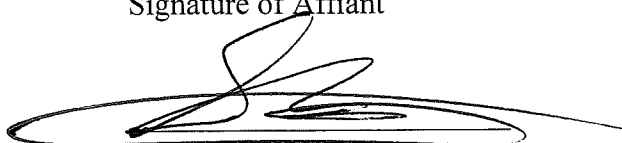
15. It is my opinion that the fees and costs incurred by Commissioner Scott were all reasonably necessary in order to vigorously seek relief from Plaintiff's demand to take her deposition, which we believed to be inappropriate and inconsistent with Florida law.

16. It is my legal opinion that under the indemnification provisions of § 2-146(c), Ms. Scott is entitled to the reimbursement of the attorney fees and costs which are set forth in the attached Exhibit A.

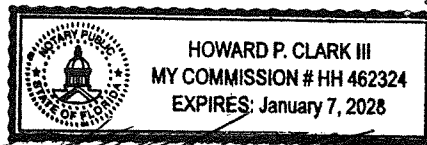
AFFIANT HEREBY CERTIFIES UNDER PENALTY OF PERJURY THAT THE STATEMENTS AND FACTS IN THIS AFFIDAVIT AND IN ANY ATTACHMENTS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.


Dated this 16th day of October, 2025.

Signature of Affiant



Sworn to or affirmed and signed before me on this ____ day of _____, _____ by Shai Ozery who is personally known to me or presented Personally Known as identification.




Notary Public, State of Florida
My commission expires: 01/07/28

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Exhibit A

Commissioner Anne Scott Townsend Litigation Expenses



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	11/17/2023	Robert Hartsell	T/C with AS regarding deposition by Ethan Loeb. Instruct her to tell Baird to coordinate any depositions with us.	0.4	\$ 450.00	\$ 180.00	1364	Paid
Anne Scott	Townsend Litigation	11/20/2023	Shai Ozery	Receive / review emails from AS and preservation letter from EL.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	11/20/2023	Shai Ozery	receive / review of email chain between Town Atty and EL re depo of AS.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	11/21/2023	Shai Ozery	Receive / review email from AS re revocation of DEP permit and review emails and preservation letter in order to assess effect of same.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	11/21/2023	Shai Ozery	Review docket for JIC v. Townsend in order to assess claims and determine whether deposition of AS would be consistent with rules governing discovery. Reviewed complaint and recent motion for sanctions as well as confer with RH re same.	1.2	\$ 450.00	\$ 540.00	1364	Paid
Anne Scott	Townsend Litigation	11/21/2023	Shai Ozery	Case status conference with RNH - confer re updates on motion for sanctions by Townsend counsel and depo basis for AS.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	11/28/2023	Shai Ozery	Confer with RNH re apex doct. / contact T. Baird and lvm.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	11/29/2023	Shai Ozery	T/c with RNH and AS re 1. responses to media, 2. DOAH briefing re DEP case, 3. deposition strategy.	0.8	\$ 450.00	\$ 360.00	1364	Paid
Anne Scott	Townsend Litigation	11/29/2023	Shai Ozery	T/c with TB re depo sought by OC and request for basis of same.	0.3	\$ 450.00	\$ 135.00	1364	Paid
Anne Scott	Townsend Litigation	11/30/2023	Robert Hartsell	Review and respond to Tom Baird email regarding depositions. Draft approval of email to E Loeb.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	11/30/2023	Shai Ozery	Receive / review co-counsel email to OC and OC response re basis of deposition in order to assess basis for MPO.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	12/4/2023	Shai Ozery	Receive / respond to OC re deposition basis inquiry and transcript referred to, in order to determine basis for seeking Ms. Scott's deposition.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	12/4/2023	Shai Ozery	Receive / review email from OC re refusal to confer on deposition of AS, confer with RH on same in order to draft MPO.	0.1	\$ 450.00	\$ 45.00	1364	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	1/11/2024	Shai Ozery	Finish initial draft of affidavit and prepare email to AS with draft for review.	1.1	\$ 450.00	\$ 495.00	1364	Paid
Anne Scott	Townsend Litigation	1/12/2024	Shai Ozery	T/c with AS re facts to add to affidavit.	0.8	\$ 450.00	\$ 360.00	1364	Paid
Anne Scott	Townsend Litigation	1/12/2024	Shai Ozery	Receive / review email from AS re scheduling matter to other commissioners.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	1/12/2024	Shai Ozery	Review notes from t/c discussion with AS and incorporate into affidavit as well as timeline of PRRs. Finalize for RNH review prior to submission to AS.	1	\$ 450.00	\$ 450.00	1364	Paid
Anne Scott	Townsend Litigation	1/12/2024	Shai Ozery	Incorporate facts from affidavit into APEX motion and draft analysis, prepare for final edits.	1.2	\$ 450.00	\$ 540.00	1364	Paid
Anne Scott	Townsend Litigation	1/12/2024	Jordan Snyder	Tertiary draft of the public records to the Town of Jupiter Island for all documents held by Whit Pidot regarding the water setback line pursuant to additional edits from Robert Hartsell after speaking to the Client.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	1/15/2024	Shai Ozery	Finalize initial draft of APEX motion, add objections to duces tecum and prepare for RNH review.	1.6	\$ 450.00	\$ 720.00	1364	Paid
Anne Scott	Townsend Litigation	1/16/2024	Shai Ozery	Finalize initial draft for RNH and submit for review. Review transcript for any contradictory or helpful testimony prior to filing Mot.	2.2	\$ 450.00	\$ 990.00	1364	Paid
Anne Scott	Townsend Litigation	1/16/2024	Shai Ozery	Draft notice of appearance and notice of filing transcript for RNH review.	0.2	\$ 450.00	\$ 90.00	1364	Paid
Anne Scott	Townsend Litigation	1/16/2024	Shai Ozery	Review Judge McNicolas's court instruction/procedures and review hearing times for motion.	0.2	\$ 450.00	\$ 90.00	1364	Paid
Anne Scott	Townsend Litigation	1/16/2024	Shai Ozery	Prepare email with all draft documents for AS review and affidavit for execution. T/c with AS re duces tecum inquiry and any responsive documents.	0.9	\$ 450.00	\$ 405.00	1364	Paid
Anne Scott	Townsend Litigation	1/17/2024	Shai Ozery	T/c with AS re edits/modifications to APEX Mot. and Affidavit and conform drafts based upon discussion. Finalize all supporting materials and drafts and prepare for filing.	2	\$ 450.00	\$ 900.00	1364	Paid
Anne Scott	Townsend Litigation	1/17/2024	Shai Ozery	Review of 5/9/23 Special Meeting and confer with RH re same, based upon allegations and argument raised by EL.	1.5	\$ 450.00	\$ 675.00	1364	Paid
Anne Scott	Townsend Litigation	1/17/2024	Shai Ozery	T/c with TB re apex motion and status.	0.1	\$ 450.00	\$ 45.00	1364	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	1/25/2024	Shai Ozery	Review docket/NOD/ and subpoena for duces tecum instructions as they relate to the deposition and production.	0.1	\$ 450.00	\$ 45.00	1374	Paid
Anne Scott	Townsend Litigation	1/29/2024	Shai Ozery	T/c with HH re apex doct. and common litigation interest, discuss Townsend litigation, and prepare email to HH re same.	0.2	\$ 450.00	\$ 90.00	1374	Paid
Anne Scott	Townsend Litigation	1/29/2024	Shai Ozery	receive / review confirmation of court reporter for APEX mot. hearing and verify all details with scheduled time on Martin County case management system.	0.1	\$ 450.00	\$ 45.00	1374	Paid
Anne Scott	Townsend Litigation	1/30/2024	Shai Ozery	T/c and email to VS re coordinating defense of depos at one hearing rather than 2.	0.2	\$ 450.00	\$ 90.00	1374	Paid
Anne Scott	Townsend Litigation	1/30/2024	Shai Ozery	Receive / review emails form VS re coordinating single hearing re APEX motions for Tim Smith / Anne Scott	0.1	\$ 450.00	\$ 45.00	1374	Paid
Anne Scott	Townsend Litigation	2/8/2024	Shai Ozery	Prepare email to HH/VS re hearing time consolidation and t/c with AS re same and status of duces tecum.	0.2	\$ 450.00	\$ 90.00	1379	Paid
Anne Scott	Townsend Litigation	2/13/2024	Shai Ozery	Begin review of applicable case law, highlight and prepare all case law for service upon Court, consistent with judicial procedures.	0.6	\$ 450.00	\$ 270.00	1379	Paid
Anne Scott	Townsend Litigation	2/14/2024	Shai Ozery	Research additional cases and authorities in support of APEX Mot., organize all cases, highlight, and prepare / submit to judge in accordance with procedures.	1.4	\$ 450.00	\$ 630.00	1379	Paid
Anne Scott	Townsend Litigation	2/14/2024	Shai Ozery	Receive / respond to email from OC re court reporter.	0.1	\$ 450.00	\$ 45.00	1379	Paid
Anne Scott	Townsend Litigation	2/14/2024	Shai Ozery	Receive/ respond to email from OC re court reporter for hearing and job number / office.	0.1	\$ 450.00	\$ 45.00	1379	Paid
Anne Scott	Townsend Litigation	2/15/2024	Shai Ozery	t/c with HH re strategy for upcoming hearing on APEX motions.	0.2	\$ 450.00	\$ 90.00	1379	Paid
Anne Scott	Townsend Litigation	2/15/2024	Shai Ozery	Receive / review OC case law arguing the same position as AS, and outline arguments in preparation of hearing on 2/22.	0.4	\$ 450.00	\$ 180.00	1379	Paid
Anne Scott	Townsend Litigation	2/15/2024	Shai Ozery	Receive / respond / confer with HH re strategy for hearings next week.	0.1	\$ 450.00	\$ 45.00	1379	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	3/4/2024	Shai Ozery	T/c with counsel for PT re CMC today.	0.2	\$ 450.00	\$ 90.00	1404	Paid
Anne Scott	Townsend Litigation	3/4/2024	Shai Ozery	Draft email response to OC re hearing time/date for APEX motion.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/5/2024	Shai Ozery	Receive / review motion to set hearing by PI's counsel.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/7/2024	Shai Ozery	Receive / respond to email from Court / OC re hearing tomorrow.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/7/2024	Shai Ozery	T/c with court reporting company re zoom hearing appearance tomorrow.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/7/2024	Shai Ozery	receive / respond to email from court re hearing time for tomorrow and submit same to court reporter.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/7/2024	Shai Ozery	telephone call with AS re hearing for tomorrow and case status.	0.3	\$ 450.00	\$ 135.00	1404	Paid
Anne Scott	Townsend Litigation	3/7/2024	Shai Ozery	t/c with VS re hearing tomorrow and strategy moving forward.	0.2	\$ 450.00	\$ 90.00	1404	Paid
Anne Scott	Townsend Litigation	3/7/2024	Shai Ozery	review materials and prepare outline of argument in support of APEX motion.	0.9	\$ 450.00	\$ 405.00	1404	Paid
Anne Scott	Townsend Litigation	3/8/2024	Shai Ozery	Prepare for and attend hearing on AS MPO/APEX Mot. - t/c with VS and prepare email re next steps and status to AS.	1.5	\$ 450.00	\$ 675.00	1404	Paid
Anne Scott	Townsend Litigation	3/8/2024	Shai Ozery	Conduct legal research as to petition for writ of cert and existing case law providing a template for such petition.	0.4	\$ 450.00	\$ 180.00	1404	Paid
Anne Scott	Townsend Litigation	3/8/2024	Shai Ozery	Receive / review of order denying APEX doctrine.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/15/2024	Shai Ozery	Receive / respond to VS re hearing transcript.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/18/2024	Shai Ozery	Confer with RNH re writ of cert and next steps on appeal.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/18/2024	Shai Ozery	Begin outlining issues for writ of cert and conduct legal research re same.	0.5	\$ 450.00	\$ 225.00	1404	Paid
Anne Scott	Townsend Litigation	3/21/2024	Shai Ozery	Receive / review case management order for discovery deadlines relevant to AS.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/22/2024	Shai Ozery	Begin drafting petition for writ of cert.	2.2	\$ 450.00	\$ 990.00	1404	Paid
Anne Scott	Townsend Litigation	3/22/2024	Howard Clark	Research Town Charter in order to assist SO in drafting the appeal	0.2	\$ 450.00	\$ 90.00	1404	Paid
Anne Scott	Townsend Litigation	3/25/2024	Shai Ozery	Continue drafting petition for writ of cert.	0.6	\$ 450.00	\$ 270.00	1404	Paid
Anne Scott	Townsend Litigation	3/26/2024	Shai Ozery	Draft petition for writ of cert.	3.5	\$ 450.00	\$ 1,575.00	1404	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	4/5/2024	Shai Ozery	Prepare notice of related case in order to consolidate petitions with Emmet Carter Smith's.	0.4	\$ 450.00	\$ 180.00	1423	Paid
Anne Scott	Townsend Litigation	4/5/2024	Jordan Snyder	Inclusion of Additional Documents to the Writ of Cert Appendix and Index.	0.3	\$ 450.00	\$ 135.00	1423	Paid
Anne Scott	Townsend Litigation	4/5/2024	Jordan Snyder	Research and review of the Florida Rules of Appellate Procedure for the filing requirements of a Writ of Certiorari for finalization of the petition.	0.4	\$ 450.00	\$ 180.00	1423	Paid
Anne Scott	Townsend Litigation	4/5/2024	Jordan Snyder	Converting the Index of Appendix to different font to be compatible with the Writ of Cert.	0.2	\$ 450.00	\$ 90.00	1423	Paid
Anne Scott	Townsend Litigation	4/5/2024	Jordan Snyder	Assist in inputting and reviewing the Table of Authority pages numbers into the Writ of Certiorari.	0.6	\$ 450.00	\$ 270.00	1423	Paid
Anne Scott	Townsend Litigation	4/8/2024	Shai Ozery	Receive / review notice of related case from co counsel and respond re timing of filing.	0.2	\$ 450.00	\$ 90.00	1423	Paid
Anne Scott	Townsend Litigation	4/9/2024	Shai Ozery	finalize, file, and serve notice of related case.	0.3	\$ 450.00	\$ 135.00	1423	Paid
Anne Scott	Townsend Litigation	4/24/2024	Howard Clark	Confer with SO RNH and JKS regarding status of the case and how it is being moved forward	0.1	\$ 450.00	\$ 45.00	1423	Paid
Anne Scott	Townsend Litigation	4/24/2024	Shai Ozery	Meet and confer with RNH re status of case, motion for stay, and petition for writ of cert / depo strategy.	0.2	\$ 450.00	\$ 90.00	1423	Paid
Anne Scott	Townsend Litigation	4/25/2024	Shai Ozery	T/c with co-counsel VS re joint motion for stay in the event 4th DCA does not issue an order to show cause.	0.2	\$ 450.00	\$ 90.00	1423	Paid
Anne Scott	Townsend Litigation	4/25/2024	Shai Ozery	Confer with RNH re strategy for 5/13 depo of AS and filing joint motion to stay.	0.1	\$ 450.00	\$ 45.00	1423	Paid
Anne Scott	Townsend Litigation	4/25/2024	Shai Ozery	Prepare email to AS re t/c for tomorrow to discuss petition, 5/13 depo, and DT.	0.1	\$ 450.00	\$ 45.00	1423	Paid
Anne Scott	Townsend Litigation	5/1/2024	Shai Ozery	receive / review joint motion for stay and respond to VS re approval of same.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/1/2024	Shai Ozery	Receive/ review/ respond to emails from GS and OC re scheduling hearing on Mot. to Stay.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/1/2024	Shai Ozery	Receive / review emails from the court setting hearing on 5/8 at 9am.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/1/2024	Shai Ozery	Prepare email to AS re hearing date and Mot. to Stay.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/2/2024	Shai Ozery	Receive / review response in opposition to Joint motion for stay in anticipation of hearing next week.	0.2	\$ 450.00	\$ 90.00	1432	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	5/10/2024	Shai Ozery	Receive / review of email from OC re proposed order and review order to ensure conforms to ruling from 5/8.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/10/2024	Shai Ozery	Receive / respond to email from VS re review of proposed order and motion to stay.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/10/2024	Shai Ozery	Draft motion to stay, file, and serve. Prepare email to AS re same, with copy of motion.	1.1	\$ 450.00	\$ 495.00	1432	Paid
Anne Scott	Townsend Litigation	5/13/2024	Shai Ozery	Receive / review of emails from co-counsel and AS re depo dates and motion for stay, respond to AS re same. Prepare email to OC re deposition on 6/6 or 6/10 in person.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/14/2024	Shai Ozery	Receive / prelim review of response in opposition to Motion to Stay at 4th DCA.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/14/2024	Shai Ozery	Receive / respond to email from VS re excerpt transcripts from Marshall Field deposition.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/14/2024	Shai Ozery	Receive / respond to email from VS re depo of Marshal Fields and conflict with TB.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/15/2024	Shai Ozery	t/c with AS re OC response in opposition to Mot. to Stay.	0.3	\$ 450.00	\$ 135.00	1432	Paid
Anne Scott	Townsend Litigation	5/15/2024	Shai Ozery	Receive / review proposed order on Mot to Stay submitted to the court by OC.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/17/2024	Shai Ozery	T/c with VS re debrief of depo of ECSmith and insights going forward.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/20/2024	Shai Ozery	Receive / review correspondence from VS to TB re capacity as counsel.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/21/2024	Shai Ozery	t/c with AS re status of case, ltr to TB, deposition of MF, and potential emergency motion.	0.4	\$ 450.00	\$ 180.00	1432	Paid
Anne Scott	Townsend Litigation	5/21/2024	Shai Ozery	Receive / review order from 4th DCA denying petition for writ of cert.	0.4	\$ 450.00	\$ 180.00	1432	Paid
Anne Scott	Townsend Litigation	5/21/2024	Shai Ozery	T/c with AS re denial of petition for writ of cert.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/21/2024	Shai Ozery	t/c with CS re denial of petition and requesting case documents.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/22/2024	Shai Ozery	Review transcript of MF's deposition and VS notes from deposition of ECS in order to assess OC's intent and strategy.	1.4	\$ 450.00	\$ 630.00	1432	Paid
Anne Scott	Townsend Litigation	5/22/2024	Shai Ozery	Receive / review email production from AS.	0.1	\$ 450.00	\$ 45.00	1432	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	6/10/2024	Shai Ozery	Prepare, travel to, and attend deposition of AS at Loeb's office.	7.8	\$ 450.00	\$ 3,510.00	1452	Paid
Anne Scott	Townsend Litigation	6/12/2024	Shai Ozery	confer with HH/VS re debrief of depositions and anticipated next steps.	0.1	\$ 450.00	\$ 45.00	1452	Paid
Anne Scott	Townsend Litigation	7/5/2024	Shai Ozery	Prepare email to Townsend Counsel, update in litigation and status of transcript of AS Depo	0.1	\$ 450.00	\$ 45.00	1479	Paid
Anne Scott	Townsend Litigation	7/15/2024	Shai Ozery	Receipt and review of documents: Review RTP from Townsend attorney and review docket for updates / information related to AS. Review MSJ and evidence in support, prepare email and submit same to AS.	0.3	\$ 450.00	\$ 135.00	1479	Paid
Anne Scott	Townsend Litigation	7/17/2024	Shai Ozery	Receipt and review of email: Receive / respond to email from AS re basis for MSJ.	0.1	\$ 450.00	\$ 45.00	1479	Paid
Anne Scott	Townsend Litigation	7/26/2024	Shai Ozery	Receipt and review of documents: Receive / review objections to subpoena DT for depo to Adena Testa and draft email re same and general update to AS.	0.2	\$ 450.00	\$ 90.00	1479	Paid
Anne Scott	Townsend Litigation	7/31/2024	Shai Ozery	Receipt and review of documents: Receive / review MPO filed by Adena Testa and declaration in order to ascertain the status of the Townsend lawsuit for AS discussion.	0.3	\$ 450.00	\$ 135.00	1479	Paid
Anne Scott	Townsend Litigation	8/1/2024	Shai Ozery	Receipt and review of documents: Receive / review of 4th DCA opinion reversing denial of AT's intervention into EL mandamus suit in order to ascertain EL intentions and strategy across all related litigation, including Townsend matter.	0.1	\$ 450.00	\$ 45.00	1479	Paid
Anne Scott	Townsend Litigation	8/1/2024	Shai Ozery	Receipt and review of documents: Receive / review response to MSJ by Def. Townsend for position / dispute as to allegations and assertions related to AS.	0.2	\$ 450.00	\$ 90.00	1479	Paid
Anne Scott	Townsend Litigation	8/27/2024	Shai Ozery	Receipt and review of documents: Receive / review order granting leave to amend and deeming complaint amended, adding Town Commission as defendant.	0.1	\$ 450.00	\$ 45.00	1510	Paid
Anne Scott	Townsend Litigation	8/27/2024	Shai Ozery	Prepare email : Prepare status update email to Anne Scott re amended complaint adding town commission.	0.1	\$ 450.00	\$ 45.00	1510	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
				Total Representation Regarding Townsend Litigation - Fees	109		\$ 49,005.00		
Anne Scott	Townsend Litigation	3/8/2024	Shai Ozery	Court Reporter Appearance Fee for APEX Mot.	1	\$ 95.00	\$ 95.00	1404	Paid
Anne Scott	Townsend Litigation	3/26/2024	Shai Ozery	Transcript fee for hearing on APEX motion.	1	\$ 163.85	\$ 163.85	1404	Paid
Anne Scott	Townsend Litigation	4/5/2024	Shai Ozery	Filing fee for petition for writ of cert.	1	\$ 305.00	\$ 305.00	1423	Paid
				Total Representation Regarding Townsend Litigation - Costs			\$ 563.85		
				Total Representation Regarding Townsend Litigation - Fees + Costs			\$ 49,568.85		

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	11/17/2023	Robert Hartsell	T/C with AS regarding deposition by Ethan Loeb. Instruct her to tell Baird to coordinate any depositions with us.	0.4	\$ 450.00	\$ 180.00	1364	Paid
Anne Scott	Townsend Litigation	11/20/2023	Shai Ozery	Receive / review emails from AS and preservation letter from EL.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	11/20/2023	Shai Ozery	receive / review of email chain between Town Atty and EL re depo of AS.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	11/21/2023	Shai Ozery	Receive / review email from AS re revocation of DEP permit and review emails and preservation letter in order to assess effect of same.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	11/21/2023	Shai Ozery	Review docket for JIC v. Townsend in order to assess claims and determine whether deposition of AS would be consistent with rules governing discovery. Reviewed complaint and recent motion for sanctions as well as confer with RH re same.	1.2	\$ 450.00	\$ 540.00	1364	Paid
Anne Scott	Townsend Litigation	11/21/2023	Shai Ozery	Case status conference with RNH - confer re updates on motion for sanctions by Townsend counsel and depo basis for AS.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	11/28/2023	Shai Ozery	Confer with RNH re apex doct. / contact T. Baird and lvm.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	11/29/2023	Shai Ozery	T/c with RNH and AS re 1. responses to media, 2. DOAH briefing re DEP case, 3. deposition strategy.	0.8	\$ 450.00	\$ 360.00	1364	Paid
Anne Scott	Townsend Litigation	11/29/2023	Shai Ozery	T/c with TB re depo sought by OC and request for basis of same.	0.3	\$ 450.00	\$ 135.00	1364	Paid
Anne Scott	Townsend Litigation	11/30/2023	Robert Hartsell	Review and respond to Tom Baird email regarding depositions. Draft approval of email to E Loeb.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	11/30/2023	Shai Ozery	Receive / review co-counsel email to OC and OC response re basis of deposition in order to assess basis for MPO.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	12/4/2023	Shai Ozery	Receive / respond to OC re deposition basis inquiry and transcript referred to, in order to determine basis for seeking Ms. Scott's deposition.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	12/4/2023	Shai Ozery	Receive / review email from OC re refusal to confer on deposition of AS, confer with RH on same in order to draft MPO.	0.1	\$ 450.00	\$ 45.00	1364	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	12/4/2023	Shai Ozery	Perform legal research on APEX doctrine, applicability to current issue, based upon response from OC new 2021 Rule of Civil Procedure, 1.280(h). Confer with RNH re same and next step in drafting motion re same.	0.7	\$ 450.00	\$ 315.00	1364	Paid
Anne Scott	Townsend Litigation	12/12/2023	Shai Ozery	T/c with AS re subpoena and upcoming meeting.	0.3	\$ 450.00	\$ 135.00	1364	Paid
Anne Scott	Townsend Litigation	12/12/2023	Shai Ozery	review court docket in order to prepare outline of procedural history in anticipation of MPO. T/c with defense counsel re procedural history of case and strategy.	1	\$ 450.00	\$ 450.00	1364	Paid
Anne Scott	Townsend Litigation	12/13/2023	Shai Ozery	Conduct legal research on MPO v. APEX and begin drafting initial draft of APEX Mot and MPO in response to subpoena for depo.	1.8	\$ 450.00	\$ 810.00	1364	Paid
Anne Scott	Townsend Litigation	12/14/2023	Shai Ozery	Receive / review case summary in order to assess issues for possible use in MPO and advising AS re same.	0.3	\$ 450.00	\$ 135.00	1364	Paid
Anne Scott	Townsend Litigation	12/18/2023	Shai Ozery	Reviewed case docket from Townsend matter in response to subpoena for depo / duces tecum. Received / reviewed case materials including hearing transcript and petitions for writ of cert and acquittal documents in order to obtain evidence or lack thereof to cite in support of MPO/Apex Mot.	1.4	\$ 450.00	\$ 630.00	1364	Paid
Anne Scott	Townsend Litigation	12/22/2023	Shai Ozery	Legal research as to procedure and timing for MPO and Apex motion/objection to Subpoena DT and confer with RNH re same.	0.5	\$ 450.00	\$ 225.00	1364	Paid
Anne Scott	Townsend Litigation	12/22/2023	Shai Ozery	T/c with RNH and AS re MPO, grounds, and strategy for same.	0.5	\$ 450.00	\$ 225.00	1364	Paid
Anne Scott	Townsend Litigation	12/27/2023	Shai Ozery	Receive / review email from TB re subpoena, confer with RNH, and t/c with TB re responding to the subpoena.	0.2	\$ 450.00	\$ 90.00	1364	Paid
Anne Scott	Townsend Litigation	1/9/2024	Shai Ozery	Outline requirements of affidavit for AS based upon case law and review motion in support of same.	0.5	\$ 450.00	\$ 225.00	1364	Paid
Anne Scott	Townsend Litigation	1/10/2024	Shai Ozery	Review record for new case developments and motions to compel depositions, prepare APEX Mot. Affidavit and edit draft of Apex mot.	1.3	\$ 450.00	\$ 585.00	1364	Paid
Anne Scott	Townsend Litigation	1/11/2024	Shai Ozery	Receive / respond to AS re status of motion and affidavit.	0.1	\$ 450.00	\$ 45.00	1364	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	1/11/2024	Shai Ozery	Finish initial draft of affidavit and prepare email to AS with draft for review.	1.1	\$ 450.00	\$ 495.00	1364	Paid
Anne Scott	Townsend Litigation	1/12/2024	Shai Ozery	T/c with AS re facts to add to affidavit.	0.8	\$ 450.00	\$ 360.00	1364	Paid
Anne Scott	Townsend Litigation	1/12/2024	Shai Ozery	Receive / review email from AS re scheduling matter to other commissioners.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	1/12/2024	Shai Ozery	Review notes from t/c discussion with AS and incorporate into affidavit as well as timeline of PRRs. Finalize for RNH review prior to submission to AS.	1	\$ 450.00	\$ 450.00	1364	Paid
Anne Scott	Townsend Litigation	1/12/2024	Shai Ozery	Incorporate facts from affidavit into APEX motion and draft analysis, prepare for final edits.	1.2	\$ 450.00	\$ 540.00	1364	Paid
Anne Scott	Townsend Litigation	1/12/2024	Jordan Snyder	Tertiary draft of the public records to the Town of Jupiter Island for all documents held by Whit Pidot regarding the water setback line pursuant to additional edits from Robert Hartsell after speaking to the Client.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	1/15/2024	Shai Ozery	Finalize initial draft of APEX motion, add objections to duces tecum and prepare for RNH review.	1.6	\$ 450.00	\$ 720.00	1364	Paid
Anne Scott	Townsend Litigation	1/16/2024	Shai Ozery	Finalize initial draft for RNH and submit for review. Review transcript for any contradictory or helpful testimony prior to filing Mot.	2.2	\$ 450.00	\$ 990.00	1364	Paid
Anne Scott	Townsend Litigation	1/16/2024	Shai Ozery	Draft notice of appearance and notice of filing transcript for RNH review.	0.2	\$ 450.00	\$ 90.00	1364	Paid
Anne Scott	Townsend Litigation	1/16/2024	Shai Ozery	Review Judge McNicolas's court instruction/procedures and review hearing times for motion.	0.2	\$ 450.00	\$ 90.00	1364	Paid
Anne Scott	Townsend Litigation	1/16/2024	Shai Ozery	Prepare email with all draft documents for AS review and affidavit for execution. T/c with AS re duces tecum inquiry and any responsive documents.	0.9	\$ 450.00	\$ 405.00	1364	Paid
Anne Scott	Townsend Litigation	1/17/2024	Shai Ozery	T/c with AS re edits/modifications to APEX Mot. and Affidavit and conform drafts based upon discussion. Finalize all supporting materials and drafts and prepare for filing.	2	\$ 450.00	\$ 900.00	1364	Paid
Anne Scott	Townsend Litigation	1/17/2024	Shai Ozery	Review of 5/9/23 Special Meeting and confer with RH re same, based upon allegations and argument raised by EL.	1.5	\$ 450.00	\$ 675.00	1364	Paid
Anne Scott	Townsend Litigation	1/17/2024	Shai Ozery	T/c with TB re apex motion and status.	0.1	\$ 450.00	\$ 45.00	1364	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	1/17/2024	Shai Ozery	T/c with AS re motion, affidavit, and objections to duces tecum.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	1/18/2024	Shai Ozery	T/c with AS re emails sent in PDF format and last modifications to affidavit.	0.2	\$ 450.00	\$ 90.00	1364	Paid
Anne Scott	Townsend Litigation	1/18/2024	Shai Ozery	prepare all documents related to apex motion for RNH final review prior to filing.	0.3	\$ 450.00	\$ 135.00	1364	Paid
Anne Scott	Townsend Litigation	1/18/2024	Shai Ozery	File all documents and prepare service email to OC re dates.	0.4	\$ 450.00	\$ 180.00	1364	Paid
Anne Scott	Townsend Litigation	1/18/2024	Shai Ozery	t/c with AS re formatting so send responsive emails.	0.1	\$ 450.00	\$ 45.00	1364	Paid
Anne Scott	Townsend Litigation	1/19/2024	Shai Ozery	Review hearing times for Judge McNicholas, confer with RNH re same, and prepare email to OC re coordinating hearing time and requesting new depo dates.	0.3	\$ 450.00	\$ 135.00	1374	Paid
Anne Scott	Townsend Litigation	1/22/2024	Shai Ozery	T/c with counsel for Townsend re OC's office lack of response and prior history.	0.3	\$ 450.00	\$ 135.00	1374	Paid
Anne Scott	Townsend Litigation	1/23/2024	Shai Ozery	Receive / respond to OC re scheduling hearing on APEX motion.	0.2	\$ 450.00	\$ 90.00	1374	Paid
Anne Scott	Townsend Litigation	1/23/2024	Shai Ozery	Schedule time for hearing with CMS and draft Notice of Hearing on APEX Motion.	0.5	\$ 450.00	\$ 225.00	1374	Paid
Anne Scott	Townsend Litigation	1/23/2024	Shai Ozery	T/c with RNH and AS re status of hearing date/time, new NPNP to WP, and TB status. File/serve NOH on OC and all parties.	0.4	\$ 450.00	\$ 180.00	1374	Paid
Anne Scott	Townsend Litigation	1/23/2024	Shai Ozery	Modify NOH filing in response to clerk correction queue notice.	0.1	\$ 450.00	\$ 45.00	1374	Paid
Anne Scott	Townsend Litigation	1/24/2024	Shai Ozery	Receive/ review notices of postponement of depositions and prepare email to AS re same and Duces tecum production.	0.2	\$ 450.00	\$ 90.00	1374	Paid
Anne Scott	Townsend Litigation	1/25/2024	Shai Ozery	Review division instructions regarding hearing package in advance of hearing. Draft proposed order and cover letter accordingly, and prepare all items for service on judicial assistant, per court instructions, in advance of hearing.	1.1	\$ 450.00	\$ 495.00	1374	Paid
Anne Scott	Townsend Litigation	1/25/2024	Shai Ozery	Incorporate RNH edits, and prepare all documents, per court instructions for submission to Court. Prepare / send email to court with all materials.	0.3	\$ 450.00	\$ 135.00	1374	Paid
Anne Scott	Townsend Litigation	1/25/2024	Shai Ozery	Request court reporter for hearing on AS APEX mot.	0.1	\$ 450.00	\$ 45.00	1374	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	1/25/2024	Shai Ozery	Review docket/NOD/ and subpoena for duces tecum instructions as they relate to the deposition and production.	0.1	\$ 450.00	\$ 45.00	1374	Paid
Anne Scott	Townsend Litigation	1/29/2024	Shai Ozery	T/c with HH re apex doct. and common litigation interest, discuss Townsend litigation, and prepare email to HH re same.	0.2	\$ 450.00	\$ 90.00	1374	Paid
Anne Scott	Townsend Litigation	1/29/2024	Shai Ozery	receive / review confirmation of court reporter for APEX mot. hearing and verify all details with scheduled time on Martin County case management system.	0.1	\$ 450.00	\$ 45.00	1374	Paid
Anne Scott	Townsend Litigation	1/30/2024	Shai Ozery	T/c and email to VS re coordinating defense of depositions at one hearing rather than 2.	0.2	\$ 450.00	\$ 90.00	1374	Paid
Anne Scott	Townsend Litigation	1/30/2024	Shai Ozery	Receive / review emails from VS re coordinating single hearing re APEX motions for Tim Smith / Anne Scott	0.1	\$ 450.00	\$ 45.00	1374	Paid
Anne Scott	Townsend Litigation	2/8/2024	Shai Ozery	Prepare email to HH/VS re hearing time consolidation and t/c with AS re same and status of duces tecum.	0.2	\$ 450.00	\$ 90.00	1379	Paid
Anne Scott	Townsend Litigation	2/13/2024	Shai Ozery	Begin review of applicable case law, highlight and prepare all case law for service upon Court, consistent with judicial procedures.	0.6	\$ 450.00	\$ 270.00	1379	Paid
Anne Scott	Townsend Litigation	2/14/2024	Shai Ozery	Research additional cases and authorities in support of APEX Mot., organize all cases, highlight, and prepare / submit to judge in accordance with procedures.	1.4	\$ 450.00	\$ 630.00	1379	Paid
Anne Scott	Townsend Litigation	2/14/2024	Shai Ozery	Receive / respond to email from OC re court reporter.	0.1	\$ 450.00	\$ 45.00	1379	Paid
Anne Scott	Townsend Litigation	2/14/2024	Shai Ozery	Receive/ respond to email from OC re court reporter for hearing and job number / office.	0.1	\$ 450.00	\$ 45.00	1379	Paid
Anne Scott	Townsend Litigation	2/15/2024	Shai Ozery	t/c with HH re strategy for upcoming hearing on APEX motions.	0.2	\$ 450.00	\$ 90.00	1379	Paid
Anne Scott	Townsend Litigation	2/15/2024	Shai Ozery	Receive / review OC case law arguing the same position as AS, and outline arguments in preparation of hearing on 2/22.	0.4	\$ 450.00	\$ 180.00	1379	Paid
Anne Scott	Townsend Litigation	2/15/2024	Shai Ozery	Receive / respond / confer with HH re strategy for hearings next week.	0.1	\$ 450.00	\$ 45.00	1379	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	2/19/2024	Shai Ozery	Confer with HPC re attending tomorrow's hearing in order to prepare for AS APEX Mot. Hearing on 2/22. T/c with VS re hearing, strategy, and obtaining zoom link in order to avoid traveling for same.	0.5	\$ 450.00	\$ 225.00	1379	Paid
Anne Scott	Townsend Litigation	2/20/2024	Shai Ozery	review materials and attend hearing on Comm. Smith's APEX Mot.	1	\$ 450.00	\$ 450.00	1379	Paid
Anne Scott	Townsend Litigation	2/20/2024	Shai Ozery	t/c with RNH, VS, and HH re hearing on APEX mot. and strategy moving forward.	0.2	\$ 450.00	\$ 90.00	1379	Paid
Anne Scott	Townsend Litigation	2/21/2024	Shai Ozery	Receive / review proposed order from VS and respond to email re same. Status call with AS re hearing yesterday and status of ruling / current strategy.	0.3	\$ 450.00	\$ 135.00	1379	Paid
Anne Scott	Townsend Litigation	2/21/2024	Shai Ozery	Prepare email to court and court reporter re cancellation of hearing for tomorrow.	0.1	\$ 450.00	\$ 45.00	1379	Paid
Anne Scott	Townsend Litigation	2/21/2024	Shai Ozery	Receive / respond to email from Court re confirmation of cancellation of hearing for tomorrow on AS APEX mot.	0.1	\$ 450.00	\$ 45.00	1379	Paid
Anne Scott	Townsend Litigation	2/21/2024	Shai Ozery	Receive / review proposed orders from HH/VS and OC final copies submitted.	0.2	\$ 450.00	\$ 90.00	1379	Paid
Anne Scott	Townsend Litigation	2/29/2024	Shai Ozery	Receive / respond to email from TB re status of apex defense.	0.1	\$ 450.00	\$ 45.00	1379	Paid
Anne Scott	Townsend Litigation	2/29/2024	Shai Ozery	Prepare email to VS re status of order on APEX mot.	0.1	\$ 450.00	\$ 45.00	1379	Paid
Anne Scott	Townsend Litigation	2/29/2024	Shai Ozery	Receive / respond to TB re filing APEX now v. later.	0.1	\$ 450.00	\$ 45.00	1379	Paid
Anne Scott	Townsend Litigation	3/1/2024	Shai Ozery	T/c re VS re order denying APEX mot. and status of case / conclusions therein.	0.2	\$ 450.00	\$ 90.00	1404	Paid
Anne Scott	Townsend Litigation	3/1/2024	Shai Ozery	Receive / review order denying Smith APEX mot., outline errors in ruling and conduct legal research / draft brief memo as to conclusions of law and argument in opposition in order to prepare for hearing on same.	2.1	\$ 450.00	\$ 945.00	1404	Paid
Anne Scott	Townsend Litigation	3/4/2024	Shai Ozery	Receive / review email from OC and prepare email re same to AS requesting authority to move forward.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/4/2024	Shai Ozery	Receive / review AS confirmation of authority and t/c lvm with counsel for Defendants.	0.1	\$ 450.00	\$ 45.00	1404	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	3/4/2024	Shai Ozery	T/c with counsel for PT re CMC today.	0.2	\$ 450.00	\$ 90.00	1404	Paid
Anne Scott	Townsend Litigation	3/4/2024	Shai Ozery	Draft email response to OC re hearing time/date for APEX motion.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/5/2024	Shai Ozery	Receive / review motion to set hearing by PI's counsel.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/7/2024	Shai Ozery	Receive / respond to email from Court / OC re hearing tomorrow.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/7/2024	Shai Ozery	T/c with court reporting company re zoom hearing appearance tomorrow.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/7/2024	Shai Ozery	receive / respond to email from court re hearing time for tomorrow and submit same to court reporter.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/7/2024	Shai Ozery	telephone call with AS re hearing for tomorrow and case status.	0.3	\$ 450.00	\$ 135.00	1404	Paid
Anne Scott	Townsend Litigation	3/7/2024	Shai Ozery	t/c with VS re hearing tomorrow and strategy moving forward.	0.2	\$ 450.00	\$ 90.00	1404	Paid
Anne Scott	Townsend Litigation	3/7/2024	Shai Ozery	review materials and prepare outline of argument in support of APEX motion.	0.9	\$ 450.00	\$ 405.00	1404	Paid
Anne Scott	Townsend Litigation	3/8/2024	Shai Ozery	Prepare for and attend hearing on AS MPO/APEX Mot. - t/c with VS and prepare email re next steps and status to AS.	1.5	\$ 450.00	\$ 675.00	1404	Paid
Anne Scott	Townsend Litigation	3/8/2024	Shai Ozery	Conduct legal research as to petition for writ of cert and existing case law providing a template for such petition.	0.4	\$ 450.00	\$ 180.00	1404	Paid
Anne Scott	Townsend Litigation	3/8/2024	Shai Ozery	Receive / review of order denying APEX doctrine.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/15/2024	Shai Ozery	Receive / respond to VS re hearing transcript.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/18/2024	Shai Ozery	Confer with RNH re writ of cert and next steps on appeal.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/18/2024	Shai Ozery	Begin outlining issues for writ of cert and conduct legal research re same.	0.5	\$ 450.00	\$ 225.00	1404	Paid
Anne Scott	Townsend Litigation	3/21/2024	Shai Ozery	Receive / review case management order for discovery deadlines relevant to AS.	0.1	\$ 450.00	\$ 45.00	1404	Paid
Anne Scott	Townsend Litigation	3/22/2024	Shai Ozery	Begin drafting petition for writ of cert.	2.2	\$ 450.00	\$ 990.00	1404	Paid
Anne Scott	Townsend Litigation	3/22/2024	Howard Clark	Research Town Charter in order to assist SO in drafting the appeal	0.2	\$ 450.00	\$ 90.00	1404	Paid
Anne Scott	Townsend Litigation	3/25/2024	Shai Ozery	Continue drafting petition for writ of cert.	0.6	\$ 450.00	\$ 270.00	1404	Paid
Anne Scott	Townsend Litigation	3/26/2024	Shai Ozery	Draft petition for writ of cert.	3.5	\$ 450.00	\$ 1,575.00	1404	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	3/27/2024	Shai Ozery	Finish initial draft of petition for writ of cert and organize exhibits for appendix.	2.6	\$ 450.00	\$ 1,170.00	1404	Paid
Anne Scott	Townsend Litigation	3/28/2024	Jordan Snyder	Initial draft the Writ of Certiorari Appendix.	0.9	\$ 450.00	\$ 405.00	1404	Paid
Anne Scott	Townsend Litigation	3/28/2024	Jordan Snyder	Review of the drafted Petition for Writ of Certiorari in preparation to draft the table of contents, table of authorities, and Appendix.	0.6	\$ 450.00	\$ 270.00	1404	Paid
Anne Scott	Townsend Litigation	3/30/2024	Jordan Snyder	Initial compilation and draft of the table of authorities.	1.6	\$ 450.00	\$ 720.00	1404	Paid
Anne Scott	Townsend Litigation	4/1/2024	Shai Ozery	Review petition from co-counsel and arguments therein to determine if can bolster our petition, prepare status email to AS re deposition dates and respond to OC re same. Draft add'l argument for petition.	1.1	\$ 450.00	\$ 495.00	1404	Paid
Anne Scott	Townsend Litigation	4/1/2024	Shai Ozery	Edit initial draft and prepare petition for citations.	2.6	\$ 450.00	\$ 1,170.00	1423	Paid
Anne Scott	Townsend Litigation	4/2/2024	Robert Hartsell	Review, revise, and edit appeal/writ of certiorari against deposition of Anne Scott.	0.7	\$ 450.00	\$ 315.00	1423	Paid
Anne Scott	Townsend Litigation	4/3/2024	Shai Ozery	Incorporate all RNH edits and prepare for integration of citations from appendix. Prepare fee cover letter and status email with latest draft to AS.	2.3	\$ 450.00	\$ 1,035.00	1423	Paid
Anne Scott	Townsend Litigation	4/3/2024	Jordan Snyder	Discussion with Shai Ozery on additional documents to include into the Writ of Cert. Appendix and a timeline for finalizing.	0.2	\$ 450.00	\$ 90.00	1423	Paid
Anne Scott	Townsend Litigation	4/3/2024	Jordan Snyder	Finalizing the Index to Appendix.	2.7	\$ 450.00	\$ 1,215.00	1423	Paid
Anne Scott	Townsend Litigation	4/4/2024	Shai Ozery	Receive / review and edit index to Appx.	0.3	\$ 450.00	\$ 135.00	1423	Paid
Anne Scott	Townsend Litigation	4/4/2024	Shai Ozery	Review case released yesterday by the 4th DCA, incorporate into petition and review index for finalization.	0.9	\$ 450.00	\$ 405.00	1423	Paid
Anne Scott	Townsend Litigation	4/4/2024	Shai Ozery	Review Appx. and insert citations into Pet.	0.4	\$ 450.00	\$ 180.00	1423	Paid
Anne Scott	Townsend Litigation	4/4/2024	Jordan Snyder	Edits to the Index to Appendix pursuant to direction by Shai Ozery.	1.3	\$ 450.00	\$ 585.00	1423	Paid
Anne Scott	Townsend Litigation	4/5/2024	Shai Ozery	Finalize petition for writ of cert, incorporate all edits, citations from appx, and prepare with appx. for filing, file, serve, and submit via email to LT judge.	3	\$ 450.00	\$ 1,350.00	1423	Paid
Anne Scott	Townsend Litigation	4/5/2024	Shai Ozery	Prepare email to AS w. filed petition and correspond with VS re motion to consolidate or other notice re related cases.	0.1	\$ 450.00	\$ 45.00	1423	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	4/5/2024	Shai Ozery	Prepare notice of related case in order to consolidate petitions with Emmet Carter Smith's.	0.4	\$ 450.00	\$ 180.00	1423	Paid
Anne Scott	Townsend Litigation	4/5/2024	Jordan Snyder	Inclusion of Additional Documents to the Writ of Cert Appendix and Index.	0.3	\$ 450.00	\$ 135.00	1423	Paid
Anne Scott	Townsend Litigation	4/5/2024	Jordan Snyder	Research and review of the Florida Rules of Appellate Procedure for the filing requirements of a Writ of Certiorari for finalization of the petition.	0.4	\$ 450.00	\$ 180.00	1423	Paid
Anne Scott	Townsend Litigation	4/5/2024	Jordan Snyder	Converting the Index of Appendix to different font to be compatible with the Writ of Cert.	0.2	\$ 450.00	\$ 90.00	1423	Paid
Anne Scott	Townsend Litigation	4/5/2024	Jordan Snyder	Assist in inputting and reviewing the Table of Authority pages numbers into the Writ of Certiorari.	0.6	\$ 450.00	\$ 270.00	1423	Paid
Anne Scott	Townsend Litigation	4/8/2024	Shai Ozery	Receive / review notice of related case from co counsel and respond re timing of filing.	0.2	\$ 450.00	\$ 90.00	1423	Paid
Anne Scott	Townsend Litigation	4/9/2024	Shai Ozery	finalize, file, and serve notice of related case.	0.3	\$ 450.00	\$ 135.00	1423	Paid
Anne Scott	Townsend Litigation	4/24/2024	Howard Clark	Confer with SO RNH and JKS regarding status of the case and how it is being moved forward	0.1	\$ 450.00	\$ 45.00	1423	Paid
Anne Scott	Townsend Litigation	4/24/2024	Shai Ozery	Meet and confer with RNH re status of case, motion for stay, and petition for writ of cert / depo strategy.	0.2	\$ 450.00	\$ 90.00	1423	Paid
Anne Scott	Townsend Litigation	4/25/2024	Shai Ozery	T/c with co-counsel VS re joint motion for stay in the event 4th DCA does not issue an order to show cause.	0.2	\$ 450.00	\$ 90.00	1423	Paid
Anne Scott	Townsend Litigation	4/25/2024	Shai Ozery	Confer with RNH re strategy for 5/13 depo of AS and filing joint motion to stay.	0.1	\$ 450.00	\$ 45.00	1423	Paid
Anne Scott	Townsend Litigation	4/25/2024	Shai Ozery	Prepare email to AS re t/c for tomorrow to discuss petition, 5/13 depo, and DT.	0.1	\$ 450.00	\$ 45.00	1423	Paid
Anne Scott	Townsend Litigation	5/1/2024	Shai Ozery	receive / review joint motion for stay and respond to VS re approval of same.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/1/2024	Shai Ozery	Receive/ review/ respond to emails from GS and OC re scheduling hearing on Mot. to Stay.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/1/2024	Shai Ozery	Receive / review emails from the court setting hearing on 5/8 at 9am.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/1/2024	Shai Ozery	Prepare email to AS re hearing date and Mot. to Stay.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/2/2024	Shai Ozery	Receive / review response in opposition to Joint motion for stay in anticipation of hearing next week.	0.2	\$ 450.00	\$ 90.00	1432	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	5/2/2024	Shai Ozery	Receive/review of email and cover letter from OC to the court re hearing next week on motions to stay.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/7/2024	Shai Ozery	Receive / respond to email from VS re hearing tomorrow and requesting to appear via zoom.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/7/2024	Shai Ozery	Review case management deadlines and outline argument re lack of harm and novel issue in preparation of hearing tomorrow on Mot. to Stay.	0.4	\$ 450.00	\$ 180.00	1432	Paid
Anne Scott	Townsend Litigation	5/7/2024	Shai Ozery	Prepare request to attend via zoom to court for tomorrow's hearing on Joint Mot. to Stay.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/7/2024	Shai Ozery	T/c to co-counsel and AS re hearing tomorrow and status update to AS re duces tecum production.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/7/2024	Shai Ozery	Confer with VS / HH re hearing tomorrow and strategy in approaching same.	0.3	\$ 450.00	\$ 135.00	1432	Paid
Anne Scott	Townsend Litigation	5/8/2024	Shai Ozery	Prepare for and attend hearing on Joint Motion to Stay.	1.1	\$ 450.00	\$ 495.00	1432	Paid
Anne Scott	Townsend Litigation	5/8/2024	Shai Ozery	T/c with HH/VS, RNH, and AS debriefing from hearing and analyzing a motion to expedite in order to ensure ruling as soon as possible from 4th DCA.	0.5	\$ 450.00	\$ 225.00	1432	Paid
Anne Scott	Townsend Litigation	5/8/2024	Shai Ozery	Perform legal research re motions to expedite in order to timely file same at the appellate court.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/8/2024	Howard Clark	4thDCA in Palm Beach to pick-up copies of Motion to Expedite.	1.4	\$ 450.00	\$ 630.00	1432	Paid
Anne Scott	Townsend Litigation	5/8/2024	Shai Ozery	t/c with VS re modification of motion to file with 4th per rules of appellate procedure.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/8/2024	Shai Ozery	Receive / respond to email from OC re new depo dates and prepare email to AS re same.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/8/2024	Shai Ozery	Receive / respond to email from AS re depo availability.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/9/2024	Shai Ozery	Receive / review motion to stay to be filed at 4dca by Comm. Smith and respond to VS/HH re same. Receive / respond to AS re depo dates as well after receiving amended NOD.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/9/2024	Shai Ozery	Respond to email from VS re nature of motion to stay, transcript, and written order.	0.1	\$ 450.00	\$ 45.00	1432	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	5/10/2024	Shai Ozery	Receive / review of email from OC re proposed order and review order to ensure conforms to ruling from 5/8.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/10/2024	Shai Ozery	Receive / respond to email from VS re review of proposed order and motion to stay.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/10/2024	Shai Ozery	Draft motion to stay, file, and serve. Prepare email to AS re same, with copy of motion.	1.1	\$ 450.00	\$ 495.00	1432	Paid
Anne Scott	Townsend Litigation	5/13/2024	Shai Ozery	Receive / review of emails from co-counsel and AS re depo dates and motion for stay, respond to AS re same. Prepare email to OC re deposition on 6/6 or 6/10 in person.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/14/2024	Shai Ozery	Receive / prelim review of response in opposition to Motion to Stay at 4th DCA.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/14/2024	Shai Ozery	Receive / respond to email from VS re excerpt transcripts from Marshall Field deposition.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/14/2024	Shai Ozery	Receive / respond to email from VS re depo of Marshal Fields and conflict with TB.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/15/2024	Shai Ozery	t/c with AS re OC response in opposition to Mot. to Stay.	0.3	\$ 450.00	\$ 135.00	1432	Paid
Anne Scott	Townsend Litigation	5/15/2024	Shai Ozery	Receive / review proposed order on Mot to Stay submitted to the court by OC.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/17/2024	Shai Ozery	T/c with VS re debrief of depo of ECSmith and insights going forward.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/20/2024	Shai Ozery	Receive / review correspondence from VS to TB re capacity as counsel.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/21/2024	Shai Ozery	t/c with AS re status of case, ltr to TB, deposition of MF, and potential emergency motion.	0.4	\$ 450.00	\$ 180.00	1432	Paid
Anne Scott	Townsend Litigation	5/21/2024	Shai Ozery	Receive / review order from 4th DCA denying petition for writ of cert.	0.4	\$ 450.00	\$ 180.00	1432	Paid
Anne Scott	Townsend Litigation	5/21/2024	Shai Ozery	T/c with AS re denial of petition for writ of cert.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/21/2024	Shai Ozery	t/c with CS re denial of petition and requesting case documents.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/22/2024	Shai Ozery	Review transcript of MF's deposition and VS notes from deposition of ECS in order to assess OC's intent and strategy.	1.4	\$ 450.00	\$ 630.00	1432	Paid
Anne Scott	Townsend Litigation	5/22/2024	Shai Ozery	Receive / review email production from AS.	0.1	\$ 450.00	\$ 45.00	1432	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	5/22/2024	Shai Ozery	Confer with RNH re denial of petition, deposition prep, and status of DT production.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	5/23/2024	Shai Ozery	Receive / review transcript of deposition of Emmet Smith, and prepare email to AS with same.	0.7	\$ 450.00	\$ 315.00	1432	Paid
Anne Scott	Townsend Litigation	5/23/2024	Shai Ozery	Receive / review objections to subpoena DT from Adena Testa.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/29/2024	Shai Ozery	Review all emails produced and prepare email to AS re t/c tomorrow re production of documents in response to subpoena.	0.3	\$ 450.00	\$ 135.00	1432	Paid
Anne Scott	Townsend Litigation	5/30/2024	Shai Ozery	Review duces tecum, prepare production, and modify response/objection to DT, prepare for meeting with AS re production of documents.	0.7	\$ 450.00	\$ 315.00	1432	Paid
Anne Scott	Townsend Litigation	5/30/2024	Shai Ozery	t/c with AS re depo production in response to subpoena DT.	1.2	\$ 450.00	\$ 540.00	1432	Paid
Anne Scott	Townsend Litigation	5/30/2024	Shai Ozery	Prepare email to OC re depo via zoom or in person.	0.1	\$ 450.00	\$ 45.00	1432	Paid
Anne Scott	Townsend Litigation	5/31/2024	Shai Ozery	Receive / review emails from OC and notice of depo and prepare email to AS re same and change to 6/10 at 1pm, in person.	0.2	\$ 450.00	\$ 90.00	1432	Paid
Anne Scott	Townsend Litigation	6/4/2024	Shai Ozery	Prepare for and meet with AS re deposition next week, discuss areas of inquiry and what to expect.	2.4	\$ 450.00	\$ 1,080.00	1452	Paid
Anne Scott	Townsend Litigation	6/4/2024	Shai Ozery	Prepare email to AS with documents for review prior to production in response to SDT.	0.1	\$ 450.00	\$ 45.00	1452	Paid
Anne Scott	Townsend Litigation	6/6/2024	Shai Ozery	Confer with IT expert re production of emails and access to same in order to ensure production is appropriate, prepare all documents for filing/service on 6/7, and prepare email to AS with same for review prior to 6/7. Confer with RNH Re privilege objections.	1.4	\$ 450.00	\$ 630.00	1452	Paid
Anne Scott	Townsend Litigation	6/7/2024	Shai Ozery	File / serve production and response/obj. to subpoena.	0.1	\$ 450.00	\$ 45.00	1452	Paid
Anne Scott	Townsend Litigation	6/9/2024	Shai Ozery	Review subject meeting video in order to prepare for deposition of AS and develop brief cross questions.	1.4	\$ 450.00	\$ 630.00	1452	Paid
Anne Scott	Townsend Litigation	6/10/2024	Shai Ozery	Review materials in prep of deposition and outline brief cross exam questions if necessary.	0.4	\$ 450.00	\$ 180.00	1452	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	6/10/2024	Shai Ozery	Prepare, travel to, and attend deposition of AS at Loeb's office.	7.8	\$ 450.00	\$ 3,510.00	1452	Paid
Anne Scott	Townsend Litigation	6/12/2024	Shai Ozery	confer with HH/VS re debrief of depositions and anticipated next steps.	0.1	\$ 450.00	\$ 45.00	1452	Paid
Anne Scott	Townsend Litigation	7/5/2024	Shai Ozery	Prepare email to TownsendCounsel, update in litigation and status of transcript of AS Depo	0.1	\$ 450.00	\$ 45.00	1479	Paid
Anne Scott	Townsend Litigation	7/15/2024	Shai Ozery	Receipt and review of documents: Review RTP from Townsend attorney and review docket for updates / information related to AS. Review MSJ and evidence in support, prepare email and submit same to AS.	0.3	\$ 450.00	\$ 135.00	1479	Paid
Anne Scott	Townsend Litigation	7/17/2024	Shai Ozery	Receipt and review of email: Receive / respond to email from AS re basis for MSJ.	0.1	\$ 450.00	\$ 45.00	1479	Paid
Anne Scott	Townsend Litigation	7/26/2024	Shai Ozery	Receipt and review of documents: Receive / review objections to subpoena DT for depo to Adena Testa and draft email re same and general update to AS.	0.2	\$ 450.00	\$ 90.00	1479	Paid
Anne Scott	Townsend Litigation	7/31/2024	Shai Ozery	Receipt and review of documents: Receive / review MPO filed by Adena Testa and declaration in order to ascertain the status of the Townsend lawsuit for AS discussion.	0.3	\$ 450.00	\$ 135.00	1479	Paid
Anne Scott	Townsend Litigation	8/1/2024	Shai Ozery	Receipt and review of documents: Receive / review of 4th DCA opinion reversing denial of AT's intervention into EL mandamus suit in order to ascertain EL intentions and strategy across all related litigation, including Townsend matter.	0.1	\$ 450.00	\$ 45.00	1479	Paid
Anne Scott	Townsend Litigation	8/1/2024	Shai Ozery	Receipt and review of documents: Receive / review response to MSJ by Def. Townsend for position / dispute as to allegations and assertions related to AS.	0.2	\$ 450.00	\$ 90.00	1479	Paid
Anne Scott	Townsend Litigation	8/27/2024	Shai Ozery	Receipt and review of documents: Receive / review order granting leave to amend and deeming complaint amended, adding Town Commission as defendant.	0.1	\$ 450.00	\$ 45.00	1510	Paid
Anne Scott	Townsend Litigation	8/27/2024	Shai Ozery	Prepare email : Prepare status update email to Anne Scott re amended complaint adding town commission.	0.1	\$ 450.00	\$ 45.00	1510	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
Anne Scott	Townsend Litigation	8/28/2024	Robert Hartsell	Email to Shai regarding reimbursement descriptions for the deposition and issues regarding attorney client privilege and work product.	0.1	\$ 450.00	\$ 45.00	1510	Paid
Anne Scott	Townsend Litigation	8/28/2024	Shai Ozery	Receipt and review of email: Receive / review emails from AS, confer with RH re summary of billing and prepare email response re possibility of MTS/MTD the amended complaint in the Townsend matter.	0.3	\$ 450.00	\$ 135.00	1510	Paid
Anne Scott	Townsend Litigation	8/30/2024	Robert Hartsell	Transfer law practice management data export and begin deciphering into user friendly summary of charges related to the EL case against PT and excluding non case related tasks. Redact any ACP.	1	\$ 450.00	\$ 450.00	1510	Paid
Anne Scott	Townsend Litigation	9/3/2024	Robert Hartsell	Review of billing removing all atty client privilege and non-Townsend related charges. Prepare excel spreadsheet regarding the same for reimbursements.	1.7	\$ 450.00	\$ 765.00	1510	Paid
Anne Scott	Townsend Litigation	9/4/2024	Shai Ozery	Receipt and review of documents: Receive / review email from AS and VS re 4th DCA reversal in related case.	0.1	\$ 450.00	\$ 45.00	1510	Paid
Anne Scott	Townsend Litigation	9/6/2024	Shai Ozery	Telephone Call: T/c with AS re Sept. 9th comments and potential for fee reimbursement.	0.6	\$ 450.00	\$ 270.00	1510	Paid
Anne Scott	Townsend Litigation	9/6/2024	Robert Hartsell	Review all billing related to defense against Plaintiffs' counsel's over broad discovery and litigation efforts and draft summary of fees along with basis for retaining our firm as outside counsel.	0.6	\$ 450.00	\$ 270.00	1510	Paid
Anne Scott	Townsend Litigation	9/12/2024	Shai Ozery	Receipt and review of documents: Receive / review proposed statement drafted by AS re meeting on 9/9 and provide feed back re legal analysis of same.	0.1	\$ 450.00	\$ 45.00	1510	Paid
Anne Scott	Townsend Litigation	10/1/2024	Shai Ozery	Receipt and review of email: Receive / review notice of appearance by TB for Town and prepare email to AS re town commission meeting.	0.1	\$ 450.00	\$ 45.00	1510	Paid

**Commissioner Anne Scott
Townsend Litigation Expenses**



Client	Matter Description	Date	User	Description	Qty	Price	Total	Inv. No.	Inv. Status
				Total Representation Regarding Townsend Litigation - Fees	109		\$ 49,005.00		
Anne Scott	Townsend Litigation	3/8/2024	Shai Ozery	Court Reporter Appearance Fee for APEX Mot.	1	\$ 95.00	\$ 95.00	1404	Paid
Anne Scott	Townsend Litigation	3/26/2024	Shai Ozery	Transcript fee for hearing on APEX motion.	1	\$ 163.85	\$ 163.85	1404	Paid
Anne Scott	Townsend Litigation	4/5/2024	Shai Ozery	Filing fee for petition for writ of cert.	1	\$ 305.00	\$ 305.00	1423	Paid
				Total Representation Regarding Townsend Litigation - Costs			\$ 563.85		
				Total Representation Regarding Townsend Litigation - Fees + Costs			\$ 49,568.85		

TOWN OF JUPITER ISLAND

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(772) 545-0188

Ms. Jeannie Garner, Executive Director & CEO
Florida League of Cities
P.O. Box 1757
Tallahassee, FL 32302

October 14, 2025

Ms. Garner:

The Town would like to express its appreciation to you and to the entire Legislative Team, inclusive of all those working on matters specific to the Select Committee on Property Tax Reform, for the ongoing dedication to the mission of the Florida League of Cities.

What has been occurring in recent times in the public policy domain is unprecedented. Please know that the FLC's collective advocacy is deeply meaningful to municipalities such as ours. Simply put, we depend on razor-thin unrestricted ad valorem funds for general operating efforts that deliver the "level of service" our barrier island of roughly 850 residents have long come to expect. For example, as you may know from the research conducted between our entities all summer, this municipality has the privilege of being served by a relatively small Public Safety team. *Each officer is "triple-certified" as a sworn law enforcement officer, fire-rescue responder, and emergency medical services responder.* This translates to an initial response time of approximately 2 minutes, for any such call. There are many realities of how this approach has saved both human lives and property over the years, for our residents and their guests, and for visitors within town boundaries—for our municipality contains not only a county public beach but a National Wildlife Refuge as well.

As Mayor, please accept my gratitude. We look forward to continuing, through our local legislative consultant, the Town's heightened engagement this Commission made a point to prioritize over two years ago as a newly constituted body.

Sincerely,



Penelope D. Townsend
Mayor

cc: Town Commissioners

MEMORANDUM

To: Mayor & Town Commissioners
From: Kelly Layman, Legislative & External Relations Consultant
Through: Robert Garlo, Town Manager
Date: October 19, 2025
Re: House Speaker announces Property Tax Reform Proposals



At your Commission meeting, I will have a presentation with town budgetary considerations, graphics, and data from preparatory work completed over the summer/early fall while we awaited structured reform proposals out of Tallahassee.

Those were released just a few days ago. The House Speaker has announced what will be *8 different pieces of legislation for property tax reforms*.

Each one is significant and wide-ranging in its impact. I am attaching the verbatim Memorandum.

Additional considerations of note:

- Seven of the 8 are Joint Resolutions (noted by “HJR” in the Memorandum). Therefore, if passed, a joint resolution appears on the November 2026 general election ballot statewide.
- Each joint resolution must also pass the Florida Senate during the 2026 Session in order to appear on the ballot.
- A joint resolution in Florida becomes law once it is passed by both the House and Senate. It is presented as a proposed amendment to the Florida Constitution.
- One of the 8 items, as noted, is a stand-alone bill (without “HJR”) that will travel as normal in the 2026 Session.
- **The Town is a voting member on the Florida League of Cities’ policy committee where these property tax reform issues are the No. 1 priority for the 2026 Session. In fact, at the October 17 policy meeting I just attended in Orlando, we voted that this topic/issue would be the only priority statement of the committee for the 2026 Session. (Usually there is more than one.) We will finalize our work in December in Orlando. At that time, it is possible that of the 8, the Legislature may be down to focusing ultimately on half the list, or a few.**

Thank you.



The Florida House of Representatives

Office of the Speaker

MEMORANDUM

To: Members of the Florida House of Representatives
From: Daniel Perez, Speaker
Date: October 16, 2025
Re: Property Taxes

One of the constants this year has been an on-going dialogue around property taxes, in which the Florida House has actively participated. Last session, we passed a proposal to use Tourist Development Tax revenue to permanently reduce property taxes. We also formed the Select Committee on Property Taxes to continue to push the issue forward.

Today, several Members have filed House Joint Resolutions 201, 203, 205, 207, 209, 211, and 213, and House Bill 215. These proposals are based on the work of the select committee, and it is my intention to move them through the process.

What has been lost in this debate has been the fact that the ultimate decision on what should happen with property taxes belongs not with elected officials but with the people of Florida. If we have faith in the voters to elect us, we should not be afraid to let them be a part of the conversation about the taxes they pay. It is our position that the House does not need to limit itself in presenting one single plan, but instead allow the people of Florida the ability to choose some, all, or none of the proposals on the 2026 ballot.

All of our proposals have two distinct components. First, they will have language that specifically prohibits an affected government entity from reducing funding for law enforcement. Second, they exempt school taxes. Property taxes comprise 46% of school funding, or about \$21 billion.

Also, the Joint Resolutions will not have accompanying implementing legislation. Decisions should be made by the Legislature once they know which proposals have been approved by the voters and can devise an appropriate statutory framework that accounts for how the various provisions might work together.

The proposals for tax relief are as follows:

CATEGORICAL ELIMINATIONS

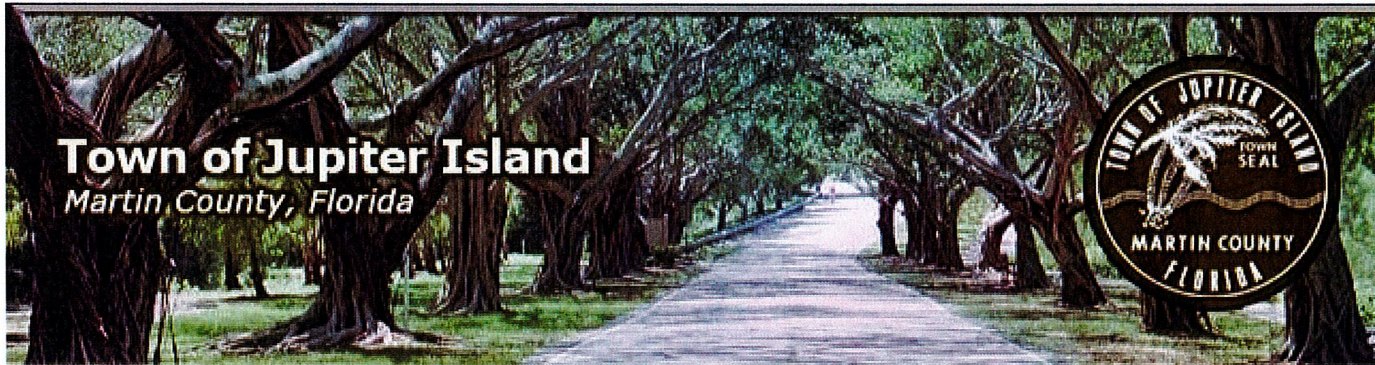
- **HJR 201 by Rep. Steele** eliminates non-school homestead property taxes.
- **HJR 203 by Rep. Miller** phases out non-school homestead property taxes over a ten-year period. Each year homeowners would receive an additional \$100,000 exemption. After ten years, all non-school homestead property taxes would be eliminated.
- **HJR 205 by Rep. Porras** exempts Florida residents over the age of 65 from paying non-school homestead property taxes.

ADDITIONAL EXEMPTIONS

- **HJR 207 by Rep. Abbott** creates a new homestead exemption for non-school property taxes equal to 25% of the assessed value of the house. In addition to providing relief to current homeowners, it would also benefit first-time homebuyers.
- **HJR 209 by Rep. Busatta** creates a new property insurance relief homestead tax exemption. Homestead property owners who have property insurance will be entitled to an additional \$100,000 exemption on non-school property taxes.

REFORMS

- **HJR 211 by Rep. Overdorf** eliminates the cap on portability, allowing a homeowner to transfer their entire accumulated Save Our Homes benefit to their new home, even if that home has a lesser value.
- **HJR 213 by Rep. Griffiths** limits the growth in assessed value of non-school homestead property taxes to 3% over three years for homestead property (currently it is 3% per year) and 15% over three years for non-homestead property (currently it is 10% per year).
- **HB 215 by Rep. Albert** makes various statutory changes including requiring a 2/3 vote for any increase in the millage rate and allowing newly married couples to combine their accumulated Save Our Homes benefits.



September 2025 General Fund FY 2024-2025 Interim Financial Report

Town Commission Meeting
October 29, 2025

**Town of Jupiter Island
FY 2024/2025 Budget Summary**

Account Description	Amended Budget 2024-2025	YTD Actual 9/30/2025	Target 100%
Total General Fund Revenues	\$13,023,593	\$15,523,869	119%
Transfers from Reserves	\$2,012,154	\$0	0%
Total Revenues	\$15,035,747	\$15,523,869	103%
Total Administration	\$3,792,285	\$3,599,511	95%
Total Public Safety	\$6,289,739	\$6,054,143	96%
Total Building Department	\$2,706,441	\$1,991,859	74%
Total Public Works	\$2,247,282	\$1,798,390	80%
Total General Fund Expenditures	\$15,035,747	\$13,443,903	89%
Year to Date Net Income		\$2,079,966	

FY 2024-2025 Revenues

Account Description	Amended Budget 2024-2025	PYTD Actual 9/30/2024 2023-2024	YTD Actual 9/30/2025 2024-2025	Actual % of Budget (Target 100%) 2024-2025
Ad Valorem	\$9,927,402	\$9,056,011	\$9,921,902	100%
Total Other Taxes and Fees	\$333,000	\$331,513	\$322,666	97%
Total Licenses and Permits	\$850,500	\$1,643,325	\$1,234,961	145%
Total Intergovernmental Revenue	\$325,100	\$186,590	\$2,605,618	801%
Total Charges for Services	\$131,000	\$124,445	\$111,697	85%
Total Fines and Forfeits	\$2,000	\$2,861	\$3,849	192%
Total Miscellaneous Revenues	\$750,512	\$900,636	\$641,497	85%
Transfers from Interfunds	\$704,079	\$681,515	\$681,679	97%
Subtotal Revenues	\$13,023,593	\$12,926,897	\$15,523,869	119%
Transfer from Reserves	\$2,012,154	\$0	\$0	
Total General Fund Revenues	\$15,035,747	\$12,926,897	\$15,523,869	103%

FY 2024-2025 Expenses by Department

Account Description	Amended Budget 2024-2025	PYTD Actual 9/30/2024	YTD Actual 9/30/2025	Actual % of Budget (Target 100%)
Total Administration - Payroll	\$1,431,739	\$1,140,942	\$1,398,029	98%
Total Administration - Benefits	\$892,571	\$815,083	\$838,938	94%
Total Administration - Operating	\$1,385,975	\$1,439,055	\$1,337,407	96%
Subtotal	\$3,710,285	\$3,395,080	\$3,574,374	96%
Total Administration - Capital	\$82,000	\$36,304	\$25,137	31%
Total Administration	\$3,792,285	\$3,431,384	\$3,599,511	95%
Total Public Safety - Payroll	\$3,193,099	\$2,872,988	\$3,098,535	97%
Total Public Safety - Benefits	\$1,031,813	\$870,916	\$988,468	96%
Total Public Safety - Operating	\$1,433,908	\$1,413,085	\$1,469,857	103%
Subtotal	\$5,658,820	\$5,156,989	\$5,556,860	98%
Total Public Safety - Capital	\$630,919	\$505,376	\$497,283	79%
Total Public Safety	\$6,289,739	\$5,662,364	\$6,054,143	96%
Total Building - Payroll	\$546,510	\$477,436	\$463,863	85%
Total Building - Benefits	\$171,337	\$164,375	\$120,619	70%
Total Building - Operating	\$1,978,594	\$1,264,270	\$1,407,376	71%
Subtotal	\$2,696,441	\$1,906,080	\$1,991,859	74%
Total Building - Capital	\$10,000	\$27,825	\$0	0%
Total Building Department	\$2,706,441	\$1,933,905	\$1,991,859	74%
Total Public Works - Payroll	\$758,952	\$624,852	\$656,868	87%
Total Public Works-Benefits	\$457,028	\$296,413	\$306,555	67%
Total Public Works - Operating	\$830,002	\$646,821	\$710,392	86%
Subtotal	\$2,045,982	\$1,568,087	\$1,673,815	82%
Total Public Works - Capital	\$201,300	\$418,629	\$124,575	62%
Total Public Works	\$2,247,282	\$1,986,715	\$1,798,390	80%
Total General Fund Expenditures	\$15,035,747	\$13,014,369	\$13,443,903	89%

Interim Balance Sheet as of 9/30/2025

Assets

CASH GENERAL ACCOUNT - SEACOAST	\$	2,757,723
MONEY MARKET-SEACOAST	\$	6,447,560
CASH PAYROLL - SEACOAST	\$	50,000
CASH FLEX SPENDING - SEACOAST	\$	15,339
INVESTMENT POOL	\$	2,335,339
INVESTMENT- FL PALM	\$	100,323
INVESTMENT - SBA	\$	3,628,475
PETTY CASH	\$	550
ACCOUNTS RECEIVABLE	\$	14,733
ACCOUNTS REC. - RETIREE BENEFITS	\$	(124)
DUE FROM BEACH PROTECTION	\$	7
DUE FROM UTILITIES	\$	106,771
<u>PREPAID ITEMS</u>	<u>\$</u>	<u>107,425</u>
Total Assets	\$	15,564,121

Liabilities

ACCOUNTS PAYABLE	\$	591,138
DUE TO OTHER GOV. UNITS	\$	16,114
ACCRUED PAYROLL/BENEFITS	\$	279,507
OVERPAYMENTS-RETIREES	\$	1,470
<u>DONATIONS</u>	<u>\$</u>	<u>5,004</u>
Total Liabilities	\$	893,233

Reserves/Fund Balances

NONSPENDABLE PREPAID	\$	32,933
RESTRICT- ENFORCE FL BLDG CODE	\$	3,672,568
ASSIGNED FOR EMERGENCIES	\$	1,000,000
ASSIGNED FOR COMPENSATED AB	\$	115,000
ASSIGNED FOR UNINSURED LOSS	\$	80,000
FUND BALANCE	\$	7,690,422
CHANGE IN FUND BALANCE - Current	\$	2,079,966
<u>Total Reserves/Fund Balances</u>	<u>\$</u>	<u>14,670,888</u>

Total Liabilities and Fund Balance	\$	15,564,121
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General Fund Reserves

Account Description	Audited YE 2021	Audited YE 2022	Audited YE 2023	Audited YE 2024	Adopted Budget FY 2025*
Beginning Fund Balance (Reserves)	8,095,873	9,033,098	6,237,564	9,585,872	9,492,381
Transfer from / to General Fund Reserves	1,610,431	2,247,916	3,060,930	-	-
Amount Budgeted / Spent From Reserves	(548,206)	(793,404)	-	(126,424)	(510,000)
Budget Amendment From Reserves	(125,000)	(385,000)	-	-	-
Total Available Fund Balance	9,033,098	10,102,610	9,298,494	9,459,448	8,982,381
NonSpendable-PrePaid Expenses		71,269	127,833	32,933	32,933
Assigned to Uninsured Losses	80,000	80,000	80,000	80,000	80,000
Assigned to Compensated Absences	115,000	115,000	115,000	115,000	115,000
Assigned to Beautification, Scholarship, Public Safety		163,791	176,170	171,145	183,868
Assigned to Conservation Projects		431,990	431,989	431,981	403,192
Assigned to Emergencies	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Assigned to ARPA		312,393			
Restricted-Enforcement of FL Building Code			3,865,046	3,672,568	3,672,568
Unassigned Fund Balance (Reserves)	7,838,098	8,836,382	7,495,335	7,661,322	7,200,321
Total Fund Balance (Reserves)	9,033,098	11,010,825	13,291,373	13,164,949	12,687,882

*Estimated/Unaudited at time of this Report

Memorandum



To: Mayor and Commission
Town Manager, Bob Garlo

From: Catherine Harding, Building, Planning and Zoning Director

Date: September and October 2025

Re: Building Department Report, July 2025

This report covers September 1, 2025, through October 20, 2025. There were 33 Building Permits Issued with a construction value of \$5,143,007. with \$116,759. in permit fees collected. Our Building Inspectors made 476 inspections of those 2 were issued a C.O.

Year to date there were 218 permits issued with a total construction value of \$67,722,976. and total fees collected of \$1,129,999.

Code Compliance responded to 64 code violations. They consisted of 8 construction site maintenance issues, 2 property maintenance issues, 3 landscape maintenance issues, 29 vehicles in the right of way, 1 illegal sign, 1 noise complaint, 2 starting work too early, 17 violations of the LDR's and 1 working without a permit.

Our new Code Compliance Officer, John Jenkins, is doing a good job. He works alternate Saturdays to help with the weekend violations and works late or early on alternate days to remind the builders of the regulations.

The Short Term/Vacation Rental Ordinance has been in effect for months now. No homeowner has come forward requesting a permit. Currently we are working with Vacation Rental sites that have advertised. The resolution to a violation is that the owner agrees to follow the Ordinance and to rent or advertise no more than 3 times a year for less than 1 month. We are following the advertisements to confirm. Copies of the Ordinance and applications are available in the Building Department for anyone who wants further Information.

We have the first draft of the Comprehensive Plan and are in staff review. The goal is to maintain the character of the Town while updating the required regulations. A Density Study Proposal was approved at the Town Commission Meeting on April 16, 2025, to identify potential residential growth. That study is being evaluated.

The Impact Review Board and the Board of Adjustment have been replaced with the Development Review Board. The DRB is a single Board created to hear all applications formally presented to the IRC and the BOA. It is a seven-member board with three alternates, mostly made up of the previous IRC and BOA members. A Workshop will be held October 30th with the newly assembled Board to discuss the criteria for review required in the Land Development Regulations, the Sunshine Law and the general procedures they will follow. The first formal meeting of the DRB will be held November 6th, 2025. They will hear 3 applications that were held over from the previous Boards. The agenda and the resulting Development Orders will be posted on the TJI website.



MEMORANDUM

TO: TOWN COMMISSION
THRU: ROBERT GARLO, TOWN MANAGER
FROM: MICHAEL S. EWING, DIRECTOR OF PUBLIC SAFETY
DATE: OCTOBER 9, 2025
SUBJECT: PROPOSED AMENDMENTS TO TOWN ORDINANCE 14.3; BICYCLE AND MICRO-MOBILITY DEVICES

The purpose of this memorandum is to present proposed draft language for amendments to Town Ordinance 14.3 (Bicycles) to address the growing use of electric bicycles (E-Bikes) and other micro-mobility devices within the Town of Jupiter Island. These changes are intended to enhance public safety, ensure compliance with state law, and maintain the Town’s unique residential character.

Background

Recent amendments to Florida Statute §316.2065 and related state legislation have clarified that municipalities retain the authority to regulate certain aspects of electric bicycle operation within their jurisdictions, provided such regulations do not conflict with state traffic laws. This legislative update enables local governments to establish reasonable rules regarding age restrictions, identification requirements, and limitations on modifications or operational zones to protect public safety.

Considering this authority, and following observations by the Department of Public Safety of increased E-Bike use often involving underage operators, unregistered devices, and unsafe speed modifications, it is appropriate to amend the Town’s ordinance to provide clear, enforceable standards. Additionally, some provisions of the existing ordinance, such as the fluorescent flag and mast requirement, are now outdated and inconsistent with current bicycle safety practices.

Proposed Amendments to Ordinance 14.3

The following language is proposed for incorporation into **Town Ordinance 14.3**:

- **Applicability and Definitions**
 - **“Electric Bicycle” or “E-Bike”** shall have the same definition as provided under Florida Statute §316.003(23).

- **Electric personal assistive mobility devices or micromobility device** means; any small, motorized transportation device designed for personal use, including but not limited to scooters, hoverboards, or similar devices, excluding E-Bikes and ADA-compliant mobility devices or as otherwise provided under Florida Statute 316.003.
- **Age Restriction and Identification Requirement**
 - The operation of any E-Bike within the Town limits shall be restricted to persons **sixteen (16) years of age or older**.
 - All E-Bike operators shall be in possession of a **valid government-issued photo identification** while operating within the Town.
- **Equipment and Modifications**
 - Every bicycle in use between sunset and sunrise shall be equipped with a lamp on the front exhibiting a white light visible from a distance of at least 500 feet to the front and a lamp and reflector on the rear each exhibiting a red light visible from a distance of 600 feet to the rear.
 - No person shall modify or cause to be modified the **factory settings or specifications** of an E-Bike motor for the purpose of increasing its maximum speed or power output beyond manufacturer or statutory limitations.
- **Prohibited Devices**
 - The operation of **all other electric personal assistive mobility devices or micro-mobility devices** is **prohibited within the Town limits**, with the sole exception of **ADA-compliant mobility devices** used by individuals with disabilities.
- **Removal of Outdated Equipment Requirement**
 - The existing requirement under **Section 14.3(d)** for a **fluorescent flag and mast** on bicycles is hereby **deleted** from the ordinance as it is no longer consistent with contemporary bicycle safety standards.

Recommendation

Staff is seeking direction to bring back the proposed draft language in the form of an amendment to Ordinance 14.3 for first reading.

Memo

To: Town Council and Town Manager
From: Brett T. Lashley, Esq.
Date: October 8, 2025
Subject: E-Bike Legislation and Regulation

BACKGROUND

Governor Desantis recently signed Senate Bill 462 (“SB 462”) which expands municipalities’ authority to regulate micromobility devices, motorized scooters and electric bicycles a/k/a (“E-Bikes”). SB 462 amends several sections of the Florida Statutes, including §316.003, §316.20655 and §316.2128, which permit local governments to:

1. Enact ordinances governing the operation of electric bicycles on streets, highways, sidewalks, and sidewalk areas under or within the local government’s jurisdiction;
2. Establish minimum age requirements for operators;
3. Require operators carry a government-issued identification; and
4. Implement safety training programs focused on the safe and lawful operation of micromobility devices.

In light of SB 462’s adoption, municipalities have been regulating the use of E-Bikes imposing different requirements and restrictions throughout the state. For example, the Town of Palm Beach is in the process of passing several ordinances which require micromobility device operators (which includes E-Bikes): 1) be at least 15 years old; 2) carry a valid government I.D. when operating a micromobility device; 3) permit the Town to conduct E-Bike safety training; 4) prohibit the riding of E-Bikes in certain areas such as on sidewalks in commercial zoning districts and on its lake trail; and 5) require operators under the age of 16 to wear a helmet while operating a micromobility device.¹ Additionally, the City of Marco Island passed an ordinance which amongst other requirements: 1) prevents tampering of E-Bikes to permit them to exceed speeds they are designed to attain; 2) permits only manual power in City parks; 3) and limits the speed of E-Bikes on sidewalks to 12 mph.

#7127642 v1 26503-00001

¹ The ordinances reflecting these restrictions are set to be presented for 2nd reading.

E S T .
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Jupiter Island Public Safety Department September 2025 Activity Report



Monthly Activity

	September 2024	September 2025	YTD - 2024	YTD - 2025
<i>Calls for Service</i>	103	140	1,228	1,281
<i>Arrests</i>	2	6	12	21

Traffic & Marine Activity

	September 2024	September 2025	YTD - 2024	YTD - 2025
<i>Traffic Stops</i>	41	97	578	892
<i>Vehicle Citations</i>	3	8	98	106
<i>Parking Citations</i>	1	1	66	82
<i>Vehicle Crashes</i>	2	1	13	23
<i>Marine Unit Activity</i>	60	9	309	320

Major Crimes

<i>Crime Type</i>	September 2024	September 2025	YTD - 2024	YTD - 2025
<i>Robbery</i>	0	0	1	0
<i>Burglary</i>	1	0	1	0
<i>Theft</i>	0	0	4	1
<i>Auto Theft</i>	0	0	0	0
<i>Assault</i>	0	0	0	0
Total	1	0	6	1

Other Crimes

<i>Type</i>	September 2024	September 2025	YTD - 2024	YTD - 2025
<i>Fraud</i>	1	0	1	2
<i>Drug Violations</i>	0	0	1	4
<i>Trespassing</i>	0	0	0	1
<i>Vandalism</i>	1	0	1	0
<i>Disorderly Conduct</i>	0	0	1	0
<i>Lewd & Lascivious</i>	0	0	0	0
Total	2	0	4	7



**Jupiter Island Public Safety Department
September 2025
Activity Report**



ALS Fire Rescue Responses

Medical calls this month	3	Avg. response time	3.6 minutes
Fire calls this month	11	Avg. response time	3.2 minutes

Criminal Activity

Traffic Arrest / September 9, 2025; while conducting a lawful traffic stop, the operator of the vehicle was arrested and transported to the MC Jail for Driving with No Driver’s License/Never Issued. The vehicle was turned over to a licensed driver.

Hit & Run / September 11, 2025; Officers responded to the area of the JI Club, staff dormitory for a report of a hit and run. Upon arrival officers were advised by a club worker that someone had struck the driver’s side of his vehicle causing damage while it was parked. There was no video surveillance of the area or suspect information at this time. A crash report was completed.

Traffic Arrest / September 12, 2025; while conducting a lawful traffic stop, the operator of the vehicle was issued a criminal citation for Driving while License Suspended or Revoked. The vehicle was turned over to a licensed driver.

Traffic Arrest / September 17, 2025; while conducting a lawful traffic stop, the operator of the vehicle was arrested and transported to the MC Jail for Driving with No Driver’s License/Never Issued. The vehicle was turned over to a licensed driver.

Traffic Arrest / September 17, 2025; while conducting a lawful traffic stop, the operator of the vehicle was arrested and transported to the MC Jail for Driving While License Suspended or Revoked. The vehicle was turned over to a licensed driver. A passenger of the vehicle was taken into custody by FHP on an immigration detainer.

Traffic Arrest / September 18, 2025; while conducting a lawful traffic stop, the operator of the vehicle was arrested and transported to the MC Jail for Driving with No Driver’s License/Never Issued. The vehicle was turned over to a licensed driver.

Traffic Arrest / September 22, 2025; while conducting a lawful traffic stop, the operator of the vehicle had multiple prior criminal violations for DWLS and was subsequently arrested for Driving While License was Suspended or Revoked and transported to the MC Jail. The vehicle was turned over to a licensed driver.

Traffic Arrest / September 23, 2025; while conducting a lawful traffic stop, the operator of the vehicle was arrested and transported to the MC Jail for Driving with No Driver’s License/Never Issued. The vehicle was turned over to a licensed driver.



**Jupiter Island Public Safety Department
September 2025
Activity Report**



Hobe Sound Beach Statistics

	Current Month	YTD - 2025
<i>Calls for Service- Day</i>	0	50
<i>Calls for Service- Night</i>	1	21
<i>Patrols</i>	88	787
<i>Traffic Stops</i>	7	83

Hobe Sound Beach Activity

Medical Calls

September 0 Year to Date 8

DAYTIME 7am-7pm

No Calls For Service

NIGHTTIME 7pm-7am

Drunk Driver / September 26, 2025; Officers responded to the area of the public beach parking lot in reference to a report of a drunk driver. The vehicle was gone upon our arrival and the information was turned over to MCSO and Tequesta PD.



Jupiter Island Public Safety Department September 2025 Activity Report



Code Compliance- TOV Activity By Month

<i>Violation Type</i>	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	YTD - 2025
<i>Parking in Right of Way</i>	12	23	18	18	25	18	28	11	29				182
<i>No Flag Persons Present</i>	5	0	0	1	1	3	9	4	18				41
<i>Working Outside Hours</i>	1	0	2	1	3	0	1	5	6				19
<i>Work with No Permit</i>	0	0	0	0	0	0	1	0	1				2
<i>All Other Violations</i>	0	1	2	2	2	6	3	4	3				23
<i>Total Violations</i>	18	24	22	22	31	27	42	24	56				266
<i>Officer patrols</i>	750	848	887	732	864	888	926	711	684				7290

Upcoming Town Meetings and Events
2025

Date	Day	Time	Event/Meeting	Location
October 28	Tuesday	9am	Town Coffee w/ Mayor Commissioner Warner	Conference Room
October 28	Tuesday	10am	Beach Protection District Mg	Island Room
October 29	Wednesday	9am	Town Commission Meeting	Island Room
October 30	Thursday	9am	Development Review Board Workshop	Island Room
November 6	Thursday	9am	Development Review Board	Island Room
November 11	Tuesday	All Day	Holiday - Veteran's Day- Town Offices Closed	
November 19	Wednesday	9am	Town Coffee w/Mayor Townsend	Conference Room
November 19	Wednesday	10am	SMRU/Beach Protection Mtgs	Island Room
November 20	Thursday	9am	Town Commission Meeting	Island Room
November 27	Thursday	All Day	Holiday - Thanksgiving Day- Town Offices Closed	
November 28	Friday	All Day	Holiday - Thanksgiving Holiday- Town Offices Closed	
December 4	Thursday	9am	Development Review Board	Island Room
December 16	Tuesday	9am	Town Coffee with Commissioner Field	Conference Room
December 16	Tuesday	10am	Beach Protection District Meeting	Island Room
December 17	Wednesday	9am	Town Commission Meeting	Island Room
December 17	Wednesday	12pm	Annual Town Employee and Board/Committee Member Appreciation Luncheon	Main Club Terrace
December 25-26	Thurs-Friday	All Day	Holiday - Christmas Holiday - Town Offices Closed	
January 1	Thursday	All Day	Holiday - New Years Day - Town Offices Closed	
January 8	Thursday	9am	Development Review Board	Island Room

29-Sep-25

Key	
Changes from Previous Schedule	
Development Review Board	
Town Hall Closed	
Municipal Election	

Agendas posted on Town Website: www.townofjupiterisland.com prior to the meeting