



AGENDA
Committee on Ways and Means
Wednesday, April 20, 2016 @ 8:15 a.m.
10th Floor Conference Room, City Hall

Councilmember Judi Brown Clarke, Chair
Councilmember Carol Wood, Vice Chair
Councilmember Tina Houghton, Member

- 1. Call to Order**
- 2. Roll Call**
- 3. Minutes**
 - April 6, 2016
- 4. Public Comment on Agenda Items**
- 5. Discussion/Action:**
 - A.) RESOLUTION – Workers Compensation Settlement Claim WC2062876-00610
 - B.) RESOLUTION – Workers Compensation Settlement Claim WC2062876-00735
 - C.) Defined Contribution Plan Restatement
 - D.) Update on the Discussion – Tie Bar Memo Status
 - E.) Update on the Discussion – Health Care Re-Selection Option
 - F.) Update on the Discussion – Recycling Contract (Revenues and Expenses)
 - G.) Internal Auditor Structure and Policies Update
- 6. Other**
- 7. Adjourn**

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MINUTES

**Committee on Ways and Means
Monday, April 6, 2016 @ 8:15 a.m.
10th Floor Conference Room, City Hall**

CALL TO ORDER

The meeting was called to order at 8:15 a.m.

ROLL CALL

Councilmember Judi Brown Clarke, Chair
Councilmember Carol Wood, Vice Chair
Councilmember Tina Houghton, Member –arrived at 8:29 a.m.

OTHERS PRESENT

Sherrie Boak, Council Staff
Joseph Abood, Deputy City Attorney
Jim DeLine, Council Internal Auditor
Angie Bennett, Finance Director
Scott Taylor, BWL
Richard Peffley, BWL
Denise Estee
Eric Lacy, LSJ
Dean Johnson, Public Service

MINUTES

Council Member Brown Clarke passed the gavel.

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE MINUTES FROM MARCH 23, 2016 AS PRESENTED. MOTION CARRIED 2-0.

Council Member Wood passed the gavel.

PUBLIC COMMENT

No public comment

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Discussion/Action

BWL Commissioners Regarding Designation of BWL Auditor for FY2016-2020

Mr. Taylor informed the Committee of the review and procurement process the BWL staff did for the search of an auditor, the Charter requirements and their recommendation of Baker Tilley.

Mr. Peffley added that they chose Baker Tilley partly because of the vast experience with utilities. The BWL Board of Commissioners approved the recommendation March 22, 2016.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE RESOLUTION SELECT BAKER TILLEY AS THE BWL OUTSIDE AUDITOR FOR THE YEARS OF 2016, 2017, 2018, 2019 AND 2020. MOTION CARRIED 2-0.

Internal Auditor Structure and Policies

Mr. DeLine confirmed he made the changes recommended by Law and the Committee from the last meeting. The recent version dated March 24th was distributed.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE STRUCTURES, POLICIES AND PROCEDURES OF THE CITY OF LANSING INTERNAL AUDITOR TO BE PRESENTED AS A COMMITTEE REPORT FROM WAYS AND MEANS. MOTION CARRIED 2-0.

Mr. DeLine then presented the proposed mission statement. Council Member Brown Clarke noted to the group that the mission statement along with the objective will provide guidance on what the process will look like and provide a template for all to use that is concise. The goal is to have in place by end of calendar year.

Ms. Bennett asked for changes to page 3, 3.a.i. rewording to have it state "Department Heads, Council Committee, etc." so it went to Departments first. Council Member Brown Clarke clarified for Ms. Bennett that the step she referred to was the Final Draft, and therefore the document goes to all entities at the same time, it is past the time of comments and input.

RESOLUTION- MDOT Local Bridge Program Funding

Mr. Johnson outlined the funding that occurs every year for State funding for up to 5 bridges.

The proposed resolution is written for five bridges, and must accompany the application.

Mr. DeLine asked why Cavanaugh over Sycamore Creek was removed from the list from 2015.

Mr. Johnson confirmed they were able to secure other funding for that bridge and therefore removed it and added a different one. Other bridges in the que for funding and design has begun on include Jolly/Sycamore Creek, Elm/Grand River, and Aurelius/Sycamore Creek. The bridges in this MDOT Bridge Program are:

Aurelius/Pawlowski Creek

Aurelius/GTW Railroad

E Elm Street/Red Cedar River

S. Washington/ Grand River

N. Grand River/Grand River

Council Member Wood asked what makes the bridges critical. Mr. Johnson noted it used to be a grading level system which made them critical, but the City bridges are good shape, so most funding is preventative.

The Committee and Mr. Johnson spoke briefly on specific locations, and then it was confirmed all are complete replacements with road closure and detours, except S. Washington/Grand River which is preventative replacement.

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MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE RESOLUTION FOR THE MDOT LOCAL BRIDGE FUNDING FOR FIVE (5) BRIDGES. MOTION CARRIED 3-0.

Council Member Wood asked for a list of local streets that will be paved in 2016, and Mr. Johnson referred the Committee to the Public Service website where the list and maps are.

Discussion – Tie Bar Memo

Council Member Brown Clarke asked Mr. Abood for an update. Mr. Abood confirmed he had been speaking to Council Member Wood about an email dated January 7th from former City Attorney McIntyre about the topic and also had received a claim from Denise Estee dated April 1, 2016. Mr. Abood referenced the June 24, 2015 memo from the City Attorney office and its recommendations. Council Member Brown Clarke noted to Mr. Abood that in August or September of 2015 Ms. McIntyre stated there was a tie bar memo that stated how the retiree health care was tie-barred and also stated she sent it to the Mayor and, informed the Committee she was waiting on the Mayor to approve before she could give to the Committee. This topic is the second issue with the retirees, which was also reflected in the email from January sent to Mr. Abood from Council Member Wood. Mr. Abood acknowledged he had never discussed this issue with Ms. McIntyre. Council Member Brown Clarke asked if he had asked the Mayor for the memo yet, and Mr. Abood stated he had not, but is working with Ms. Riley in HR to review this. Council Member Brown Clarke clarified for Mr. Abood that Ms. McIntyre was past that step of review with HR and Ms. McIntyre had stated this as the Attorney. Mr. Abood was asked to meet with the Mayor's office and ask where the memo is, then take that memo to Ms. Riley and determine what else needs to be done because until he has that memo in his hand there is nothing to talk about. Mr. Abood stated he would ask the Administration for clarification on when the memo was received from the City Attorney.

Ms. Estee recapped her notes from December 2, 2015 where Ms. McIntyre presented info to the Committee that she was done with 2004 tie bar issue, and stated it was given to the Mayor. Ms. Estee noted she too was told directly from Ms. McIntyre that a memo was sent to the Mayor and once he signed off she would send to the retirees, which was a correspondence, dated December 7th, 2015. Ms. Estee sent a letter to the Mayor's office on March 9th and again on March 30th with still no response.

Council Staff was directed to provide the past Ways and Means minutes from 2015 to Mr. Abood. An update is expected from the City Attorney at the April 20th Committee meeting.

Discussion – Health Care Re-Selection Option

Council Member Brown Clarke updated Mr. Abood on the 2015 information that was provided to the Committee and the retirees by Ms. McIntyre representing the HR Department which stated that since her offices were in the process of clarification on health insurance for the retirees and it was open enrollment time, Ms. McIntyre informed the retirees that if there was no resolution by the time open enrollment ended, the retirees could sign up for insurance, and if the clarification changed things they could make changes to their benefit. This has never happened, and therefore the Committee wants an update and an update provided to the retirees. The retirees now need the HR department assistance in making those changes. Mr. Abood stated he would have to check with HR. Council Staff was directed to provide Committee minutes to Mr. Abood.

Ms. Estee reminded the Committee that in 2010 the Mayor and Jerry Ambrose came up with the new policy, and predated it 6 years, effective February 20, 2004 that all retirees are tied to all active employees.

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Ms. Bennett reminded the Committee that there is open enrollment every year, and Council Member Brown Clarke reminded Ms. Bennett the Committee was aware of that, but the issue was not the annual open enrollment, but the clarification and its effect on the choices they made while they waited for the clarification.

Mr. Abood asked for clarification on if it was limited to 2015, and Council Member Brown Clarke confirmed everything prior was addressed. Mr. Abood then asked Ms. Estee if there were other claims from her, and she confirmed there were multiple claims filed and no response on any.

Discussion- Recycling Contract (Revenues and Expenses)

Mr. DeLine distributed an IFAS spreadsheet on the recycling fund, and acknowledged that he was not able to obtain a copy of the contract with vendor ReCommunity, and the Clerk's office did not have it either. There has been no response from Laurie Welch or Chad Gamble for it either. Mr. DeLine then outlined the report noting that revenues should meet the expenses. Mr. DeLine then was asked to provide an understanding of the process, and Mr. DeLine noted it was a single stream process and the best explanation would be for the Council to watch the video on the City website. He did go on to note that the recyclables are sorted by the vendor into categories and they determine the value and pay the City by the ton for the overall weight. Council Member Brown Clarke asked Mr. DeLine what matrix was used to anticipate projected revenue of \$130,000 in 2013. Mr. DeLine could not provide an answer. Ms. Bennett stated to the Committee that recycling material is market driven and it fluctuates. Council Member Brown Clarke outlined the report noting the line item of Sale of Recycled Materials at FY2013 Actual at \$3,368.01; 2014 at \$11,060.73 and 2015 at \$0, leading to the question on when does the City revisit it when it is evident it is not performing the way we anticipate. Ms. Bennett defended that the budget is prepared for projections 18 months before it ends, so things change and projections were downgraded as anticipated. Council Member Wood noted that when the program started it was promised to residents that the sale of recycling would pay for the system, than asked Mr. DeLine what the details were for contractual services. Mr. DeLine and Ms. Bennett did not have an answer for the amounts that were FY2013 Actual \$79,282.31; 2014 \$125,495.66 and 2015 \$165,169.87. Council Member Wood asked them to provide answers for what the contractual expenses were for.

Council Member Wood then asked Mr. DeLine to update the Committee on the status of the recycling in East Lansing, and Mr. DeLine distributed a report he found on the East Lansing website, and the referenced page 5-6 which stated "The components included a fixed fee per ton from Lansing, consisting of \$45/ton (subject to change), a \$3.44 ReCommunity environmental fee (subject to change- not charged to Lansing)". Since Mr. DeLine was not able to obtain the contract with ReCommunity he could not verify what Lansing pays, and Ms. Bennett could not provide the information either.

Again Council Member Brown Clarke asked in a competitive marketplace, and what point does the City revisit it.

Ms. Bennett then asked to refer back to the first spreadsheet that was handed out, noting it was not accurate due to the fact it was not done with the comprehensive financial reports. The conversion from modified to accrual for financial statements needs to be done and she can work with Mr. DeLine to show him. Council Member Brown Clarke encouraged the filling of an IT Director that could address this in a simple manner which computer science allows anyone to perform individual searches. Ms. Bennett was directed by Council Member Brown Clarke to sit down with Mr. DeLine to redact the items she referenced and produce the correct report by the

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next meeting. Ms. Bennett noted she was not able to meet with him personally until the week of April 11th.

Council Member Brown Clarke asked Ms. Bennett how many vacancies she had in Finance, and Ms. Bennett confirmed she had three vacancies with contractual employees filling them.

Setting the Threshold on Council Approved Separation Agreement

Council Member Wood clarified why she requested the item on the agenda, noting that during the process of the departure of Ms. McIntyre, Council has run into issues in finding out why and they want to make sure it does not happen again. In the past the ordinance was changed to address the “golden parachute” to allow Council to have a say in the executive management plan. Therefore she asked to look at an ordinance to allow Council to look at any separation or litigation. A similar example would be the current process on workers compensation claims. Mr. Abood stated he had already met with Council Member Wood and is currently reviewing the Charter and past City Attorney opinions. Currently Law is finding it hard to find the authority for Council to enter into this area or review or approve because everything points to it as an administrative function. Council Member Brown Clarke asked the review to include how does Council do their oversight, and legislatively what is Council’s role. Mr. Abood agreed to target the May 4, 2016 Committee meeting to report back, however will continue to keep the Council updated.

ADJOURN

Adjourn at 9:29 a.m.

Submitted by,

Sherrie Boak, Recording Secretary

Lansing City Council

Approved by the Committee on _____

CITY COUNCIL

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CITY COUNCIL

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OFFICE OF THE MAYOR

9th Floor, City Hall
124 W. Michigan Avenue
Lansing, Michigan 48933-1694
(517) 483-4141 (voice)
(517) 483-4479 (TDD)
(517) 483-6066 (Fax)

Virg Bernero, Mayor

TO: City Council President Judi Brown Clarke and Councilmembers
FROM: Mayor Virg Bernero
DATE: 4-7-16
RE: Defined Contribution Plan

The attached correspondence is forwarded for your review and appropriate action.

VB/rh
Attachment



City of Lansing
Inter-Departmental
Memorandum



To: Virg Bernero, Mayor
From: Angie Bennett, Finance Director
Subject: CITY COUNCIL AGENDA ITEM - Defined Contribution Plan
Date: 4-7-16

Please forward this resolution to City Council for placement on the Agenda.

If you have any questions, or need additional information, please give me a call.

Attachments

RESOLUTION
CITY OF LANSING DEFINED CONTRIBUTION PLAN
GOVERNING COMMITTEE

WHEREAS, the City of Lansing ("City") has established the City of Lansing Defined Contribution Plan and related trust (collectively referred to as the "Plan") for the benefit of employees of the City; and

WHEREAS, the Plan is required by the Internal Revenue Service (IRS) to be restated every five (5) years in order to incorporate any plan amendments made within the past five (years); and

WHEREAS, the Plan was amended in December, 2014 to include new Plan participants for Teamsters Local 214 Supervisory and Non-supervisory, Teamster Local 243 (formerly Local 580), 54-A District Court, Supervisory, and Clerical, Technical, and Professional employees; and

WHEREAS, the 54-A District Court is an Adopting Employer of the Defined Contribution Plan;

NOW, THEREFORE BE IT RESOLVED that the Governing Committee hereby adopts the Plan restatement as outlined in the Volume Submitter Defined Contribution Trust Agreement and Adoption Agreement 001.

Dated: 4/5/2016

CITY OF LANSING

By: Wm B. Kyron

Its: CHAIR PERSON

**ADOPTION AGREEMENT NO. 001 FOR THE
VOLUME SUBMITTER DEFINED CONTRIBUTION PLAN**

Sponsored by

FOSTER SWIFT
FOSTER SWIFT COLLINS & SMITH PC || ATTORNEYS

ARTICLE I - EMPLOYER AND BASIC PLAN INFORMATION

1.1 Employer Information:

This Item 1.1 should be completed based on the primary Employer if more than one entity is adopting this Plan. Each adopting entity in addition to the primary Employer may adopt this Plan by executing the signature page of this Adoption Agreement.

(a) Name, Address and Telephone Number:

City of Lansing
City Hall, 5th Floor
124 W. Michigan Avenue
Lansing, MI 48933
(517) 483-4500

(b) Employer Identification Number (EIN): 38-6004628

(c) Type of Entity:

- | | | | |
|--------------------------|--------------------------|-------------------------------------|---|
| <input type="checkbox"/> | Corporation | <input type="checkbox"/> | Limited Partnership |
| <input type="checkbox"/> | Professional Corporation | <input type="checkbox"/> | Limited Liability Company |
| <input type="checkbox"/> | Subchapter S Corporation | <input type="checkbox"/> | Professional Limited Liability Company |
| <input type="checkbox"/> | 501(c)(3) Organization | <input checked="" type="checkbox"/> | Governmental Unit |
| <input type="checkbox"/> | Other Nonprofit | <input type="checkbox"/> | Indian Tribe |
| <input type="checkbox"/> | Sole Proprietorship | <input type="checkbox"/> | Farmer's Cooperative |
| <input type="checkbox"/> | Partnership | <input type="checkbox"/> | Other: <i>(must be a legal entity recognized under federal income tax laws)</i> |

(d) Employer's Fiscal Year End: June 30

(e) Affiliated Employers:

- (1) The Employer is not a member of an affiliated group of employers.
- (2) The Employer is a member of a controlled group of corporations and/or an affiliated service group (within the meaning of Code Section 414(b), (c), (m) or (o)).

1.2 Other Participating Employers: The term "Employer" includes each entity that is listed below.

- (a) Not applicable. The Employer that is named in Item 1.1(a) of this Adoption Agreement is the sole participating entity.
- (b) Each entity that is listed below shall participate in this Plan, and the Employees of such entity shall be treated as Employees who are eligible to participate in this Plan in accordance with Article III of this Adoption Agreement and Section 3.1 of the Basic Plan Document.

Participation by the listed entity(ies) shall constitute:

- (1) a single employer plan (*i.e.*, all participating entities are members of the same controlled group or affiliated service group (within the meaning of Code Section 414(b), (c), (m) or (o))); or
- (2) a multiple employer plan (*i.e.*, at least one of the participating entities is not related to any other entity that participates in the Plan).

1.3 **Plan Information:**

(a) **Name of Plan:** City of Lansing Defined Contribution Plan

(b) **Effective Date:**

- (1) **New Plan.** The Employer hereby establishes the (the "Plan") in the form of the Foster, Swift, Collins & Smith, P.C. Volume Submitter Defined Contribution Plan as promulgated by Foster, Swift, Collins & Smith, P.C. (the "Volume Submitter Sponsor") effective as of (the "Effective Date"). *(If Item 1.3(c)(1) or Item 1.3(c)(3) is selected below, the Effective Date may not be earlier than the first day of the first Plan Year during which the Plan is formally adopted by the Employer. If Item 1.3(c)(2) is selected below, the Effective Date may not be earlier than the date on which the Employer formally adopts this Plan.)*
- (2) **Restatement of Existing Plan.** The Employer hereby amends, restates and continues, in the form of the Foster, Swift, Collins & Smith, P.C. Volume Submitter Defined Contribution Plan as promulgated by Foster, Swift, Collins & Smith, P.C. (the "Volume Submitter Sponsor") the (the "Plan") originally established on as the (the "Prior Plan"). Unless otherwise set forth in the Plan, the effective date of this amended and restated Plan shall be . *(The Effective Date may not be earlier than the first day of the Plan Year during which the restated Plan is formally adopted by the Employer.)*
- (3) **PPA Restatement.** The Employer hereby amends, restates and continues, in the form of the Foster, Swift, Collins & Smith, P.C. Volume Submitter Defined Contribution Plan as promulgated by Foster, Swift, Collins & Smith, P.C. (the "Volume Submitter Sponsor") the City of Lansing Defined Contribution Plan (the "Plan") originally established on October 1, 1990 as the City of Lansing Employees' Money Purchase Pension Plan (the "Prior Plan"). This restatement is intended to bring the Plan into compliance with the Pension Protection Act of 2006 ("PPA") and other legislative and regulatory changes. Unless otherwise set forth in the Plan, the Effective Date of this amended and restated Plan shall be January 1, 2016; provided, however, that the Effective Date of changes that are intended to comply with changes in applicable federal pension law shall be effective as of the first day of the first Plan Year that begins after December 31, 2006. *(The Effective Date may not be earlier than the first day of the Plan Year during which the restated Plan is formally adopted by the Employer.)*

(c) **Type of Plan:**

- (1) 401(k) and Profit Sharing
- (2) 401(k) Only
- (3) Profit Sharing Only

The Plan also includes a "pick-up feature" in accordance with Code Section 414(h) and employee after-tax contributions. See Item E. of Addendum A.

(d) **Plan Year:**

- (1) The Plan Year shall be the 12-consecutive-month period commencing on January 1 and ending on December 31.
- (2) Notwithstanding the 12-consecutive-month period that is specified in Item 1.3(d)(1) above, the Plan Year shall be a short Plan Year, commencing on and ending on .

(e) **Limitation Year:** The term "Limitation Year" shall mean:

- (1) the Plan Year; or
- (2) the 12-consecutive-month period beginning on and ending on the subsequent that occurs during the applicable Plan Year.

(f) **Trust Provisions:**

(1) **Name of Trust:** City of Lansing Defined Contribution Trust

(2) **Trustee(s) (name, address and telephone number):**

Wells Fargo Bank, N.A.
4660 S. Hagadorn Road, Suite 300
WS9921
East Lansing, MI 48823
(517) 351-6084

(3) **Trust Agreement:**

- [a] Plan assets are held in a tax qualified trust. The applicable Trust provisions are set forth in the Foster, Swift, Collins & Smith, P.C. Volume Submitter Defined Contribution Trust Agreement that is considered part of the Basic Plan Document. If this Item 1.3(f)(3)[a] is selected, then the following shall apply:
- [i] The Trustee(s) is (are) responsible for the collection of contributions on behalf of the Plan.
- [ii] Wells Fargo Bank, N.A. is hereby appointed as a Special Trustee of the Plan. The sole responsibility of the Special Trustee is to collect contributions that are owed to the Plan. No other Trustee has the responsibility to collect contributions that are owed to the Plan.
- [b] Plan assets are held in a tax qualified trust. The applicable Trust provisions are set forth in a separate Trust Agreement between the Employer and the Trustee. The separate Trust Agreement is attached to this Adoption Agreement and incorporated into the Plan by reference. *(Note: the selection of this Item 1.3(f)(3)[b] is a variation from the volume submitter document and will result in the loss of the Employer's ability to rely on the Volume Submitter Sponsor's advisory letter. The Employer will be required to apply for a determination letter from the IRS in order to obtain reliance as to the Plan's qualified status.)*

ARTICLE II — DEFINITIONS

2.1 **Compensation:** The following elections shall apply for purposes of Section 2.1(j) of the Basic Plan Document. *(CAUTION: Code Section 414(s) requires that the Plan's definition of compensation on which the allocation of*

contributions is based be nondiscriminatory. The regulations under Code Section 414(s) prescribe certain safe harbor definitions of compensation that automatically satisfy the requirements of Code Section 414(s). Use of a non-safe harbor definition of compensation requires that special nondiscrimination testing be performed in order to demonstrate the Plan's satisfaction of Code Section 414(s). If a non-safe harbor definition of compensation is selected below, the Plan will be subject to such special nondiscrimination testing under Code Section 414(s) and the regulations promulgated thereunder.)

- (a) The term "Compensation" shall have the meaning that is set forth in Section 2.1(j) of the Basic Plan Document (*safe harbor*).
- (b) The term "Compensation" shall have the meaning that is set forth in Section 2.1(j) of the Basic Plan Document, as modified by the elections that are set forth below (*select all that apply*).
 - (1) Compensation that is not currently includible in the Participant's gross income by reason of the application of Code Sections 125 (including deemed Code Section 125 compensation), 132(f), 402(e)(3), 402(h)(1)(B), 414(h), or 403(b) shall be excluded from Compensation (*safe harbor*).
 - (2) Reimbursements or other expense allowances, fringe benefits (cash or non-cash), moving expenses, deferred compensation (other than elective deferrals that are described in Item 2.1(b)(1) above) and welfare benefits shall be excluded from Compensation (*safe harbor*).
 - (3) Differential wage payments that are described in Section 2.1(j)(8) shall be excluded from Compensation effective for Plan Years that begin on or after (may not be earlier than January 1, 2009) (*safe harbor*).
 - (4) The following shall be excluded from Compensation (*non-safe harbor*):
 - [a] overtime;
 - [b] bonuses; and/or
 - [c] commissions.
 - (5) The following elections shall apply notwithstanding any provision of Section 2.1(j)(5) and (6) of the Basic Plan Document to the contrary (*select all that apply*):
 - [a] post-severance regular pay shall be excluded from Compensation effective for Plan Years that begin on or after (may not be earlier than July 1, 2007) (*safe harbor*);
 - [b] post-severance leave cashouts and deferred compensation shall be excluded from Compensation effective for Plan Years that begin on or after (may not be earlier than July 1, 2007) (*safe harbor*);
 - [c] salary continuation payments for military service shall be included in Compensation effective for Plan Years that begin on or after (may not be earlier than July 1, 2007) (*safe harbor*);
 - [d] salary continuation payments for disabled participants (as defined in Code Section 22(e)(3)) shall be included in Compensation effective for Plan Years that begin on or after (may not be earlier than July 1, 2007) (*safe harbor*); and/or
 - [e] effective for Plan Years that begin on or after (may not be earlier than July 1, 2007), amounts that are earned by a Participant, but not paid during the Plan Year solely due to the timing of pay periods and pay dates, shall be included in Compensation; provided the amounts are paid during the first few

weeks of the next Limitation Year, the amounts are included on a uniform and consistent basis with respect to all similarly situated employees, and no such amounts are included in more than one Limitation Year (*safe harbor*).

- (c) The term "Compensation" shall have the alternative meaning that is set forth below.

The term "Compensation" shall have the meaning that is set forth in this Item 2.1(c).

Compensation, as defined in Section 2.1(j) of the Basic Plan Document, modified to include salary continuation payments for military service effective for Plan Years that begin on or after July 1, 2007, and further modified as set forth below.

- (1) The first two sentences of Section 2.1(j) are replaced in their entirety with the following:

“(j) Compensation: Compensation shall mean the total of all amounts that are paid to a Participant by the Employer for personal services determined on the same basis as is determined under Section 292.01(g) of the City of Lansing Employees’ Retirement System Ordinance (or any successor), excluding bonus payments, health-risk assessment payments, medical insurance opt-out payments, sick leave reimbursement, payments made under the Lansing Home Ownership Program for Employees, and any other payments that are excluded from Final Average Compensation as defined in the City of Lansing Employees’ Retirement System Ordinance pursuant to any collective bargaining agreement and any related documents such as a memorandum of understanding.”

- (2) Section 2.1(j)(2) is replaced in its entirety with the following:

“(2) Any benefits paid under this and any other deferred compensation plan and any qualified retirement plan shall be excluded from Compensation for purposes hereof. Any lump sum payments made upon employment termination (including, but not limited to accrued vacation time, sick time, personal leave, or comp time) shall be excluded from Compensation for purposes hereof.”

(Note: the selection of this Item 2.1(c) is a variation from the volume submitter document and will result in the loss of the Employer's ability to rely on the Volume Submitter Sponsor's advisory letter. The Employer will be required to apply for a determination letter from the IRS in order to obtain reliance as to the Plan's qualified status. Furthermore, if the definition stated in this Item 2.1(c) is not a Code Section 414(s) safe harbor definition of compensation, the Plan will be subject to special nondiscrimination testing in accordance with Code Section 414(s) and the regulations promulgated thereunder.)

- (d) **Determination Period:** Compensation for each Participant shall be based on:

- (1) the Plan Year; or
- (2) a 12-consecutive-month period that begins on _____ and ends within the Plan Year to which the contribution relates. Compensation for Employees whose dates of hire are less than 12 months before the end of such 12-consecutive-month period shall be determined over the Plan Year.

- (e) **First Plan Year of Participation:**

- (1) Compensation shall include Compensation that is paid to the Participant for the entire determination period (as defined in Item 2.1(d) above), regardless of when his or her participation in the Plan commenced.
- (2) Compensation shall not include Compensation that is paid to the Participant prior to the date on which his or her participation in the Plan commenced. If different eligibility

provisions apply with respect to different types of contributions, this rule shall apply separately with respect to each contribution type.

2.2 **Early Retirement Age:** For all purposes under this Plan, the term "Early Retirement Age" shall mean:

- (a) not applicable;
- (b) age (not less than age 55); or
- (c) age (not less than age 55) and the completion of _____ Year(s) of Service.

2.3 **Eligibility Computation Period:** The term "Eligibility Computation Period" shall have the meaning that is set forth in Section 2.1(n) of the Basic Plan Document. For purposes of this Plan, the initial Eligibility Computation Period shall commence on the Employee's employment commencement date (the date on which the Employee first performs an Hour of Service). Each subsequent Eligibility Computation Period shall:

- (a) be the same as a Plan Year, commencing with the Plan Year that includes the first anniversary of the Employee's employment commencement date;
- (b) commence on the anniversary of the Employee's employment commencement date; or
- (c) commence on the anniversary of the Employee's employment commencement date; provided, however, that if the Employee fails to complete a Year of Service in the initial 12-consecutive-month period, all subsequent periods shall be the same as the Plan Year, commencing with the Plan Year that includes the first anniversary of the Employee's employment commencement date *(requires completion of a full 24-months of employment if used in conjunction with Eligibility Codes [d] and [e] in Item 3.1(b) below).*

2.4 **Employee:** The term "Employee" shall have the meaning that is set forth in Section 2.1(o) of the Basic Plan Document. Each Employee of the Employer shall be eligible to participate in this Plan in accordance with Article III of the Basic Plan Document; provided, however, that any employee who is a member of the employment classification(s) that are selected in the chart below shall not be treated as an "Employee":

See Item B. of Addendum A.

Contribution Type	Excluded Employment Classifications Codes
All Contributions	
OR	
Elective Deferrals (including Roth Elective Deferrals, if selected in Item 4.1(c)(2) of this Adoption Agreement)	
Employer Matching Contributions (including QMACs)	
Employer Discretionary Contributions (including QNECs)	
Safe Harbor Matching Contributions	
Safe Harbor Nonelective Contributions	

For purposes of completing the "Employment Classifications" section of the foregoing chart, use the following Classification Codes:

Code	Exclusion
(a)	no exclusions;
(b)	Leased Employees;
(c)	nonresident aliens deriving no income from the Employer that constitutes income from sources within the United States;
(d)	individuals whose employment is subject to a collective bargaining agreement in which retirement benefits have been bargained in good faith, unless the collective bargaining agreement provides that members who are covered by said agreement shall be covered by the Plan;
(e)	individuals who are compensated by the Employer on an hourly basis;
(f)	individuals who are compensated by the Employer on a salaried basis;
(g)	individuals who receive 100% of their wages from the Employer in the form of commissions; and/or
(h)	<p>other:</p> <p><i>(The exclusions that are listed in this Section 2.4(h) may not cause the group of Non-Highly Compensated Employees who participate under the Plan to consist only of those Non-Highly Compensated Employees: (i) who have the lowest amount of Compensation and/or the shortest periods of Service and; (ii) who represent the minimum number of Non-Highly Compensated Employees that are necessary to satisfy the coverage requirements of Code Section 410(b).)</i></p> <p><i>(Note: the selection of this Classification Code (h) is a variation from the volume submitter document and will result in the loss of the Employer's ability to rely on the Volume Submitter Sponsor's advisory letter. The Employer will be required to apply for a determination letter from the IRS in order to obtain reliance as to the Plan's qualified status.)</i></p>

(Note: Classifications Codes (b), (e), (f), (g) and (h) above are not statutory exclusions. Therefore, the selection of any of those Codes will require special testing to ensure that the exclusion does not violate applicable coverage requirements. For this purpose, a Participant is treated as benefiting under the Plan for any Plan Year during which the Participant received, or is deemed to have received, an allocation in accordance with Section 1.410(b)-(3)(a).)

2.5 **Highly Compensated Employee:** The term "Highly Compensated Employee" shall have the meaning that is set forth in Section 2.1(dd) of the Basic Plan Document. For this purpose, the top-paid group election and the calendar year data election will be used only if elected below.

N/A – This is a governmental plan and, therefore, is not subject to the requirements of Code Section 416 and the regulations thereunder.

- (a) **Top Paid Group Election:** The top-paid group election will apply for Plan Years that begin on or after .
- (b) **Calendar Year Data Election:** Calendar year data will be used for Plan Years that begin on or after .

2.6 **Normal Retirement Age:** For all purposes under this Plan, the term "Normal Retirement Age" shall mean:

(a) **General Rule.:**

- (1) Age 55, increasing to age 62 effective as of the date required for governmental plans under Code Section 401(a)(36) and the related regulations (*not to exceed age 65*).
- (2) The later of the Participant's attainment of age or the anniversary of the Participant's participation commencement date (*not to exceed the later of age 65 or the fifth anniversary of the Participant's participation commencement date*).

(b) **Special Rule for Pension Transfer Account:** If this Item 2.6(b) is selected, this Plan maintains a Pension Transfer Account for certain Participants. "Normal Retirement Age," solely as that term pertains to the Pension Transfer Account, shall have the meaning that is set forth below.

- (1) Age . (*The age selected may not be less than age 55 or greater than age 65. In addition, the age selected must not be earlier than the earliest retirement age that is reasonably representative of the typical retirement age for the industry in which Plan Participants work. Age 62 or older automatically satisfies such requirement.*)

- (2) The later of the two events that are specified below.

[a] Attainment of age . (*The age selected may not be less than age 55 or greater than age 65. In addition, the age selected must not be earlier than the earliest retirement age that is reasonably representative of the typical retirement age for the industry in which Plan Participants work. Age 62 or older automatically satisfies such requirement.*)

[b] The Participant's anniversary (*not to exceed the fifth anniversary*) of the Participant's participation commencement date. (*If, for Plan Years that begin before January 1, 1988, Normal Retirement Age with respect to amounts that are credited to a Participant's Pension Transfer Account were determined with reference to the anniversary of the Participant's participation commencement date (more than 5 but not to exceed 10 years), the anniversary date of a Participant who first commenced participation under the Plan before the first Plan Year that began on or after January 1, 1988, shall be the earlier of [i] the tenth anniversary of the date on which the Participant commenced participation in the Plan (or such anniversary as had been elected by the Employer, if less than 10) or [ii] the fifth anniversary of the first day of the first Plan Year beginning on or after January 1, 1988. The Participant's participation commencement date is the first day of the first Plan Year in which the participant commenced participation in the plan from which amounts that are credited to the Participant's Pension Transfer Account were merged.*)

- (3) If this Item (3) is selected, the Normal Retirement Age that is specified in Item 2.6(b)(1) or 2.6(b)(2) above, whichever is applicable, represents a change from the provisions of a Prior Plan, as required under PPA. Therefore, the Normal Retirement Date specified in this Item 2.6(b) became effective as of the first day of the first Plan Year that began after June 30, 2008. A Participant's Normal Retirement Age, as it applies to his or her Pension Transfer Account shall be determined for prior Plan Years in accordance with the terms of the Plan as in effect prior to the adoption of this amended and restated Plan.

2.7 **Vesting Computation Period:** The term "Vesting Computation Period" shall have the meaning set forth in Section 2.1(zz) of the Basic Plan Document. The election that is set forth below shall apply for purposes of this Plan.

- (a) The Vesting Computation Period shall be the same as a Plan Year.
- (b) The initial Vesting Computation Period shall commence on the Employee's employment commencement date (the date on which the Employee first performs an Hour of Service). Each

subsequent Vesting Computation Period shall be the same as a Plan Year, commencing with the Plan Year that includes the first anniversary of the Employee's employment commencement date.

- (c) The initial Vesting Computation Period shall commence on the date on which the Employee first performs an Hour of Service. Each subsequent Vesting Computation Period will commence on the anniversary of such date.

See also Item 1. of Addendum A to this Adoption Agreement for additional definitions.

ARTICLE III – PARTICIPATION AND SERVICE

3.1 **Eligibility:**

- (a) **Frozen Plan:** If this Item 3.1(a) is selected, participation in the Plan has been (or will be) curtailed effective as of _____ (the "Freeze Date"). Therefore, notwithstanding any provision of the Plan to the contrary, no individual may commence Plan participation if he or she had (or has) not already commenced Plan participation as of the Freeze Date. In addition, former Plan participants who are rehired by the Employer after the Freeze Date shall not reparticipate in the Plan; provided, however, that Years of Service for any rehired former Participant shall be credited solely for vesting purposes to the extent required under Section 3.3(b) of the Basic Plan Document and applicable law. *(If selected, complete the remainder of this Item 3.1 only if the Freeze Date is after the Effective Date that is elected in Item 1.3(b) of this Adoption Agreement.)*
- (b) **Participation:** Each Employee of the Employer who satisfies the eligibility requirements that are in the following chart shall be eligible to participate in the Plan in accordance with Section 3.1 of the Basic Plan Document as of the entry date that is specified in the chart below.

Contribution Type	Eligibility Requirements Code	Entry Dates
All Contributions	[f], [g]	[c]
OR		
Elective Deferrals (including Roth Elective Deferrals, if selected in Item 4.1(c)(2) of this Adoption Agreement)		
Employer Matching Contributions (including QMACs)		
Employer Discretionary Contributions (including QNECs)		
Safe Harbor Matching Contributions		
Safe Harbor Nonelective Contributions		

- (1) **Eligibility Requirements:** For purposes of completing the "Eligibility Requirements" section of the foregoing chart, use the following Eligibility Codes:

Code	Eligibility Requirement
[a]	no requirements;
[b]	attainment of age _____ (not to exceed age 21);
[c]	completion of one (1) Year of Service within any Eligibility Computation Period;

[d]	completion of two (2) Years of Service within any series of consecutive Eligibility Computation Periods; <i>(this option: [i] may not be selected with respect to Elective Deferrals; and [ii] requires the selection of full and immediate vesting in Item 6.3 of this Adoption Agreement for each form of contribution to which this option applies).</i>
[e]	expiration of the Eligibility Computation Period (or Eligibility Computation Periods where Code [d] above is designated as an eligibility requirement) during which the Employee has satisfied the all eligibility requirements;
[f]	employment by the Employer on the applicable entry date; and/or
[g]	other: The Employee has completed one Hour of Service within any Eligibility Computation Period. <i>(age may not exceed age 21, and Years of Service may not exceed: [i] one (1) Year of Service for Elective Deferrals; and [ii] two (2) Years of Service for all other contributions.)</i> <i>(Note: the selection of Eligibility Requirement Code [g] is a variation from the volume submitter document and will result in the loss of the Employer's ability to rely on the Volume Submitter Sponsor's advisory letter. The Employer will be required to apply for a determination letter from the IRS in order to obtain reliance as to the Plan's qualified status.)</i>

- (2) **Entry Dates:** For purposes of completing the "Entry Date" section of the foregoing chart, use the following Entry Date Codes:

Code	Entry Date
[a]	the Employee's date of hire <i>(permitted only if Eligibility Requirement Code [a] above is selected);</i>
[b]	the first day of the Plan Year that is nearest the date on which the Employee satisfies the eligibility requirements <i>(permits retroactive participation);</i>
[c]	the date on which the Employee satisfies the eligibility requirements <i>(daily entry);</i>
[d]	the first day of the first payroll period that coincides with or next follows the date on which the Employee satisfies the eligibility requirements <i>(payroll date entry);</i>
[e]	the first day of the month coinciding with or next following the date on which the Employee satisfies the eligibility requirements <i>(monthly entry);</i>
[f]	the earlier of the first day of the [i] first month; [ii] fourth month; [iii] seventh month; or [iv] tenth month of the Plan Year coinciding with or next following the date on which the Employee satisfies the eligibility requirements <i>(quarterly entry);</i> or
[g]	the earlier of the first day of the [i] first month or [ii] seventh month of the Plan Year coinciding with or next following the date on which the Employee satisfies the eligibility requirements <i>(semi-annual entry).</i>

- (3) **Waiver of Eligibility Requirements:** Notwithstanding the requirements set forth above in this Item 3.1(b), any Employee who is employed by the Employer on _____ shall participate in the Plan as of the Effective Date for the following purpose(s):

[a] all contributions;

OR

[b] Elective Deferrals (including Roth Elective Deferrals, if applicable);

- [c] Employer Matching Contributions (including QMACs);
- [d] Employer Discretionary Contributions (including QNECs);
- [e] Safe Harbor Matching Contributions; and/or
- [f] Safe Harbor Nonelective Contributions.

3.2 **Service:** The elections that are set forth below shall apply when determining a Participant's Service. Unless otherwise noted below, these elections shall apply for purposes of eligibility and vesting under Section 3.2 of the Basic Plan Document.

(a) **Pre-Age 18 Service:** Solely for purposes of vesting, Years of Service prior to the Participant's attainment of age 18 shall:

- (1) be disregarded; or
- (2) not be disregarded.

(b) **Pre-Effective Date Service:** The rules that are elected below shall apply with respect to Service prior to the Plan's Effective Date.

- (1) This is a new Plan.
 - [a] Service prior to the Effective Date of the Plan shall be disregarded for all purposes.
 - [b] Any Employee shall receive Years of Service credit for said Employee's last period of continuous employment with the Employer that includes the Effective Date. The relevant 12-consecutive-month period for this purpose shall be the Plan Year.
- (2) This is a restated Plan. Service prior to the earliest Effective Date of the Plan shall be determined in accordance with the terms of the Prior Plan.

(c) **Service With Predecessor Employer(s):** Service shall also include service with the employer(s) listed below for purposes of: eligibility; vesting; and/or allocations of Employer contributions.

- (1) Not applicable; or
- (2) .

See also Item D. of Addendum A to this Adoption Agreement.

ARTICLE IV -- CONTRIBUTIONS AND FORFEITURES

4.1 **Employer Contributions:** All of the types of Employer Contributions that are selected below shall be made to the Plan in accordance with Article IV of the Basic Plan Document and the elections set forth below.

(a) **Frozen Plan:** If this Item 4.1(a) is selected, contributions to the Plan ceased (or shall cease) effective as of _____ (the "Freeze Date"). Therefore, notwithstanding any provision of the Plan to the contrary, further contributions shall not be made to the Plan with respect to Compensation that is paid to any Participant after the Freeze Date or Service performed by any Participant after the Freeze Date. *(If selected, complete the remainder of this Article IV only if the Freeze Date is after the Effective Date elected in Item 1.3(b) of this Adoption Agreement.)*

- (b) **Military Service:** Effective as of January 1, 2007 (*not earlier than the first day of the Plan Year that begins during 2007*), for purposes of determining a Participant's eligibility for contributions under the Plan, the Plan shall / shall not treat an individual who dies or becomes disabled while performing qualified military service with respect to the Employer as if the individual had resumed employment in accordance with the individual's reemployment rights under USERRA on the day preceding his or her death or Disability (as the case may be) and terminated employment on the actual date of death or Disability.
- (c) **Elective Deferrals:** If this Item 4.1(c) is selected, Elective Deferral contributions shall be permitted.
- (1) **Special Effective Date:**
- [a] Not applicable. The initial effective date of the Elective Deferral provisions of the Plan shall be the same as the Effective Date that is set forth in Item 1.3(b) of this Adoption Agreement or, in the case of a restated Plan, Elective Deferral Contributions were permitted under the Prior Plan.
- [b] The Elective Deferral provisions of the Plan shall become effective as of *(may not be earlier than the date on which the Employer formally adopts the Code Section 401(k) provisions of this Plan)*.
- (2) **Roth Elective Deferrals:** If this Item 4.1(c)(2) is selected, Roth Elective Deferrals shall be permitted in accordance with Article XIV of the Basic Plan Document effective on and after *(date on which the Roth Elective Deferral provisions of the Plan first become effective or, in the case of a restated Plan, first became effective under the Prior Plan (may not be earlier than January 1, 2006))*.
- (3) **Catch-Up Contributions:** If this Item 4.1(c)(3) is selected, Catch-Up Contributions under Code Section 414(v) shall be permitted in accordance with Article IV of the Basic Plan Document.
- [a] **Special Effective Date:**
- [i] Not applicable. The initial effective date of the Catch-Up Contribution provisions of the Plan shall be the same as the Effective Date that is set forth in Item 1.3(b) of this Adoption Agreement or, in the case of a restated Plan, Catch-Up Contributions were permitted under the Prior Plan.
- [ii] The Catch-Up Contribution provisions of the Plan shall become effective as of .
- (4) **Elective Deferral Sources:** Elective Deferrals may be made from the Participant's:
- [a] periodic payroll checks; or
- [b] periodic payroll checks and non-periodic (for example, bonus) compensation checks, and
- [i] the non-periodic deferral percentage shall be the same percentage elected for periodic payroll checks; or
- [ii] a separate election of the deferral percentage may be made for periodic payroll checks and non-periodic compensation.

- (5) **Election Frequency:** Elective Deferral agreements and amendments to Elective Deferral agreements shall not be made retroactively, but may be made:
- [a] as of _____ (*must be at least once per Plan Year*); or
 - [b] in accordance with administrative procedures adopted by the Employer.
- (6) **Automatic Enrollment:** If this Item 4.1(c)(6) is selected, the automatic enrollment provisions of Section 4.1(a) of the Basic Plan Document shall apply.
- [a] **Effective Date:** The automatic enrollment provisions of the Plan shall apply effective on and after _____ (*date on which the automatic enrollment provisions become effective under this Plan or, in the case of a restated Plan, first became effective under the Prior Plan*).
 - [b] **Application to New and Existing Participants:** The automatic enrollment provisions of the Plan shall apply to each Participant who becomes eligible to make Elective Deferrals on or after the effective date that is set forth in Item 4.1(b)(6)[a] above. In addition, the automatic enrollment provisions shall apply to the extent elected below to each Participant who, as of the effective date that is set forth in Item 4.1(b)(6)[a] above, was eligible to make Elective Deferrals.
 - [i] Not applicable. This is a new Plan or, in the case of a restated Plan, the Elective Deferrals were not permitted under the Prior Plan.
 - [ii] The automatic enrollment provisions of the Plan shall not apply to any Participant in the Prior Plan who is eligible to make Elective Deferrals as of the effective date set forth in Item 4.1(b)(6)[a] above.
 - [iii] The automatic enrollment provisions of the Plan shall apply to each Participant under the Prior Plan who is eligible to make Elective Deferrals as of the effective date set forth in Item 4.1(b)(6)[a] above, regardless of any prior elective deferral agreement that was made by the Participant.
 - [iv] The automatic enrollment provisions of the Plan shall apply to each Participant under the Prior Plan who is eligible to make Elective Deferrals as of the effective date set forth in Item 4.1(b)(6)[a] but who does not have an elective deferral agreement in effect on such date.
 - [c] **Default Percentage:**
 - [i] The default percentage shall be _____ % of Compensation for each payroll period; or
 - [ii] The initial default percentage shall be _____ % of Compensation for each payroll period. The default percentage will increase by _____ percentage points as described in Section 4.1(a) of the Basic Plan Document until the default percentage is _____ % (*not greater than 6%*) of Compensation.
- (7) **Actual Deferral Percentage (ADP) Testing Method:**
- [a] **Prior Year Testing:** The Plan shall use the prior year testing method that is set forth in Section 4.2(c)(1) of the Basic Plan Document.

- [b] **Current Year Testing:** The Plan shall use the current year testing method that is set forth in Section 4.2(c)(2) of the Basic Plan Document *(must be selected if Item 4.1(d)(3) of this Adoption Agreement is selected)*.

Note: The Plan may not switch from the current year testing method to the prior year testing method unless: [i] the Plan has used current year testing for each of the preceding five (5) Plan Years (or if lesser, the number of Plan Years that the Plan has been in existence); or [ii] if, as a result of a merger or acquisition that is described in Code Section 410(b)(6)(C)(i), the Employer maintains both a plan using prior year testing and a plan using current year testing and the change is made within the transition period described in Section 410(b)(6)(C)(ii).

(d) **Nonelective Contributions:**

- (1) **Employer Discretionary Contributions:** If this Item 4.1(d)(2) is selected, Employer Discretionary Contributions shall be permitted. ***(CAUTION: Code Section 401(a)(4) requires that the Plan's allocation formula be nondiscriminatory. The regulations under Code Section 401(a)(4) prescribe certain safe harbor allocation formulas that automatically satisfy the nondiscrimination in amount requirements of Code Section 401(a)(4). Use of a non-safe harbor allocation formula requires that special nondiscrimination testing be performed in order to demonstrate satisfaction of Code Section 401(a)(4). Selection of a non-safe harbor allocation formula below will subject the Plan to special nondiscrimination testing in accordance Code Section 401(a)(4) and the regulations thereunder.)***

[a] **Special Effective Date:**

- [i] Not applicable. The Employer Discretionary Contribution provisions are effective as of the Effective Date of this Plan or, in the case of a restated Plan, on the Effective Date of this restatement.
- [ii] The Employer Discretionary Contribution provisions of this Plan shall become effective as of _____.

[b] **Uniform/Integrated Allocation Methods (safe harbor):**

- [i] **Pro-Rata Formula:** The Employer Discretionary Contribution for the Plan Year shall be allocated among eligible Participants (as described in Item 4.1(d)(1)[d] of this Adoption Agreement) in the same proportion as each such Participant's Compensation for the Plan Year bears to the total Compensation of all Participants for such Plan Year.

See also Item C. of Addendum A.

- [ii] **Excess Integrated Formula:** The Employer Discretionary Contribution for the Plan Year shall be allocated among eligible Participants (as described in Item 4.1(d)(1)[d] of this Adoption Agreement) in accordance with the four-step excess integrated allocation formula that is described in Section 4.1(b)(1)[b] of the Basic Plan Document. The integration level shall be equal to:
- a. the Social Security taxable wage base as in effect at the beginning of the Plan Year;
- b. _____ % *(not to exceed 100%)* of the Social Security taxable wage base as in effect at the beginning of the Plan Year; or

c. § (not to exceed the Social Security taxable wage base as in effect at the beginning of the Plan Year);

[iii] **Other:** The Employer Discretionary Contribution for the Plan Year shall be allocated in accordance with the formula that is set forth below *(must be a uniform allocation formula as described in Code Section 1.401(a)(4)-2(b)(2))*:

(Note: the selection of this Item 4.1(d)(1)[b][iii] is a variation from the volume submitter document and will result in the loss of the Employer's ability to rely on the Volume Submitter Sponsor's advisory letter. The Employer will be required to apply for a determination letter from the IRS in order to obtain reliance as to the Plan's qualified status.)

[c] **Non-Uniform Allocation Methods (non-safe harbor):**

[i] **Cross-Tested Formula.** If an Employer Discretionary Contribution is declared for a Plan Year, then the Gateway Allocation determined pursuant to Section 4.1(b)(1)[c] of the Basic Plan Document shall be made for all Participants who are Non-Highly Compensated Employees. Any remaining Employer Discretionary Contribution for the Plan Year shall be allocated among each eligible Participant (as described in Item 4.1(d)(1)[d] of this Adoption Agreement) in accordance with the cross-tested allocation formula that is as described in Section 4.1(b)(1)[c] of the Basic Plan Document. For this purpose, allocation groups shall consist of the following:

(The groups that are listed under this Section 4.1(d)(1)[c][i] may not cause the group of Non-Highly Compensated Employees who benefit under this Section 4.1(d)(1) to consist only of those Non-Highly Compensated Employees who: (i) have the lowest amount of Compensation and/or the shortest periods of Service and; (ii) represent the minimum number of Non-Highly Compensated Employees that are necessary to satisfy the coverage requirements of Code Section 410(b).)

[ii] **Other:** The Employer Discretionary Contribution for the Plan Year shall be allocated in accordance with the formula that is set forth below *(must satisfy the applicable nondiscrimination in amount requirements that are set forth in Code Section 401(a)(4))*:

(Note: the selection of this Item 4.1(d)(1)[c][ii] is a variation from the volume submitter document and will result in the loss of the Employer's ability to rely on the Volume Submitter Sponsor's advisory letter. The Employer will be required to apply for a determination letter from the IRS in order to obtain reliance as to the Plan's qualified status.)

[d] **Contribution Eligibility Requirements:**

[i] **General Rule:** Any Employer Discretionary Contribution that is declared for a Plan Year shall be allocated in accordance Section 4.1(b)(1) of the Basic Plan

Document using the formula elected in this Section 4.1(d) to each Participant who meets the eligibility requirements that are elected below.

- a. No eligibility requirements. The Employer Discretionary Contribution shall be made for each Participant who is employed by the Employer during the Plan Year to which the Employer Discretionary Contribution relates.
- b. The Participant is employed by the Employer on the last day of the Plan Year to which the Employer Discretionary Contribution relates, regardless of the number of Hours of Service completed by the Participant during that Plan Year.
- c. The Participant completes at least one (1) (*not more than 1,000*) Hours of Service during the Plan Year to which the Employer Discretionary Contribution relates, regardless of whether the Participant is employed by the Employer at the end of that Plan Year.
- d. The Participant is employed by the Employer on the last day of the Plan Year to which the Employer Discretionary Contribution relates and completes at least (*not more than 1,000*) Hours of Service during that Plan Year.

[ii] **Exceptions:** Notwithstanding the foregoing contribution eligibility requirements, any Participant who terminates employment during the Plan Year to which the discretionary contribution relates shall receive an allocation of any Employer Discretionary Contribution that is made for that Plan Year, where such termination was:

- a. due to the Participant's death;
- b. due to the Participant's Disability; and/or
- c. on or after the date on which the Participant attained the:
 - 1. Early Retirement Age; or
 - 2. Normal Retirement Age.

(2) **Employer Matching Contributions:** If this Item 4.1(d)(2) is selected, Employer Matching contributions shall be permitted. Employer Matching Contributions shall be made with respect to a Participant's Elective Deferral Contributions (including Roth Elective Deferral Contributions, if Roth Elective Deferral Contributions are permitted).

[a] **Special Effective Date:**

- [i] Not applicable. The Employer Matching Contribution provisions are effective as of the Effective Date of this Plan or, in the case of a restated Plan, on the Effective Date of this restatement.
- [ii] The Employer Matching Contribution provisions of this Plan shall become effective as of .

[b] **Amount:**

[i] **Fixed Amount:** The amount of Employer Matching Contributions that will be made for each eligible Participant (as described in Item 4.1(d)(2)[d] of this Adoption Agreement) shall be \$ _____ for every dollar that the Participant contributes in the form of Elective Deferrals. The maximum matching contribution that will be contributed by the Employer for any Participant in the form of Matching Contributions shall be _____.

[ii] **Discretionary Amount:** The amount of Employer Matching Contributions that will be made for each eligible Participant (as described in Item 4.1(d)(2)[d] of this Adoption Agreement) shall be an amount equal to such amount for every dollar that the Participant contributes in the form of Elective Deferrals as is determined by resolution of the Governing Board adopted on or before the last day of each Plan Year.

Note: If the ACP test safe harbor is selected in Item 4.1(d)(3)[b][i] of this Adoption Agreement, then: (a) Employer Matching Contributions may not be made with respect to any Participant's Elective Deferrals that exceed 6% of his or her Compensation; (b) no Highly Compensated Employee may receive a greater rate of Employer Matching Contributions than a Non-Highly Compensated Employee who is deferring the same rate of Elective Deferrals as the Highly Compensated Employee; and (c) the rate of Employer Matching Contributions may not increase for any Participant as his or her Elective Deferrals increase. Furthermore, if the ACP test safe harbor is selected in Item 4.1(d)(3)[b][i] and discretionary Employer Matching Contributions are selected in Item 4.1(d)(2)[b][ii] above, then the maximum discretionary Employer Matching Contribution that may be made on behalf of any Participant is 4% of his or her Compensation.

[c] **Catch-Up Contributions:** Employer Matching Contributions shall / shall not be made with respect to a Participant's Catch-Up Contributions. *(Note: Employer Matching Contributions must be made with regard to Catch-Up Contributions if Item 4.1(d)(3)[c][ii] of this Adoption Agreement is selected.)*

[d] **Matching Contribution Eligibility Requirements:**

[i] **General Rule:** Any Employer Matching Contribution shall be allocated in accordance with Section 4.1(b)(2) of the Basic Plan Document to any Participant who meets the requirements elected below.

a. No eligibility requirements. Employer Matching Contributions shall be made for each Participant who makes Elective Deferrals during the contribution computation period to which the Matching Contribution relates *(must be selected if Item 4.1(d)(3)[b][i] of this Adoption Agreement is selected).*

b. The Participant is employed by the Employer on the last day of the matching contribution computation period to which the Employer Matching Contribution relates.

c. The Participant completes at least _____ *(not more than 1,000)* Hours of Service during the Plan Year to which the matching contribution relates, regardless of whether the Participant is employed by the Employer on the last day of that Plan Year *(permitted only if the contribution computation*

period that is elected in Items 4.1(d)(2)[e] of this Adoption Agreement is the Plan Year).

- d. The Participant is employed by the Employer on the last day of the Plan Year to which the Employer Matching Contribution relates and completes at least *(not more than 1,000)* Hours of Service during that Plan Year *(permitted only if the contribution computation period that is elected in Item 4.1(d)(2)[e] of this Adoption Agreement is the Plan Year).*

[ii] **Exceptions:** Notwithstanding the foregoing eligibility requirements for Employer Matching Contributions, any Participant who terminates employment during the computation period to which the Employer Matching Contribution relates shall receive Employer Matching Contributions for that computation period, where such termination was:

- a. due to the Participant's death;
- b. due to the Participant's Disability; and/or
- c. on or after the date on which the Participant attained the:
1. Early Retirement Age; or
 2. Normal Retirement Age.

[e] **Contribution Computation Period:** The contribution computation period for purposes of Section 4.1(b)(2) and 5.2(d) of the Basic Plan Document shall be:

- [i] the Plan Year;
- [ii] each payroll period that ends within or within the Plan Year;
- [iii] each calendar month that ends with or within the Plan Year; or
- [iv] the respective Plan Year quarters that end with the third, sixth, ninth and twelfth months of the Plan Year.

If either of Items 4.1(d)(2)[e][ii], [iii] or [iv] above is selected, then the total amount of the Employer Matching Contribution that is made to each Participant during the Plan Year shall / shall not be subject to the "true-up" requirements set forth in Section 5.2(d) of the Basic Plan Document.

[f] **Actual Contribution Percentage (ACP) Testing Method.**

- [i] **Prior Year Testing.** The Plan shall use the prior year testing method that is set forth in Section 4.4(a) of the Basic Plan Document.
- [ii] **Current Year Testing.** The Plan shall use the current year testing method set forth in Section 4.4(b) of the Basic Plan Document *(must be selected if Item 4.1(c)(3) of this Adoption Agreement is selected).*

Note: The Plan may not switch from the current year testing method to the prior year testing method unless: [i] the Plan has used current year testing for each of the preceding five (5) Plan Years (or if lesser, the number of Plan Years that the Plan has been in existence); or [ii] if, as a result of a merger or acquisition that is described in

Code Section 410(b)(6)(C)(i), the Employer maintains both a plan using prior year testing and a plan using current year testing and the change is made within the transition period described in Section 410(b)(6)(C)(ii).

- (3) **Employer Safe Harbor Contributions:** If this Item (3) is selected, the Employer shall make Employer Safe Harbor Contributions in accordance with Section 4.1(b)(3) of the Basic Plan Document.

[a] **Special Effective Date:**

[i] Not applicable. The Employer Safe Harbor Contribution provisions are effective as of the Effective Date of this Plan or, in the case of a restated Plan, the Effective Date of this restatement.

[ii] The Employer Safe Harbor Contribution provisions of this Plan shall become effective for Plan years beginning on and after _____.

[b] **Automatic Satisfaction of ADP and ACP Tests.** The Employer Safe Harbor Contributions shall be used to satisfy:

[i] both the ADP and the ACP tests; or

[ii] only the ADP test.

(Note: Use of ADP and ACP testing by the Employer is impermissible, in accordance with Regulations Section 1.401(k)-1(e)(7) and 1.401(m)-1(c)(2), for any Plan Year during which the Plan is intended, through its written terms, to be a Code Section 401(k) safe harbor plan and (where applicable) a 401(m) safe harbor plan and the Employer fails to satisfy the requirements of such safe harbors for the Plan Year.)

[c] **Amount:**

[i] **Safe Harbor Nonelective Contribution:** If this Item 4.1(d)(3)[c][i] is selected, the Employer shall make an Employer Safe Harbor Contribution to the account of each Eligible Participant in an amount equal to _____ % (not less than 3%) of the Participant's Compensation for the Plan Year.

[ii] **Safe Harbor Matching Contribution:** If this Item 4.1(d)(3)[c][ii] is selected, the Employer shall make a Safe Harbor Matching Contribution to the account of each Eligible Participant. The amount of Safe Harbor Matching Contribution shall be determined under the formula that is elected in Item 4.1(d)(3)[c][ii]a. or b. below.

a. **Basic Formula:** The amount of Safe Harbor Matching Contribution that shall be made to the account of each Eligible Participant shall be equal to the sum of (1) 100% of the Participant's Elective Deferrals that do not exceed 3% of the Participant's Compensation, plus (2) 50% of the amount of Participant's Elective Deferrals that exceed 3% of the Participant's Compensation but do not exceed 5% of the Participant's Compensation.

b. **Safe Harbor Enhanced Matching Contribution:** The amount of Safe Harbor Matching Contribution that shall be made to the account of each Eligible Participant shall be equal to 100% of the Participant's Elective Deferrals to the extent

that such Elective Deferrals do not exceed 4% of the Participant's Compensation.

c. **Contribution Computation Period:** If Safe Harbor Matching Contributions are elected in this Item 4.1(d)(3)[c][ii], the contribution computation period for purposes of Sections 4.1(b)(3) and 5.2(e) of the Basic Plan Document shall be:

1. the Plan Year;
2. each payroll period that ends within or within the Plan Year;
3. each calendar month that ends with or within the Plan Year; or
4. the third, sixth, ninth and twelfth months that end with or within the Plan Year.

If either of Items 4.1(d)(3)[c][ii]c.2., 3. or 4. above is selected, then the total amount of Employer Safe Harbor Contribution shall / shall not be subject to the "true-up" requirements that are set forth in Section 5.2(e) of the Basic Plan Document.

[d] **Contribution Eligibility Requirements:** For purposes of Employer Safe Harbor Contributions, the term "Eligible Participant" shall have the meaning that is set forth in Section 4.1(b)(3)[a][iv] of the Basic Plan Document. For this purpose, Highly Compensated Employees:

- [i] shall be eligible to receive Employer Safe Harbor Contributions; or
- [ii] shall not be eligible to receive Employer Safe Harbor Contributions.

4.2 **Forfeitures:** The final disposition of forfeitures shall occur in accordance with Section 4.5 of the Basic Plan Document and the elections that are set forth below.

(a) **Timing of Forfeitures:** Forfeitures shall occur in accordance with the elections that are set forth below.

- (1) Not applicable. All contributions are fully vested.
- (2) The earlier of the last day of the Plan Year during which [a] distributions commence to the terminated Participant; or [b] such Participant incurs his or her fifth consecutive one-year Break in Service.
- (3) As of the last day of the Plan Year during which the Participant incurs his or her fifth consecutive one-year Break in Service.

(b) **Application of Forfeitures:** Forfeitures may first be used to pay administrative expenses of the Plan and, in the discretion of the Employer, to restore previously forfeited amounts to reemployed Participants. Any remaining Forfeitures shall:

- (1) Not applicable. All contributions are fully vested.
- (2) be allocated in the ratio that the Compensation of each Participant bears to that of all Participants; or

- (3) be used to reduce Employer Contributions for the Plan Year.

4.3 **Rollovers From Other Plans:**

- (a) **Frozen Plan:** If this Item 4.3(a) is selected, contributions to the Plan ceased (or will cease) effective as of _____ (the "Freeze Date"). Therefore, notwithstanding any provision of the Plan to the contrary, Participant rollover contributions and/or direct rollovers of distributions shall not be accepted on behalf of any individual after the Freeze Date. *(If selected, complete the remainder of this Item 4.3 only if the Freeze Date is after the Effective Date that is elected in Item 1.3(b) of this Adoption Agreement.)*
- (b) If this Item 4.3(b) is selected, the Plan will accept Participant rollover contributions and/or direct rollovers of distributions on behalf of:
- (1) any Plan Participant; or
- (2) any Plan Participant or Employee who is eligible to participate in the Plan, regardless of whether such Employee has satisfied any age and/or service requirements that are set forth in Section 3.1 of the Basic Plan Document and Item 3.1(b) of this Adoption Agreement.
- (c) **Sources of Rollovers:** The Plan will accept a direct rollover or a Participant contribution of an eligible rollover distribution from:
- (1) a qualified plan described in Code Section 401(a) or 403(a) including / excluding non-Roth after-tax employee contributions, and including / excluding distributions from designated Roth accounts;
- (2) an annuity contract that is described in Code Section 403(b), excluding non-Roth after-tax employee contributions, including / excluding distributions from designated Roth accounts;
- (3) an eligible plan under Code Section 457(b) that is maintained by a state, political subdivision of state or any agency or instrumentality of a state or political subdivision of state, including / excluding distributions from designated Roth accounts; and/or
- (4) an individual retirement account or annuity that is described in Code Section 408(a) or (b) that is eligible to be rolled over and would otherwise be includible in gross income.
- (d) **Distributions of Rollovers:** Distributions may be made from a Participant's Rollover Account:
- (1) at any time;
- (2) upon otherwise becoming eligible for an in-service distribution from the Plan; or
- (3) only after the Participant's termination of employment.

ARTICLE V -- ALLOCATIONS TO AND FROM PARTICIPANT ACCOUNTS

- 5.1 **Individual Accounts:** If this Item 5.1 is selected, this Plan contains assets that were transferred within the meaning of Code Section 414(1) to this Plan from a money purchase pension plan or target benefit plan that was qualified under Code Section 401(a). Such transferred amounts shall be recorded for accounting purposes under a separate Plan account, known as the Participant's Pension Transfer Account.
- 5.2 **Administrative Expenses:** Administrative expenses, including expenses that are attributable to carrying out a Participant's investment direction and/or the determination and implementation of a Qualified Domestic Relations

Order may be deducted, to the extent elected below in this Item 5.2, from the Plan account of the Participants on whose behalf the expenses are incurred.

(a) **Fees and Expenses Attributable to Following Specific Participant Investment Instructions:**

- (1) Not applicable. The Plan does not permit Participants to direct the investment of their Plan accounts.
- (2) Fees and expenses that are incurred with respect to following a Participant's investment instructions shall be paid entirely by the Employer.
- (3) Fees and expenses that are incurred with respect to following the investment instructions of a Participant will be paid by the Employer; provided, however, that any fees and expenses that are incurred on behalf of a Participant after the last day of the Plan Year in which he or she terminates employment with the Employer shall be deducted from the Plan accounts of such Participant.
- (4) All fees and expenses that are incurred with respect to following a Participant's investment instructions shall be deducted from the Participant's Plan accounts.

(b) **General Fees and Expenses Attributable to Investment Direction:** Fees and expenses that are incurred by the Plan with respect to investment advice obtained from individuals or entities authorized by relevant law to provide such advice shall be:

- (1) paid entirely by the Employer;
- (2) paid by the Employer; provided, however, that any such fees and expenses allocable to a Participant's Plan accounts in accordance with Section 5.2(h)(2) of the Basic Plan Document after the last day of the Plan Year in which he or she terminates employment with the Employer shall be deducted from the Plan accounts of that Participant; or
- (3) allocated to the Plan accounts of each Participant in accordance with Section 5.2(h)(2) of the Basic Plan Document and deducted from the Participants Plan accounts.

(c) **Other Fees and Expenses:** Other fees and expenses that are incurred by the Plan shall be paid as described below.

- (1) Expenses that are incurred in connection with the determination and implementation of a Qualified Domestic Relation Order shall be:
 - [a] paid by the Employer; or
 - [b] deducted from the Participant's Plan accounts in accordance with Section 5.2(i) of the Basic Plan Document.
- (2) Expenses that are incurred in connection with the processing of loans shall be:
 - [a] paid by the Employer; or
 - [b] deducted from the Participant's Plan accounts in accordance with Section 5.2(j) of the Basic Plan Document.
- (3) Expenses that are incurred in connection with the processing of hardship withdrawals shall be:
 - [a] paid by the Employer; or

[b] deducted from the Participant's Plan accounts in accordance with Section 5.2(k) of the Basic Plan Document.

(4) Expenses that are incurred in connection with all other distributions from the Plan shall be:

[a] paid by the Employer; or

[b] deducted from the Participant's Plan accounts in accordance with Section 5.2(l) of the Basic Plan Document.

5.3 **Limitation on Allocations:** If this Item 5.3 is selected, the Employer elects to modify the definition of Code Section 415 compensation in Section 5.3(c)(1) of the Basic Plan Document as set forth below.

(a) post-severance leave cashouts and deferred compensation shall be excluded from Code Section 415 Compensation;

(b) salary continuation payments for military service shall be included in Code Section 415 Compensation;

(c) salary continuation payments for disabled participants (as defined in Code Section 22(e)(3)) shall be included in Code Section 415 compensation; and/or

(d) amounts earned by a Participant but not paid during the Plan Year solely due to the timing of pay periods and pay dates shall be included in Code Section 415 Compensation.

ARTICLE VI -- BENEFITS

6.1 **Early Retirement Benefits:** If this Item 6.1 is selected, the early retirement provisions of Section 6.1 of the Basic Plan Document shall apply.

6.2 **In-Service Distributions:** If this Item 6.2 is selected, the Plan permits in-service distributions in accordance with Section 6.7 of the Basic Plan Document and the elections that are set forth below.

(a) **Eligibility for In-Service Distributions:** Except as otherwise elected in Items 6.2(b) and (c) below, a Participant may request an in-service distribution upon his or her attainment of:

(1) age 59½; or

(2) the Normal Retirement Age.

(b) **In-Service Distributions from the Participant's Pension Transfer Account:**

(1) Not applicable. The Plan does not maintain any Pension Transfer Accounts or does not permit in-service distributions from a Participant's Pension Transfer Account.

(2) A Participant may request an in-service distribution from his or her Pension Transfer Account upon his or her attainment of age (*not earlier than age 62*).

(c) **In-Service Distribution of Roth Elective Deferrals:**

(1) Not applicable. Roth Elective Deferrals are not permitted under the Plan.

(2) Amounts that are credited to a Participant's Roth Elective Deferral Account shall be available for in-service distribution, but only to the extent that the combined balance in the Participant's other Plan accounts is not sufficient to satisfy the distribution request.

- (3) Amounts that are credited to a Participant's Roth Elective Deferral Account shall not be available for in-service distribution.

(d) **In-Plan Roth Rollovers:**

- (1) Not applicable. Roth Elective Deferrals are not permitted under the Plan, or in-Plan Roth rollovers shall not be permitted.

- (2) Effective *(not earlier than September 28, 2010)*, a Participant who continues to be employed by the Employer may elect an in-Plan Roth rollover by direct rollover, subject to the elections that are set forth below.

[a] Loans.

- [i] Not applicable. Loans are not permitted under the Plan.

- [ii] Loans may / may not be distributed as part of an in-Plan Roth rollover.

- [b] The minimum amount that may be rolled over is \$ *(may not exceed \$1,000)*.

[c] In-Plan Roth rollovers may be made:

- [i] only from accounts that are fully vested; or

- [ii] from accounts that are non-vested, partially vested and fully vested.

6.3 **Vesting.** At any given time, a Participant's vesting in his or her Plan accounts shall be determined in accordance with Section 6.3 of the Basic Plan Document and the elections that are set forth below.

(a) **Employer Discretionary Contributions:** A Participant's vested percentage in his or her Employer Discretionary Contribution Account shall be determined in accordance with the vesting schedule that is elected below for any Plan Year in which the Plan is not top-heavy pursuant to Article XIII of the Basic Plan Document.

- (1) Not applicable. Employer Discretionary Contributions are not permitted.

- (2) Full and immediate vesting *(required if Eligibility Code [d] is designated as an eligibility requirement in Item 3.1(b)(1) (completion of two (2) Years of Service) with respect to Employer Discretionary Contributions)*.

- (3) 2-Year Cliff
- | <u>Years of Service</u> | <u>Vested Percentage</u> | <u>Forfeited Percentage</u> |
|-------------------------|--------------------------|-----------------------------|
| Less than 2 | 0% | 100% |
| 2 or more | 100% | 0% |

- (4) 3-Year Cliff
- | <u>Years of Vesting Service</u> | <u>Vested Percentage</u> | <u>Forfeited Percentage</u> |
|---------------------------------|--------------------------|-----------------------------|
| Less than 3 | 0% | 100% |
| 3 or more | 100% | 0% |

(5) 4-Year Graded

<u>Years of Service</u>	<u>Vested Percentage</u>	<u>Forfeited Percentage</u>
Less than 1	0%	100%
1	25%	75%
2	50%	50%
3	75%	25%
4 or more	100%	0%

(6) 5-Year Graded

<u>Years of Service</u>	<u>Vested Percentage</u>	<u>Forfeited Percentage</u>
Less than 1	0%	100%
1	20%	80%
2	40%	60%
3	60%	40%
4	80%	20%
5 or more	100%	0%

(7) 6-Year Graded

<u>Years of Service</u>	<u>Vested Percentage</u>	<u>Forfeited Percentage</u>
0-1	0%	100%
2	20%	80%
3	40%	60%
4	60%	40%
5	80%	20%
6 or more	100%	0%

(8) Other: *(must be at least as liberal as the schedules in Items 6.3(a)(4) or (7) above).*

(Note: the selection of this Item (8) is a variation from the volume submitter document and will result in the loss of the Employer's ability to rely on the Volume Submitter Sponsor's advisory letter. The Employer will be required to apply for a determination letter from the IRS in order to obtain reliance as to the Plan's qualified status.)

(9) **Preservation of Pre-PPA Schedule for Certain Participants:** If this Item 6.3(a)(9) is selected, then this special rule shall apply notwithstanding the elections made in Items 6.3(a)(1) through (8) above. The vesting schedule that is elected above for Employer Discretionary contributions applies only to Participants who complete at least one Hour of Service after December 31, 2006 and shall apply to the extent elected below.

[i] The vesting schedule elected in Items 6.3(a)(1) through (8) above shall apply with respect to all Employer Discretionary Contributions.

[ii] The vesting schedule elected in Items 6.3(a)(1) through (8) above shall apply only to those Employer Discretionary Contributions that are made for Plan Years that begin after December 31, 2006. The vesting schedule that is specified under the Prior Plan shall continue to apply to Employer Discretionary Contributions made in prior Plan Years.

(b) **Employer Matching Contributions:** A Participant's vested percentage in his or her Employer Matching Contribution Account shall be determined in accordance with the vesting schedule that is elected below for any Plan Year in which the Plan is not top-heavy pursuant to Article XIII of the Basic Plan Document.

(1) Not applicable. Employer Matching Contributions are not permitted.

- (2) Full and immediate vesting *(required if Eligibility Code [d] is designated as an eligibility requirement in Item 3.1(b)(1) (completion of two (2) Years of Service) with respect to Employer Matching Contributions).*
- (3) 2-Year Cliff
- | <u>Years of Service</u> | <u>Vested Percentage</u> | <u>Forfeited Percentage</u> |
|-------------------------|--------------------------|-----------------------------|
| Less than 2 | 0% | 100% |
| 2 or more | 100% | 0% |
- (4) 3-Year Cliff
- | <u>Years of Service</u> | <u>Vested Percentage</u> | <u>Forfeited Percentage</u> |
|-------------------------|--------------------------|-----------------------------|
| Less than 3 | 0% | 100% |
| 3 or more | 100% | 0% |
- (5) 4-Year Graded
- | <u>Years of Service</u> | <u>Vested Percentage</u> | <u>Forfeited Percentage</u> |
|-------------------------|--------------------------|-----------------------------|
| Less than 1 | 0% | 100% |
| 1 | 25% | 75% |
| 2 | 50% | 50% |
| 3 | 75% | 25% |
| 4 or more | 100% | 0% |
- (6) 5-Year Graded
- | <u>Years of Service</u> | <u>Vested Percentage</u> | <u>Forfeited Percentage</u> |
|-------------------------|--------------------------|-----------------------------|
| Less than 1 | 0% | 100% |
| 1 | 20% | 80% |
| 2 | 40% | 60% |
| 3 | 60% | 40% |
| 4 | 80% | 20% |
| 5 or more | 100% | 0% |
- (7) 6-Year Graded
- | <u>Years of Service</u> | <u>Vested Percentage</u> | <u>Forfeited Percentage</u> |
|-------------------------|--------------------------|-----------------------------|
| 0-1 | 0% | 100% |
| 2 | 20% | 80% |
| 3 | 40% | 60% |
| 4 | 60% | 40% |
| 5 | 80% | 20% |
| 6 or more | 100% | 0% |
- (8) Other: *(must be at least as liberal as the schedules in Items 6.3(b)(4) or (7) above).*

(Note: the selection of this Item 6.3(b)(8) is a variation from the volume submitter document and will result in the loss of the Employer's ability to rely on the Volume Submitter Sponsor's advisory letter. The Employer will be required to apply for a determination letter from the IRS in order to obtain reliance as to the Plan's qualified status.)

- (9) **Preservation of Pre-EGTRRA Schedule for Certain Participants:** If this Item 6.3(b)(9) is selected, this special rule shall apply notwithstanding the election that is made in Items (1) through (8) above. The vesting schedule that is elected for Employer Matching Contributions applies only to Participants who complete at least one Hour of Service during a Plan year that begins after December 31, 2001 and shall apply to the extent elected below.

- [i] The vesting schedule elected in Items 6.3(b)(1) through (8) above shall apply with respect to all Employer Matching Contributions.
- [ii] The vesting schedule elected in Items 6.3(b)(1) through (8) above shall apply only to those Employer Matching Contributions that are made for Plan Years that begin after December 31, 2001. The vesting schedule that is specified under the Plan as in effect prior to the first Plan Year that begins after December 31, 2001 shall continue to apply to Employer Matching Contributions made in prior Plan Years.

(c) **Pension Transfer Account:** A Participant's vested percentage is his or her Pension Transfer Account shall be determined in accordance with the vesting schedule that is elected below for any Plan Year in which the Plan is not top-heavy pursuant to Article XIII of the Basic Plan Document.

(1) Not applicable. The Plan does not maintain any Pension Transfer Accounts.

(2) Full and immediate vesting.

(3) 2-Year Cliff

<u>Years of Service</u>	<u>Vested Percentage</u>	<u>Forfeited Percentage</u>
Less than 2	0%	100%
2 or more	100%	0%

(4) 3-Year Cliff

<u>Years of Service</u>	<u>Vested Percentage</u>	<u>Forfeited Percentage</u>
Less than 3	0%	100%
3 or more	100%	0%

(5) 4-Year Graded

<u>Years of Service</u>	<u>Vested Percentage</u>	<u>Forfeited Percentage</u>
Less than 1	0%	100%
1	25%	75%
2	50%	50%
3	75%	25%
4 or more	100%	0%

(6) 5-Year Graded

<u>Years of Service</u>	<u>Vested Percentage</u>	<u>Forfeited Percentage</u>
Less than 1	0%	100%
1	20%	80%
2	40%	60%
3	60%	40%
4	80%	20%
5 or more	100%	0%

(7) 6-Year Graded

<u>Years of Service</u>	<u>Vested Percentage</u>	<u>Forfeited Percentage</u>
0-1	0%	100%
2	20%	80%
3	40%	60%
4	60%	40%
5	80%	20%
6 or more	100%	0%

(8) Other: *(must be at least as liberal as the vesting schedule provided under the terms of the plan from which amounts credited to a Participant's Pension Transfer*

Account were transferred to this Plan and, in any event, not slower than the schedules in Items 6.3(c)(4) or (7) above).

(Note: the selection of this Item 6.3(c)(8) is a variation from the volume submitter document and will result in the loss of the Employer's ability to rely on the Volume Submitter Sponsor's advisory letter. The Employer will be required to apply for a determination letter from the IRS in order to obtain reliance as to the Plan's qualified status.)

(9) **Preservation of Pre-PPA Schedule for Certain Participants:** If this Item 6.3(c)(9) is selected, this special rule shall apply notwithstanding the election that is made in Items (1) through (8) above. The vesting schedule elected above for amounts credited to a Participant's Pension Transfer account applies only to Participants who complete at least one Hour of Service after December 31, 2006 and shall apply to the extent elected below.

[i] The vesting schedule elected in Items 6.3(c)(1) through (8) above shall apply with respect to all amounts credited to a Participant's Pension Transfer Account.

[ii] The vesting schedule elected in Items 6.3(c)(1) through (8) above shall to only that portion of a Participant's Pension Transfer Account that is attributable to Employer contributions made for Plan Years that begin after December 31, 2006. The vesting schedule specified under the Prior Plan shall continue to apply to that portion of a Participant's Pension Transfer Account that is attributable to Employer contributions made in prior Plan Years.

(d) **Top-Heavy Vesting Schedules:** The vesting schedules elected below in this Item 6.3(c)(d) shall apply, notwithstanding the vesting schedules that are elected in Items 6.3(a) through (c) above for any Plan Year during which the Plan is top-heavy pursuant to pursuant to Article XIII of the Basic Plan Document.

N/A – This is a governmental plan and, therefore, exempt from the requirements of Code Section 416 and the regulations thereunder.

(1) **Employer Discretionary Contributions:**

[a] Not applicable. Employer Discretionary Contributions are not permitted under the Plan, or the vesting schedule that is elected above satisfies the top-heavy minimum vesting requirements.

[b] 3-Year Cliff

<u>Years of Service</u>	<u>Vested Percentage</u>	<u>Forfeited Percentage</u>
Less than 3	0%	100%
3 or more	100%	0%

[c] 6-Year Graded

<u>Years of Service</u>	<u>Vested Percentage</u>	<u>Forfeited Percentage</u>
0-1	0%	100%
2	20%	80%
3	40%	60%
4	60%	40%
5	80%	20%
6 or more	100%	0%

(2) **Employer Matching Contributions:**

[a] Not applicable. Employer Matching Contributions are not permitted under the Plan, or the vesting schedule that is elected above already satisfies the top-heavy minimum vesting requirements.

[b] 3-Year Cliff

<u>Years of Service</u>	<u>Vested Percentage</u>	<u>Forfeited Percentage</u>
Less than 3	0%	100%
3 or more	100%	0%

[c] 6-Year Graded

<u>Years of Service</u>	<u>Vested Percentage</u>	<u>Forfeited Percentage</u>
0-1	0%	100%
2	20%	80%
3	40%	60%
4	60%	40%
5	80%	20%
6 or more	100%	0%

(3) **Pension Transfer Account:**

[a] Not applicable. The Plan does not maintain any Pension Transfer Accounts, or the vesting schedule that is elected above already satisfies the top-heavy minimum vesting requirements.

[b] 3-Year Cliff

<u>Years of Service</u>	<u>Vested Percentage</u>	<u>Forfeited Percentage</u>
Less than 3	0%	100%
3 or more	100%	0%

[c] 6-Year Graded

<u>Years of Service</u>	<u>Vested Percentage</u>	<u>Forfeited Percentage</u>
0-1	0%	100%
2	20%	80%
3	40%	60%
4	60%	40%
5	80%	20%
6 or more	100%	0%

6.4 **Time of Payment:** Distributions to terminated Participants shall occur in accordance with Section 6.3(c) of the Basic Plan Document and the elections set forth below. A distribution that exceeds the involuntary cashout limit that is set forth in Item 6.7 of this Adoption Agreement shall be made to the Participant:

- (a) within a reasonable time following the Participant's election to receive a distribution;
- (b) within a reasonable time following the end of the Plan Year during which the Participant elects to receive a distribution; or
- (c) within a reasonable time following the end of the Plan Year during which the Participant elects to receive a distribution. However, a Participant may elect to receive payment of his or her benefit under the Plan within sixty (60) days following employment termination, provided that he or she agrees to pay any and all fees that are charged by the Trustee in connection with any special valuation that is necessary to determine the Participant's benefit.

6.5 **Form of Benefit:** In addition to the forms of benefit that are provided under Section 6.4(b) of the Basic Plan Document, the Employer elects to offer the optional forms of payment that are elected below.

- (a) Not applicable. Additional forms of payment are not offered under the Plan.
- (b) Installment payments made not less frequently than annually for a specified number of years, with income allocated on any unpaid balance that remains at the end of each Plan Year.
- (c) Any of the following optional annuity forms of payment (*may not be selected if either of Items 6.6(a) or 6.6(b) of this Adoption Agreement is selected*):
 - (1) a monthly benefit payable for the life of the Participant with or without a period certain (5 years or 10 years) as specified by the Participant; and/or
 - (2) a monthly benefit payable for the life of the Participant with a percentage (50%, 66 2/3%, 75% or 100%) of such monthly benefit as specified by the Participant to his or her designated beneficiary after his or her death.

6.6 **Application of Joint and Survivor Annuity Requirements:** Section 6.4(c) of the Basic Plan Documents requires that benefits be paid in the form of certain kinds of annuities unless certain requirements are met.

- (a) The Plan satisfies the safe harbor rules that are set forth in Section 6.4(c)(2) of the Basic Plan Document. Therefore, the joint and survivor annuity requirements of Section 6.4(c)(2) of the Basic Plan Document and Code Sections 401(a)(11) and 417 shall not apply.

This is a governmental plan to which the survivor annuity requirements of Internal Revenue Code Sections 401(a)(11) and 417 do not apply. Notwithstanding the foregoing, if a participant is married: (i) any distribution from the Plan shall be subject to written participant and spousal consent, except to the extent that such distribution is subject to the automatic cash-out rules set forth in Item 6.7 of this Adoption Agreement; and (ii) the participant's spouse must provide written consent on forms provided by the Plan Administrator or its delegate to the participant's selection of a primary beneficiary other than the spouse.

- (b) The Plan contains assets that were transferred within the meaning of Code Section 414(1) to this Plan from a money purchase pension plan or target benefit plan that was qualified under Code Section 401(a). The joint and survivor annuity requirements of Section 6.4(c) of the Basic Plan Document and Code Sections 401(a)(11) and 417 shall apply:
 - (1) only to amounts that are credited to a Participant's frozen Pension Transfer Account; or
 - (2) to the entire amount that is credited to a Participant's accounts under the Plan, but only with respect to each Participant for whom assets were transferred within the meaning of Code Section 414(1) to this Plan from a money purchase pension plan or target benefit plan that was qualified under Code Section 401(a).
- (c) The Plan offers annuity forms of payment. Therefore, the joint and survivor annuity requirements that are set forth in Section 6.4(c) of the Basic Plan Document and Code Sections 401(a)(11) and 417 shall apply.
- (d) Qualified elections shall be made in accordance with Article VI of the Basic Plan Document and the elections that are set forth below. (*Complete only if either of Items 6.6(b) or (c) above is selected.*)
 - (1) A Participant who has not attained age 35 as of the end of any current Plan Year may/
 may not make a special Qualified Election pursuant to Section 6.4(c)(6)[b] of the Basic Plan Document.
 - (2) For purposes of Section 6.4(b)(7) of the Basic Plan Document, 100% / 50% of a Participant's entire account balance (or, if Item 6.6(b)(1) above is selected, a Participant's

frozen Pension Transfer Account balance) under the Plan shall be subject to any applicable spouse consent requirements.

6.7 **Involuntary Cashout Distributions:** If this Item 6.7 is selected, the involuntary cashout provisions of Section 6.3(c) of the Basic Plan Document shall apply.

(a) **Cashout Limit:** Participant consent shall not be required for distributions that do not exceed:

- (1) \$1,000; or
(2) \$5,000.

(b) **Mandatory Rollover of Involuntary Cashout Distributions:** Relevant law requires that involuntary cashout distributions that exceed \$1,000 but do not exceed \$5,000 be automatically transferred as a direct rollover into an individual retirement plan in accordance with Section 6.3(c) of the Basic Plan Document. The same rules shall / shall not apply with respect to involuntary cashout distributions that do not exceed \$1,000.

(c) **Rollovers Considered When Determining Involuntary Cashout Distributions:** The portion of the account balance that is attributable to rollover contributions (and earnings allocable thereto) within the meaning of Code Sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)A(ii) and 457(e)(16) shall / shall not be included in the Participants vested account balance for purposes of applying the involuntary cashout provisions of Section 6.3(c) of the Basic Plan Document.

6.8 **Required Minimum Distributions:**

(a) **Required Beginning Date:** A Participant's required beginning date shall be determined in accordance with Section 6.4(a)(3) of the Basic Plan Document. For this purpose, if any Participant other than a 5% owner who does not make an election to defer distributions until retirement in accordance with Section 6.4(a)(3)[a] of the Basic Plan Document, the Participant will begin receiving distributions by April 1 of the calendar year following the year in which the Participant:

- (1) attained age 70½; or
(2) retired.

(b) **Suspension or Continuation of Minimum Distributions:** Required minimum distributions for a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 absent the enactment of Code Section 401(a)(9)(H) shall be administered in accordance with Section 6.5 of the Basic Plan Document and the election that is set forth below.

- (1) Required minimum distributions are not suspended for 2009. Affected Participants and Beneficiaries shall continue to receive such distributions in accordance with Section 6.5 of the Basic Plan Document.
- (2) Required minimum distributions shall continue for 2009 for each affected Participant or Beneficiary unless the Participant or Beneficiary chooses not to receive such distributions.
- (3) Required minimum distributions shall be suspended for 2009 for each affected Participant or Beneficiary unless the Participant or Beneficiary chooses to receive such distributions.

(c) **Direct Rollovers of Minimum Distributions:** The following election shall apply for purposes of the direct rollover provisions under Section 6.4(b)(2) of the Basic Plan Document and with respect to 2009 required minimum distributions and 2009 extended required minimum distributions, each of which is defined in Section 6.5(h) of the Basic Plan Document.

- (1) Required minimum distributions and extended required minimum distributions for 2009 shall not be treated as eligible rollover distributions.
- (2) Required minimum distributions and extended required minimum distributions for 2009 shall be treated as eligible rollover distributions.
- (3) Required minimum distributions and extended required minimum distributions for 2009 shall be treated as eligible rollover distributions only if paid with an additional amount that is an eligible rollover distribution without regarding to Code Section 401(a)(9)(H).
- 6.9 **Hardship Withdrawals of Elective Deferrals:** If this Item 6.9 is selected, hardship withdrawals of pretax Elective Deferrals are permitted in accordance with Section 6.8 of the Basic Plan Document. The elections that are set forth below shall apply with respect to amounts that are credited to a Participant's Roth Elective Deferral Account.
- (a) Not applicable. Roth Elective Deferrals are not permitted under the Plan.
- (b) Roth Elective Deferrals shall be available for hardship withdrawal, but only to the extent that the combined balance in the Participant's other Plan accounts is not sufficient to satisfy the amount of the hardship withdrawal request.
- (c) Roth Elective Deferrals shall not be available for hardship withdrawal.
- 6.10 **Loans to Participants:** If this Item 6.10 is selected, loans from the Plan shall be permitted in accordance with Section 6.9 of the Basic Plan Document. The following elections shall apply with respect to loans from a Participant's Roth Elective Deferral Account.
- (a) Not applicable. Roth Elective Deferrals are not permitted under the Plan.
- (b) Amounts that are credited to a Participant's Roth Elective Deferral Account shall be available for loan, but only to the extent that the combined balance in the Participant's other Plan accounts are not sufficient to satisfy the amount of the loan.
- (c) Amounts that are credited to a Participant's Roth Elective Deferral Account shall not be available for loan. If this Item 6.10(c) is selected:
- (1) amounts that are credited to a Participant's Roth Elective Deferral Account shall be considered when determining the collateral for the loan or the maximum loan amount that may be borrowed by the Participant; or
- (2) amounts that are credited to a Participant's Roth Elective Deferral Account shall not be considered as collateral for the loan or for determining the maximum loan amount that may be borrowed by the Participant.
- 6.11 **Participant Investment Direction:** If this Item 6.11 selected, each Participant shall be permitted to direct the investment of his or her entire interest in the Plan.
- 6.12 **Qualified Reservist Distributions:** If this Item 6.12 is selected, the Plan permits Qualified Reservist Distributions in accordance with Section 6.11 of the Basic Plan Document effective as of *(not earlier than January 1, 2007)*. The following elections shall apply with respect to Qualified Reservist Distributions from a Participant's Roth Elective Deferral Account.
- (a) Not applicable. Roth Elective Deferrals are not permitted under the Plan.
- (b) Roth Elective Deferrals shall be available for distribution under the Qualified Reservist Distribution provisions of the Plan , but only to the extent that the Participant's Pretax Elective Deferral Account balance is not sufficient to satisfy the amount of the distribution request.

- (c) Roth Elective Deferrals shall not be available for distribution under the Qualified Reservist Distribution provisions of the Plan.
- 6.13 **Distribution Upon Deemed Severance From Employment:** If this Item 6.13 is selected, effective as of *(not earlier than January 1, 2009)* the Plan permits the distribution of Elective Deferrals upon a Participant's deemed severance from employment in accordance with Section 6.12 of the Basic Plan Document. The following elections shall apply with respect to distributions from a Participant's Roth Elective Deferral Account upon his or her deemed severance from employment.
- (a) Not applicable. Roth Elective Deferrals are not permitted under the Plan.
- (b) Roth Elective Deferrals shall be available for distribution upon a Participant's deemed severance from employment, but only to the extent that the Participant's Pretax Elective Deferral Account balance is not sufficient to satisfy the amount of the distribution request.
- (c) Roth Elective Deferrals shall not be available for distribution upon a Participant's deemed severance from employment.

ARTICLE VII -- MISCELLANEOUS

7.1 Reliance on Advisory Letter of Volume Submitter Sponsor:

An adopting Employer of this volume submitter plan may rely on the advisory letter that has been issued by the Internal Revenue Service to the Volume Submitter Sponsor to the extent provided in Revenue Procedure 2011-49, as modified by Revenue Procedure 2012-6. The adopting Employer may amend the Plan by modification to the terms of the pre-approved volume submitter document. Any such modifications (including, but not limited to the modifications noted throughout this Adoption Agreement) will result in the loss of the adopting Employer's ability to rely on the advisory letter. In order for an adopting Employer to have reliance with respect to the Plan's qualified status where modifications are made to the Adoption Agreement and/or Basic Plan Document, an application for a favorable determination letter must be made by the Employer to the Employee Plans Determinations division of the Internal Revenue Service.

This Adoption Agreement may be used only in conjunction with the Foster, Swift, Collins & Smith, P.C. Volume Submitter Defined Contribution Plan. Failure to properly complete this Adoption Agreement may result in disqualification of the Plan. Foster, Swift, Collins & Smith, P.C. will notify the Employer at the address specified in Item 1.1(a) of this Adoption Agreement of any amendment to the Plan or of the discontinuance or abandonment of the volume submitter plan document.

This Plan may be adopted for use only by an Employer that retains Foster, Swift, Collins & Smith, P.C. as its employee benefits counsel for the Plan. If the Plan does not satisfy this criteria, this document will not be considered a volume submitter plan and will be treated as an individually designed plan.

7.2 Volume Submitter Sponsor Information:

Foster, Swift, Collins & Smith, P.C.
 313 South Washington Square
 Lansing, Michigan 48933-2193
 (517) 371-8100
 fosterswift.com

[Signature page follows]

ARTICLE VIII — SIGNATURES

This Adoption Agreement (including Addendums A and/or B where applicable) and the corresponding provisions of the Basic Plan Document No. 01 and (if Item 1.3(f)(3)[a] of the Adoption Agreement is selected) the Foster, Swift, Collins & Smith, P.C. Volume Submitter Defined Contribution Trust Agreement are hereby adopted by the Employer effective as of the date that is set forth in Item 1.3(b) of this Adoption Agreement.

EMPLOYER:

CITY OF LANSING

Dated: _____

By: _____

Its: _____

ADDITIONAL EMPLOYER MEMBERS:

54A DISTRICT COURT

Dated: _____

By: _____

Its: _____

- The signature of the Trustee appears on a separate Trust Agreement attached to and incorporated by reference into the Basic Plan Document No. 01, or
- The Trustee hereby adopts the provisions of this Adoption Agreement and the corresponding provisions of the Basic Plan Document No. 01 and the related Foster, Swift, Collins & Smith, P.C. Volume Submitter Defined Contribution Trust Agreement:

Dated: _____

Wells Fargo Bank, N.A., Trustee

Addendum A

Superseding or Additional Provisions Addendum.

The Employer hereby adopts the additional or superseding provisions that are set forth below. Such provisions shall supersede or add to the provisions of this Adoption Agreement and/or Basic Plan Document, as applicable. *(Note: All superseding or additional provisions are variations from the volume submitter document. Adoption of such provisions will result in the loss of the Employer's ability to rely on the Volume Submitter Sponsor's advisory letter. The Employer will be required to apply for a determination letter from the IRS in order to obtain reliance as to the Plan's qualified status. In certain circumstances, the adoption of superseding or additional provisions may affect the Plan's status as a pre-approved volume submitter plan that is eligible for the 6-year remedial amendment cycle.)*

A. Modification of Section 2.1 of the Basic Plan Document:

The following new subsections (bbb) through (ggg) are added at the end of Section 2.1 of the Basic Plan Document:

(bbb) Employee After-Tax Contribution Account. The account maintained for a Participant to record his after-tax contributions made pursuant to Section 18.2 of the Basic Plan Document (as added by Item E. of this Addendum A) and adjustments thereto.

(ccc) Employee After-Tax Contributions. Those contributions made pursuant to Section 18.2 of the Basic Plan Document (as added by Item E. of this Addendum A).

(ddd) Employee Pretax Contribution Account. The account maintained for a Participant to record his pretax contributions made pursuant to Section 18.1 of the Basic Plan Document (as added by Item E. of this Addendum A) and adjustments thereto.

(eee) Employee Pretax Contributions. Those contributions made pursuant to Section 18.1 of the Basic Plan Document (as added by Item E. of this Addendum A).

(fff) Severance Date. The earlier of (i) the date an Employee retires, dies, quits, or is discharged from employment with the Employer and all related employers (as defined in Code Sections 414(b), (c), (m) or (o)) or (ii) the 12-month anniversary of the date on which the Employee was otherwise first absent from employment; provided, however, that if an individual terminates or is absent from employment with the Employer and all related employers because of military duty, such individual shall not incur a Severance Date if his employment rights are protected under Federal law and he returns to employment with the Employer or a related employer within the period during which he retains such employment rights; however, if he does not return to such employment within such period, his Severance Date shall be the earlier of (1) the anniversary of the date his absence commenced or (2) the last day of the period during which he retains such employment rights.

(ggg) Vesting Service. An Employee's service that is taken into account in determining his vested interest in his Employer Contribution Account as may be required under this Section 2.1(ggg). Vesting Service shall be credited to an Employee for the aggregate of the periods beginning with his employment commencement date (the date on which the Employee first performs an Hour of Service), or if the Hour of Service follows a termination of employment with the Employer and all related employers (the "Reemployment Commencement Date") and ending on his subsequent Severance Date; provided, however, that an Employee who has a Reemployment Date within the consecutive 12-month period following the earlier of the first date of his absence or his Severance Date shall be credited with Vesting Service for the period between his Severance Date and his Reemployment Date. Fractional periods of a year shall be expressed in terms of days.

B. Modification of Section 2.1(o) of the Basic Plan Document:

Section 2.1(o) of the Basic Plan Document is replaced in its entirety with the following:

(o) Employee: Any person who, on or after the Effective Date, is receiving remuneration as a common law employee for personal services rendered to an Employer Member (or who would be receiving such

remuneration but for an Authorized Leave of Absence) or for personal services rendered to any other employer that must be aggregated with said Employer Member under Code Sections 414(b), (c), (m) or (o) and who is:

(1) an elected official, including and limited to any individual who became a Member of the Lansing City Council on or prior to July 1, 2009, the Mayor and the City Clerk; and

(2) solely for purposes of Article XIX (as added by Item D. of Addendum A to this Adoption Agreement), any individual who is described in Section 19.3 of the Basic Plan Document, as amended by Item E. of this Addendum A.

C. Addendum to Adoption Agreement Item 4.1(d)(1)[b][i]:

Each Employer Member may, for each Plan Year, contribute to the Trust Fund an amount which, when added to any forfeitures that have become available for allocation as of the end of that Year pursuant to Section 4.5 of the Basic Plan Document, will be sufficient to credit the Employer Contribution Account of each Participant with an amount equal to six percent (6%) of the Participant's Compensation for the Plan Year. This contribution will be made for any Participant who completes one Hour of Service in that Plan Year.

D. Modification of Section 3.3(b) of the Basic Plan Document:

The last paragraph of Section 3.3(b) of the Basic Plan Document is replaced in its entirety with the following:

"Notwithstanding the foregoing, for purposes of computing vested benefits under Section 6.3 of the Basic Plan Document in the case of any Employee who has any one-year absence, Years of Service before such absence shall not be taken into account until the Employee has completed one year of Vesting Service after his reemployment."

E. Addition of Articles XVIII, XIX and XX to Basic Plan Document

The following Articles XVIII, XIX and XX are added at the end of the Basic Plan Document notwithstanding any provision of the Plan to the contrary.

ARTICLE XVIII – SPECIAL CONTRIBUTIONS

The provisions of this Article XVIII shall apply notwithstanding any provisions of the Plan to the contrary.

18.1 Employee Pretax Contributions. In addition to the Employer Contribution set forth in Item 4.1(d) of the Adoption Agreement and the Employee After-Tax Contribution set forth in Section 18.2 below, each Participant may make an irrevocable one-time election within 30 days of the later of the effective date of this Section 18.1 or the Participant's date of hire, to participate in the "pick up feature" of the Plan in accordance with Code Section 414(h). If the Participant elects to participate in the pick up feature of the Plan, he will elect to contribute 0% - 5% of his Compensation (in whole percentages) to the Plan, which contribution shall be "picked up" by the Employer pursuant to Code Section 414(h)(2) and allocated to the Participant's Employee Pretax Contribution Account. All such picked up contributions shall be paid to the Plan by the Employer in lieu of contributions by the Participant. The Participant shall not have the option to choose to receive the contributed amounts directly instead of having them paid by the Employer to the Plan.

Any Employee Pretax Contributions shall be paid to the Trustee, and payment shall be made not later than the date prescribed by law for filing the Employer's federal income tax return, including extensions which have been granted for the filing of such tax return. Each Participant shall be 100% vested at all times in the entire amount credited to his Employee Pretax Contribution Account.

18.2 After-Tax Contributions by Participants. A Participant may elect to make Employee After-Tax Contributions to the Plan. All such elections to start, suspend, resume or change the rate of after-tax contributions shall be made on such form as may be provided by the Plan Administrator at such times as set forth in the respective bargaining unit contracts or personnel rules. After-tax contributions received or withheld by the Employer shall be contributed to the Trust as soon as the amount can be withdrawn from the Employer's assets, but in no event later than the date required by law or binding regulation. After-tax contributions shall be credited to a Participant's

Employee After-Tax Contribution Account and shall be 100% vested at all times. All distributions from a Participant's Employee After-Tax Contribution Account will be subject to Article VI of the Basic Plan Document.

As of any Plan Year end, a Participant may elect, with the written consent of his Spouse, to withdraw from his Employee After-Tax Contribution Account up to an amount not to exceed the total of his contributions then credited to said Account (less amounts previously withdrawn) less adjustments in market value and less charges to his account, if any. Elections to withdraw contributions shall be in writing, signed by the Participant and on such form or forms as the Plan Administrator shall provide. No forfeitures will occur solely as a result of a Participant's withdrawal of after-tax contributions.

The limitations of Code Section 401(m) as applied to Employee contributions shall not apply to this Plan because it is maintained by a governmental entity.

ARTICLE XIX – TREATMENT OF SCHEDULE A EMPLOYEES

The provisions of this Article XIX shall apply notwithstanding any provisions of the Plan to the contrary.

19.1 Applicability. Notwithstanding any Plan provision to the contrary, the provisions of this Article XIX shall apply solely with respect to those individuals who become Schedule A Employees on and after the Effective Date (as defined in Section 19.2(a) below) and who become Participants in the Plan in accordance with this Article XIX. The provisions of this Article XIX supersede the provisions of the Plan to the extent, and only to the extent, that such Plan provisions are inconsistent with the provisions of this Article XIX. This Article XIX shall not be construed: (a) as providing any retirement benefits under the Plan for any individual to whom this Article XIX does not apply; and/or (b) causing any Participant to whom this Article XIX does apply to receive retirement benefits under any other provision of this Plan.

19.2 Definitions. The following definitions shall apply solely for purposes of this Article XIX:

(a) Effective Date: The provisions of this Article XIX shall be effective as of September 17, 2012.

(b) Employee Mandatory Pretax Contribution Account. The account that is maintained by the Plan to record pretax contributions that are made by a Pick-Up Plan Participant pursuant to Section 19.4(a) of the Plan and adjustments relating thereto.

(c) Employee Mandatory Pretax Contributions. The contributions that are made pursuant to Section 19.4(a) of the Plan.

(d) Employer Contribution Account. The account that is maintained by the Plan to record Employer Contributions that are made for a Participant pursuant to Section 19.4(b) of the Plan.

(e) Employer Contributions. Those contributions that are made pursuant to Section 19.4(b) of the Plan.

(f) Pick-Up Plan Participant. A Schedule A Employee who participates in the Plan solely pursuant to this Article XIX. A Schedule A Employee who is a Pick-Up Plan Participant under this Article XIX shall not be permitted to participate in the Plan for any purpose other than as described in this Article XIX.

(g) Schedule A Employee: A common law employee of the Employer who meets either of the following requirements (1) or (2):

(1) the individual's terms of employment with the Employer are controlled by a collective bargaining agreement that is between the Employer and a bargaining unit listed on Schedule A to the Adoption Agreement and that was approved by the Lansing City Council on or after the Effective Date; or

(2) the individual's terms of employment with the Employer are controlled by an employment relationship between the Employer and the individual as a member of a non-bargaining unit listed on Schedule A to the Adoption Agreement.

Any Employee of the Employer who becomes a Schedule A Employee because of an internal job transfer at the Employer that occurs on or after the Effective Date shall be treated as a Schedule A Employee for purposes of this Article XIX as of the date on which said transfer is effective. An Employee of the Employer who participates in the Plan may, because of an internal job transfer at the Employer, cease to receive compensation for services rendered as a Schedule A Employee. Any compensation that is paid by the Employer to any such individual on or after the date on which said individual ceases to receive compensation for such services shall not be Compensation for purposes of this Article XIX.

(i) Vesting Service: A Pick-Up Plan Participant shall receive one Year of Service for vesting under Section 19.6 of the Plan for each Year of Service for vesting that the Pick-Up Plan Participant receives under the City of Lansing Employees' Retirement System.

19.3 Eligibility. Plan participation under this Article XIX shall be limited to (1) any individual who becomes a Schedule A Employee on and after the Effective Date, and (2) any individual whose internal job transfer at the Employer on or after the Effective Date causes him or her to become a Schedule A Employee. Each such individual shall become a Pick-Up Plan Participant in this Plan solely with respect to this Article XIX effective as of the date on which the individual first performs an Hour of Service as a Schedule A Employee. Each individual who becomes a Pick-Up Plan Participant in accordance with this Article XIX shall not be eligible to make elective deferral contributions to the Plan or to receive any Employer Contribution to the Plan under any provision of this Plan other than this Article XIX based on his or her employment with the Employer.

19.4 Pick-Up Feature for Pick-Up Plan Participants.

(a) Mandatory Pretax Contributions. On and after the Effective Date, each Pick-Up Plan Participant shall make a contribution to this "pick-up feature" of the Plan. The contribution that is made pursuant to this Section 19.4(a) shall be an amount equal to three percent (3%) of the Pick-Up Plan's Participant's Compensation for the year as that term is defined in Section 2.1(j) of the Basic Plan Document (as modified in Item 2.1(c) of the Adoption Agreement). The Compensation that would otherwise be paid to each such Pick-Up Plan Participant by the Employer shall be irrevocably reduced by the amount of the contribution that is required by this Section 19.4(a), and the Employer shall "pick up" said contribution (within the meaning of that phrase in Code Section 414(h)(2)) and shall contribute said amount to the Participant's Employee Mandatory Pretax Contribution Account. The Pick-Up Plan Participant shall not have the option to choose to receive the contributed amounts directly instead of having them paid by the Employer to the Plan.

(b) Employer Contributions. On and after the Effective Date, the Employer shall contribute to the Trust Fund an amount that will be sufficient to credit the Employer Contribution Account of each Pick-Up Plan Participant with an amount that is equal to three percent (3%) of the Pick-Up Plan Participant's Compensation for the year as that term is defined in Section 2.1(j) of the Basic Plan Document (as modified in Item 2.1(c) of the Adoption Agreement). This Contribution shall be made for any Pick-Up Plan Participant who completes at least one Hour of Service during the Plan Year.

19.5 Individual Accounts. Any Pick-Up Plan Participant who receives contributions pursuant to this Article XIX shall have the following two accounts: an Employee Mandatory Pretax Contribution Account and an Employer Contribution Account. Such individual shall also have a Transfer Account, if applicable.

19.6 Vesting Schedule for Pick-Up Plan Participants. The extent to which a Participant is vested in amounts that are credited to his or her Article XIX Plan Accounts will be determined in accordance with paragraphs (a) and (b) below. If a Pick-Up Plan Participant's employment with the Employer is terminated before the Normal Retirement Age for any reason other than Disability or death, the Pick-Up Plan Participant shall be entitled to the sum of:

(a) The entire amount that is credited to his or her Employee Mandatory Pretax Contribution Account, if any, and his or her Transfer Account, if any, plus

(b) An amount equal to the “vested percentage” of his or her Employer Contribution Account that is determined in accordance with the following schedule:

No of Years of Vesting Service	Vested Percentage	Forfeited Percentage
0 – 7	0%	100%
8 or more	100%	0%

ARTICLE XX – APPLICABLE LAW

This Plan is a governmental Plan (as defined in Code Section 414(d)). Therefore, the following provisions shall apply notwithstanding any provision of the Plan to the contrary.

20.1 ERISA. This Plan is not subject to the requirements of the Employee Retirement Income Security Act of 1974 or related Department of Labor regulations. As a result, the provisions of this Adoption Agreement and the Basic Plan Document that set forth the various requirements under ERISA shall be inoperative.

20.2 Required Minimum Distributions. The Plan shall be treated as having satisfied the requirements of Code Section 401(a)(9) if the Plan, in operation, complies with a reasonable good faith interpretation of Code Section 401(a)(9) and the regulations thereunder.

20.3 Top-Heavy Requirements. The Plan is not subject to the top-heavy requirements of Code Sections 401(a)(10) and 416 and the regulations thereunder. Therefore, the provisions of this Adoption Agreement and the Basic Plan Document that set forth such top-heavy requirements shall be inoperative.

20.4 Domestic Relations Orders. The Plan is exempt from Code Section 414(p) and the regulations thereunder. Therefore, the provisions of this Adoption Agreement and Basic Plan Document that set forth the requirements of Code Section 414(p) shall be inoperative. A domestic relations order with which the Plan complies will be treated as if it were a qualified domestic relations order for the purpose of determining the tax consequences of any distribution under such order.

Addendum B

Prior Plan Protected Benefits Addendum

This Addendum contains provisions that are designed to preserve one or more benefit structures under the Prior Plan that are protected benefits under Code Section 411(d)(6). Such provisions shall supersede any inconsistent provisions of this Adoption Agreement and/or Basic Plan Document, as applicable. *(Note: Completion of this Addendum B is a variation from the volume submitter document. The Employer will be required to apply for a determination letter from the IRS in order to obtain reliance as to the Plan's qualified status. In certain circumstances, the addition of provisions to this Addendum B may affect the Plan's status as a pre-approved volume submitter plan that is eligible for the 6-year remedial amendment cycle.)*

Addendum to Adoption Agreement Item 1.3(b)(3):

Effective October 1, 1990, the City of Lansing established the City of Lansing Employees' Money Purchase Pension Plan and Trust Agreement (the "Money Purchase Pension Plan") to enable its eligible employees to plan for their retirement. The Money Purchase Pension Plan included amounts that were transferred from the General Employees Retirement System on behalf of certain employees who executed an "Irrevocable Election to Terminate Membership in General Employees Retirement System and Transfer to Successor Plan, and Release and Waiver of All Future Benefit Claims from City and General Employees Retirement System" (the "Transferred Amounts").

The Money Purchase Pension Plan was amended and restated as the City of Lansing Defined Contribution Plan (the "Defined Contribution Plan") effective as of January 1, 2009. A portion of the Defined Contribution Plan assets were therefore attributable to amounts that were contributed to the Money Purchase Pension Plan, including the Transferred Amounts. Notwithstanding the foregoing, any assets that are attributable to the Money Purchase Pension Plan, including the Transferred Amounts, and that remain in the Defined Contribution Plan shall be subject to the same distribution and spousal consent rules that apply to other Defined Contribution Plan assets as set forth in the Adoption Agreement.

SCHEDULE A

I. Bargaining Units

An individual whose terms of employment are governed by a collective bargaining agreement between the Employer and a bargaining unit that is listed below is eligible to participate in the Defined Contribution Plan pursuant to the terms of the Plan.

Name of Bargaining Unit	Effective Date
Teamsters Local No. 214 Supervisory and Non-supervisory	September 17, 2012
Teamster 243 – 54-A District Court (formerly Teamster 580 – 54-A District Court)	March 31, 2014
Teamster 243 Supervisory (formerly Teamster 580 Supervisory)	May 19, 2014
Teamster 243 Clerical, Technical, and Professional (formerly Teamster 580 Clerical, Technical, and Professional)	May 19, 2014

II. Non-Bargaining Units

An individual whose terms of employment are governed by an employment relationship between the Employer and a non-bargaining unit classification that is listed below is eligible to participate in the Defined Contribution Plan pursuant to the terms of the Plan.

Name of Non-Bargaining Unit Classification	Effective Date
54-A District Court Non-Bargaining Unit Employees	June 1, 2014



FOSTER, SWIFT, COLLINS & SMITH, P.C.

VOLUME SUBMITTER DEFINED CONTRIBUTION TRUST AGREEMENT

FOSTER, SWIFT, COLLINS & SMITH, P.C.

VOLUME SUBMITTER DEFINED CONTRIBUTION TRUST AGREEMENT

Foster, Swift, Collins & Smith, P.C. (hereinafter "Foster Swift") hereby promulgates the Foster, Swift, Collins & Smith, P.C. Volume Submitter Defined Contribution Trust Agreement. By their respective signatures on the Foster, Swift, Collins & Smith, P.C. Volume Submitter Defined Contribution Plan Adoption Agreement (the "Adoption Agreement"), the Employer, each Employer Member, if any, and the Trustee (all as named in said Adoption Agreement) hereby agree to the terms and conditions of this Trust Agreement.

WITNESSETH:

WHEREAS, the Employer has adopted the Foster, Swift, Collins & Smith, P.C. Volume Submitter Defined Contribution Plan for its eligible employees (hereinafter referred to as the "Plan"); and

WHEREAS, if the Employer maintained a Prior Plan, the Employer hereby completely amends and restates the preexisting Trust Agreement as of the Effective Date set forth in Item 1.3(b) of the Adoption Agreement; and

WHEREAS, a Plan Administrator has been appointed to administer the Plan; and

WHEREAS, under the Plan, funds shall from time to time be contributed to the Trustee, which funds shall constitute a trust fund to be held for the exclusive benefit of the Participants in the Plan or their beneficiaries, including payment of certain expenses; and

WHEREAS, the Employer wants the Trustee to hold, invest, reinvest and otherwise to administer the funds, and the Trustee has indicated its willingness to do so, all pursuant to the terms of this Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the Employer and the Trustee do hereby covenant and agree as follows:

ARTICLE I - DEFINITIONS AND CONSTRUCTION

1.1 Definitions: The following words and phrases listed below shall, when used herein, have the respective meanings set forth below unless their context clearly indicates otherwise:

- (a) Employer: The entity(ies) named in Items 1.1 and 1.2 of the Adoption Agreement.
- (b) Named Fiduciary: The Employer.
- (c) Plan: The Plan named in Item 1.3(a) of the Adoption Agreement.

(d) Plan Administrator: The Employer named in Item 1.1 of the Adoption Agreement.

(e) Special Trustee: The individual or entity named in Item 1.3(f)(3)[a][ii], where applicable.

(f) Trust (or Trust Fund): The fund named in Item 1.3(f)(1) of the Adoption Agreement.

(g) Trustee: The individual(s) or entity named in Item 1.3(f)(2) of the Adoption Agreement.

1.2 Construction: The words "hereof," "hereunder" and other similar compounds of the word "here" shall mean and refer to the entire Trust Agreement and not to any particular provision or section.

ARTICLE II - RECEIPT OF CONTRIBUTIONS AND PAYMENTS FROM TRUST FUND

2.1 The Trustee shall receive any contributions paid to it in cash and that shall have been delivered to it. All contributions so received, together with the income therefrom and any other increment thereon, (hereinafter collectively referred to as the "Trust Fund") shall be held and administered by the Trustee pursuant to the terms of this Agreement without distinction between principal and income and without liability for the payment of interest thereon. The Employer shall make contributions in such manner and at such times as shall be appropriate. The Trustee shall not be responsible for the calculation of any contribution under or required by the Plan, but shall be responsible for property received by it pursuant to this Agreement. Notwithstanding any provision of the Plan or Trust to the contrary, the Trustee or the Special Trustee, as elected in Item 1.3(f)(3)[a][i] or [ii] of the Adoption Agreement, shall be responsible for the collection of contributions on behalf of the Plan. When determining how to discard this duty to collect contributions, the Trustee or the Special Trustee, as the case may be, shall weigh the value of the Plan assets involved, the likelihood of a successful recovery, and the expenses expected to be incurred. Among other factors, the Trustee or Special Trustee, as the case may be, shall take into account the Employer's solvency in deciding whether to expend Plan assets to pursue a claim.

2.2 The Plan, this Agreement and the Trust Fund thereunder are intended to meet all the requirements of Code Sections 401(a) and 501(a), and the Employee Retirement Income Security Act of 1974, as the same may be amended from time to time.

2.3 Subject to the limitations imposed by Section 2.4 of this Article, the Trustee shall from time to time on the written directions of the Plan Administrator make payments out of the Trust Fund to such persons, in such amounts and for such purposes as may be specified in the written directions of the Plan Administrator. To the extent permitted by law, the Trustee shall be under no liability for any payment made pursuant to the direction of the Plan Administrator. Any written direction of the Plan Administrator shall constitute a certification that the distribution or payment so directed is one which the Plan Administrator is authorized to direct.

2.4 Anything contained in this Agreement to the contrary notwithstanding, it shall be impossible at any time prior to the satisfaction of all liabilities with respect to Participants and their beneficiaries, for any part of the Trust Fund to be used for or diverted to purposes other than for the exclusive benefit of the participants under the Plan and their beneficiaries.

ARTICLE III - INVESTMENT OF TRUST

3.1 Subject to the provisions of Section 3.4 hereof and to the provisions of Article IV hereof, the Trustee or the Investment Manager (if an Investment Manager has been appointed) shall invest and reinvest the principal and income of the Trust Fund and keep the Trust Fund invested, without distinction between principal and income, in such securities or in such property, real or personal, tangible or intangible, or part interest therein, wherever situated, whether or not productive of income, or consisting of wasting assets, as the Trustee shall deem advisable, including but not limited to stocks, common or preferred, trust and participation certificates, interests in investment companies whether so-called "open-end mutual funds" or "closed-end mutual funds", common investment funds maintained, leaseholds, fee titles, bonds or notes and mortgages, and other evidences of indebtedness or ownership, irrespective of whether such securities or such property shall be of the character authorized by any state law from time to time for trust investments; provided, however, that investments shall be so diversified as to minimize the risk of large losses unless under the circumstances it is clearly prudent not to do so, in the sole judgment of the person who is directing the investment of the Trust under the provisions of Article V, or in the sole judgment of the Trustee if it is managing the Trust Fund under such provisions.

3.2 The term "investment company" as used in Section 3.1 above shall include shares of open-end investment companies, including, without limiting the generality of the foregoing, such investment companies as are commonly known as "money-market funds". The Trustee shall use the price established and provided from time to time by any such open-end investment company for any valuation required under the terms of this Agreement.

3.3 The Trustee, subject to the direction of the Plan Administrator or its designated agent, shall have the power to apply for and acquire a level premium life insurance or annuity contract on the life of or for the benefit of any Participant, from any legal reserve life insurance company selected by the Participant and the Plan Administrator, in such amount and of such kind, whether term, ordinary, endowment or any other type of insurance, immediate or deferred or any other type of annuity, and with such conversion and other provisions, as the Participant shall direct the Plan Administrator in writing to acquire, subject to whatever legal limits apply under the circumstances; provided, however, that the aggregate premiums for any such insurance contract or contracts paid from the account of any Participant shall be less than one-quarter ($\frac{1}{4}$) of the aggregate of the contributions allocated to said Account at any particular time in the case of term insurance and universal life insurance, and less than one-half ($\frac{1}{2}$) of the aggregate contributions allocated to said Account at any particular time in the case of ordinary life insurance (all dividends on any such term or whole life insurance to be applied first to reduce future premiums due on the contract) and that the Plan Administrator shall direct the Trustee to convert the entire value of any such insurance contract at or before the retirement of the Participant to provide periodic income so that no portion of such value may be used to continue life insurance protection beyond his or her or her retirement, or distribute the contracts to the Participant. In addition, the Trustee shall have the power to purchase or accept the assignment of

insurance or annuity contracts on the life of or for the benefit of the Participant in such amounts and of such kind as the Participant shall direct; provided, however, that any such purchase or acceptance shall comply with rules then in effect regarding prohibited transactions. The payment of aggregate premiums for any such contracts shall comply with the preceding provisions of this Section 3.3. Each such insurance or annuity contract shall be segregated to the account of the Participant on whose life or for whose benefit it shall be acquired, but all right, title and interest in each such contract shall be vested in the Trustee, except that the benefits thereunder shall be payable to the Participant and his or her or her beneficiaries in accordance with the distribution provisions of the Plan. All premiums with respect to each such insurance or annuity contract shall be paid from the account of the Participant on whose life or for whose benefit it is held, and said account shall receive or be credited with any dividends or interest on said contract.

The Trustee shall have the power and authority at any time to exercise any of the rights under any insurance contract or annuity contract, acquired or held under any of the provisions of this Section 3.3 in any manner for the purposes and under the provisions of the Plan, including, without limiting the generality of the foregoing, the power at any time to borrow on any such insurance or annuity contract for the purpose of paying premiums thereon, and to surrender or deliver any such insurance contract, in whole or in part, for cash or for conversion into any other insurance contract on the life of said Employee or for the purpose of exercising any option or any other right under said contract; provided, however, that in exercising such power to borrow on such insurance or annuity contracts, the amounts borrowed on such insurance contracts shall bear a uniform ratio to the premiums payable on such contracts and, similarly, the amounts repaid on any loans on such contracts shall bear a uniform ratio to the premiums thereon.

3.4 This Section 3.4 shall control where inconsistent with other Trust provisions. If the Employer so elects in Item 6.11 of the Adoption Agreement, the Plan allows any Participant to direct the investment of his or her interest in the Trust. Consistent therewith, each Plan Participant shall direct the Trustee as to the investment options in which the assets in the Participant's individual accounts shall be invested. Such directions may be made by Plan Participants in such manner as the Plan Administrator directs. If the Trustee fails to receive a proper direction, the assets shall be invested in the default investment option selected by the Plan Administrator until the Trustee receives a proper direction.

(a) Selection of Investment Options. The Trustee shall have no responsibility for the selection of investment options under the Trust and shall not render investment advice to any person in connection with the selection of such options.

(b) Available Investment Options. The Named Fiduciary shall direct the Trustee as to the investment options that will be offered to Plan Participants.

(c) Mutual Funds. Trust investments in mutual funds shall be subject to the limitations described below.

(1) Execution of Purchases and Sales. Purchases and sales of mutual funds shall be made on the date on which the Trustee receives from the Employer in good order all information and documentation necessary to accurately effect such purchases and sales (or in the case of a purchase, the subsequent date on which the Trustee has received a wire transfer of funds necessary to make such purchase).

(2) Voting. The Trustee shall vote the shares credited to the Participant's accounts (both vested and unvested) in accordance with directions from the Named Fiduciary. If the Trustee receives no such directions, the Trustee shall not vote the shares in question. With respect to all rights other than the right to vote, the Trustee shall follow the directions of the Named Fiduciary. The Trustee shall have no duty to solicit directions as to any matter from Participants.

(d) Notes. The Plan Administrator shall act as the Trustee's agent for the purpose of holding all trust investments in Participant loan notes and related documentation and as such shall (1) hold physical custody of and keep safe the notes and other loan documents, (2) collect and remit all principal and interest payments to the Trustee, (3) keep the proceeds of such loans separate from the other assets of the Plan Administrator and clearly identify such assets as Plan assets, (4) advise the Trustee of the date, amount and payee of the checks to be drawn representing loans, and (5) cancel and surrender the notes and other loan documentation when a loan has been paid in full. The Plan Administrator may delegate these duties.

(e) Reliance of Trustee on Directions.

(1) The Trustee shall not be liable for any loss, or by reason of any breach, which arises from any Participant's exercise or non-exercise of rights under this Article III over the assets in the Participant's accounts, except to the extent of the trustee's negligence related thereto.

(2) The Trustee shall not be liable for any loss, or by reason of any breach, which arises from the Named Fiduciary's exercise or non-exercise of rights under this Article III, unless the actions to be taken under the Named Fiduciary's directions were prohibited by the fiduciary duty rules of ERISA Section 404(a) or were contrary to the terms of the Plan or this Agreement.

ARTICLE IV - FUNDING POLICY

The Plan Administrator shall establish and carry out a funding policy consistent with the purposes of the Plan and the requirements of applicable law. The terms of this Trust shall be subject to such funding policy, and any changes thereof from time to time, as the Plan Administrator may, pursuant to the Plan, adopt from time to time. It shall be the duty of the Trustee to act strictly in accordance with such funding policy, and any changes therein, as so communicated to the Trustee from time to time in writing.

ARTICLE V - TRUSTEE POWERS

The Trustee shall have the following powers and authority:

5.1 Subject Section 3.4, to sell, exchange, convey, transfer, or otherwise dispose of any property held in the Trust, by private contract or at public auction. No person dealing with the Trustee shall be bound to see to the application of the purchase money or other property delivered to the Trustee or to inquire into the validity, expediency, or propriety of any such sale or other disposition.

5.2 Subject to Section 3.4, to invest in guaranteed investment contracts and short term investments (including interest bearing accounts with the Trustee or money market mutual funds advised by affiliates of the Trustee or the Employer) and in collective investment funds maintained by the Trustee for qualified plans, in which case the provisions of each collective investment fund in which the Trust is invested shall be deemed adopted by the Employer and the provisions thereof incorporated as a part of this Trust as long as the fund remains exempt from taxation under Code Sections 401(a) and 501(a).

5.3 To cause any securities or other property held as part of the Trust to be registered in the Trustee's own name or in the name of one or more of its nominees, in accordance with Section 2550.402a-1(b) of the U.S. Department of Labor Regulations, and to hold any investments in bearer form, but the books and records of the Trustee shall at all times show that all such investments are part of the Trust.

5.4 To keep that portion of the Trust in cash or cash balances as the Plan Administrator may, from time to time, deem to be in the best interest of the Trust.

5.5 To make, execute, acknowledge, and deliver any and all documents of transfer or conveyance and to carry out the powers herein granted.

5.6 To settle, compromise, or submit to arbitration any claims, debts, or damages due to or arising from the Trust; to commence or defend suits or legal or administrative proceedings; to represent the Trust in all suits and legal and administrative hearings; and to pay all reasonable expenses arising from any such action from the Trust if not paid by the Employer.

5.7 To employ legal, accounting, clerical, and other assistance as may be required in carrying out the provisions of this Agreement and to pay their reasonable expenses and compensation from the Trust if not paid by the Employer.

5.8 To do all other acts although not specifically mentioned herein, as the Trustee may deem necessary to carry out any of the foregoing powers and the purposes of the Trust.

ARTICLE VI - FEES AND EXPENSES

6.1 The expenses incurred by the Trustee in the performance of its duties, including fees for legal services, and such compensation to the Trustee as may be agreed upon in writing from time to time between the Employer and the Trustee, and all other proper charges and disbursements of the Trustee, including any and all taxes assessed against the Trustee or the Trust Fund, shall be paid from the Trust Fund unless paid by the Employer.

ARTICLE VII - TRUSTEE'S DUTIES AND OBLIGATIONS

7.1 The Trustee shall discharge its duties under this Agreement solely in the interest of the Participants in the Plan and their beneficiaries and for the exclusive purpose of providing benefits to such Participants and their beneficiaries and defraying reasonable expenses of administering the Plans, with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, and, subject to Participants' rights to direct the investment of their accounts (if permitted by the Plan), by diversifying the

investments of the Plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so, all in accordance with the provisions of this Agreement insofar as they are consistent with the provisions of the Employee Retirement Income Security Act of 1974, as this Agreement and the said Act may be from time to time amended; but the duties and obligations of the Trustee as such shall be limited to those expressly imposed upon it by this Agreement notwithstanding any reference herein to the Plan, or to the provisions thereof, it being hereby expressly agreed that the Trustee is not a party to the Plan.

7.2 The Trustee may consult with counsel (who may be counsel for the Employer or for the Trustee in its individual capacity), and the Trustee shall not be deemed imprudent by reason of its taking or refraining from taking any action in accordance with the opinion of counsel. The Employer agrees, to the extent permitted by law, to indemnify and hold the Trustee harmless from and against any liability that the Trustee may incur in the administration of the Trust Fund, unless arising from the Trustee's own negligent or willful breach of the provisions of this Agreement. The Trustee shall not be required to give any bond or any other security for the faithful performance of its duties under this Agreement, except such as may be required by a law which prohibits the waiver thereof.

7.3 The Trustee shall be entitled, as it may deem appropriate from time to time, to require of the Employer, the named fiduciary or any other person involved in the administration of the Plan or investment of the Trust Fund, or having any interest under the Plan or in, to, or under this Agreement or to the Trust Fund held hereunder, such certifications and proofs of facts as shall permit the Trustee to perform its duties under the Employee Retirement Income Security Act of 1974 (or any regulation thereunder) as may be in effect from time to time, or to exercise the powers granted the Trustee under this Agreement.

ARTICLE VIII - ACCOUNTS AND RECORDS

8.1 The Trustee shall keep accurate and detailed accounts of all investments, receipts, disbursements and other transactions hereunder and all such accounts and other records relating thereto shall be open to inspection and audit at all reasonable times by any person designated by the Plan Administrator. Within ninety (90) days following the close of the fiscal year of the Trust Fund and within ninety (90) days after the removal or resignation of the Trustee as provided under Article IX hereof, the Trustee shall file with the Employer a written account setting forth all investments, receipts, disbursements and other transactions effected by it during such fiscal year or during the period from the close of the last fiscal year to the date of such removal or resignation. Upon the expiration of sixty (60) days from the filing of such account, the Trustee shall be forever released, remised and discharged from all liability and accountability to anyone with respect to the propriety of its accounts and transactions shown in such accounts except with respect to any such account or transactions as to which the Employer shall within such sixty (60) day period file written exceptions and objections. To the extent permitted by law, but subject to any express provision of applicable law as may be in effect from time to time to the contrary, no person other than the Employer may require an accounting or bring any action against the Trustee with respect to the Trust Funds or its actions as Trustee.

8.2 Notwithstanding any other provision of this Article VIII, the Trustee shall have the right to have a judicial settlement of the Trustee's accounts, or for instructions in connection with the Trust Fund, the only necessary parties thereto in addition to the Trustee shall be the

Employer and the Plan Administrator. If the Trustee so elects, it may bring in any other person or persons as a party or parties defendant.

ARTICLE IX - TRUSTEE'S REMOVAL OR RESIGNATION

9.1 The Trustee (or any Trustee if there is more than one) may be removed by the Employer at any time upon sixty (60) days notice in writing to the Trustee and the Plan Administrator. The Trustee (or any Trustee if there is more than one) may resign at any time upon sixty (60) days'notice in writing to the Employer. Upon such resignation or removal, the Employer shall appoint a successor trustee and such successor trustee shall have the same powers and duties as those conferred upon the Trustee named in this Agreement. The removal of a Trustee and the appointment of a successor trustee shall be by written instrument delivered to the Trustee.

ARTICLE X - LIMITATION ON TRUSTEE'S LIABILITY

10.1 The Plan Administrator shall administer the Plan as provided therein, and the Trustee shall not be responsible in any respect for administering the Plan nor shall the Trustee be responsible for the adequacy of the Trust Fund to meet or discharge any payments or liabilities under the Plan. The Trustee shall be fully protected in relying upon any written notice, instruction, direction or other communication of the Plan Administrator when signed by the Plan Administrator. The Employer from time to time shall furnish the Trustee with the names and specimen signatures of authorized representatives of the Plan Administrator and officers of the Employer, and shall promptly notify the Trustee of the termination of office of any authorized representative of the Plan Administrator or any relevant officer of the Employer and the appointment of such person's successor. Until notified to the contrary in writing, the Trustee shall be fully protected in relying upon the most recent certification of the Plan Administrator representatives and officers of the Employer furnished to it by the Employer.

10.2 Any action required by any provision of this Agreement to be taken by the Board of Directors of the Employer shall be evidenced by a resolution of the Board of Directors certified to the Trustee by the Secretary or an Assistant Secretary of the Employer, and the Trustee shall be fully protected in relying upon any resolution so certified to it. Unless other evidence with respect thereto has been expressly prescribed in this Agreement, any other action of the Employer under any provision of this Agreement, including any approval of or exceptions to the Trustee's accounts, shall be evidenced by a certificate signed by an officer of the Employer, and the Trustee shall be fully protected in relying upon such certificate. The Trustee may accept a certificate signed by an officer of the Employer as proof of any fact or matter that the Trustee deems necessary or desirable to have established in the administration of the Trust Fund (unless other evidence of such fact or matter is expressly prescribed herein), and the Trustee shall be fully protected in relying upon the statements in the certificate.

10.3 The Trustee shall be entitled conclusively to rely upon any written notice, instruction, direction, certificate or other communication believed by it to be genuine and to be signed by the proper person or persons, and the Trustee shall be under no duty to make investigation or inquiry as to the truth, accuracy, or completeness of any statement contained therein.

ARTICLE XI - AMENDMENT OF AGREEMENT

11.1 The Employer is vested with the right at any time and from time to time by action of its Board of Directors to amend in whole or in part any or all of the provisions of this Agreement, with the exception of Section 2.4 hereof, by an instrument in writing duly acknowledged and delivered to the Plan Administrator and the Trustee, provided that no such amendment which affects the rights, duties, responsibilities or immunities of the Trustee may be made without its consent.

ARTICLE XII - TERMINATION OF PLAN OR TRUST

12.1 This Agreement and the related Trust (which is part of the Plan) may be terminated at any time by the Employer. Upon such termination, or upon the dissolution or liquidation of the Employer, the Trust Fund shall be paid out by the Trustee as and when directed by the Plan Administrator, in accordance with the provisions of Article II hereof.

ARTICLE XIII - APPLICATION OF STATE LAW

13.1 Subject to the provisions of the Employee Retirement Income Security Act of 1974, as the same may be amended from time to time, which may be applicable and provides to the contrary, this Agreement, as amended from time to time, shall be administered, construed and enforced according to the laws of the State of Michigan and in courts situated in that State.

ARTICLE XIV – PROVISIONS RELATING TO MULTIPLE EMPLOYERS

14.1 Special Definitions: If the Plan has been adopted by more than one Employer, the definitions of "Employer Member," "Plan Administrator," and "Primary Employer" set forth in Article XVI of the Basic Plan Document shall apply for purposes of this Trust Agreement.

14.2 Each Employer Member shall pay to the Trustee its Individual Contribution (as determined under the terms of the Plan) in accordance with the provisions of Section 2.1 hereof.

14.3 Each Employer Member hereby expressly acknowledges and agrees that the Employer is vested with certain rights and obligations with regard to amending, terminating, merging and consolidating the Trust under the provisions of the Plan and the other provisions of the Trust, and that those rights and obligations will be vested in the Primary Employer. However, each Employer Member shall have the right to terminate its participation in the Plan at any time, which shall constitute a partial termination of the Trust in accordance with the terms of this Trust Agreement and the Plan.

14.4 Each of the Employer Members shall certify to the Trustee, at such times and in such form as the Trustee may require, the names and specimen signatures of its officers, any named fiduciary, or any other person involved in the administration of the Plan or investment of the Trust Fund, or any other certifications and proofs of facts as may be required in accordance with Section 7.3 hereof.

14.5 Any action required by any provision of this Agreement to be taken by the Board of Directors of any Employer Member shall be evidenced by a resolution of the Board of Directors certified to the Trustee by the Secretary or an Assistant Secretary of the Employer

Member, and the Trustee will be fully protected in relying upon any resolution so certified to it. Unless other evidence with respect thereto has been expressly prescribed in this Agreement, any other action of any Employer Member under any provision of this Agreement, including any approval of or exceptions to the Trustee's accounts, shall be evidenced by a certificate signed by an officer of the Employer Member, and the Trustee shall be fully protected in relying on such certificate. The Trustee may accept a certificate signed by an officer of an Employer Member as proof of any fact or matter pertaining to that specific Employer Member that the Trustee deems necessary or desirable to have established in the administration of the Trust Fund (unless other evidence of such fact or matter is expressly prescribed herein), and the Trustee shall be protected in relying upon the statements in the certificate.

BY THE COMMITTEE ON WAYS AND MEANS
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the City of Lansing ("City") has established the City of Lansing Defined Contribution Plan and related trust (collectively referred to as the "Plan") for the benefit of employees of the City; and

WHEREAS, the Plan is required by the Internal Revenue Service (IRS) to be restated every six (6) years in order to incorporate any plan amendments made within the past six years; and

WHEREAS, the Plan was amended in December, 2014 to include new Plan participants for Teamsters Local 214 Supervisory and Non-supervisory, Teamster Local 243 (formerly Local 580), 54-A District Court, Supervisory, and Clerical, Technical, and Professional employees; and

WHEREAS, the 54-A District Court is an Adopting Employer of the Defined Contribution Plan;

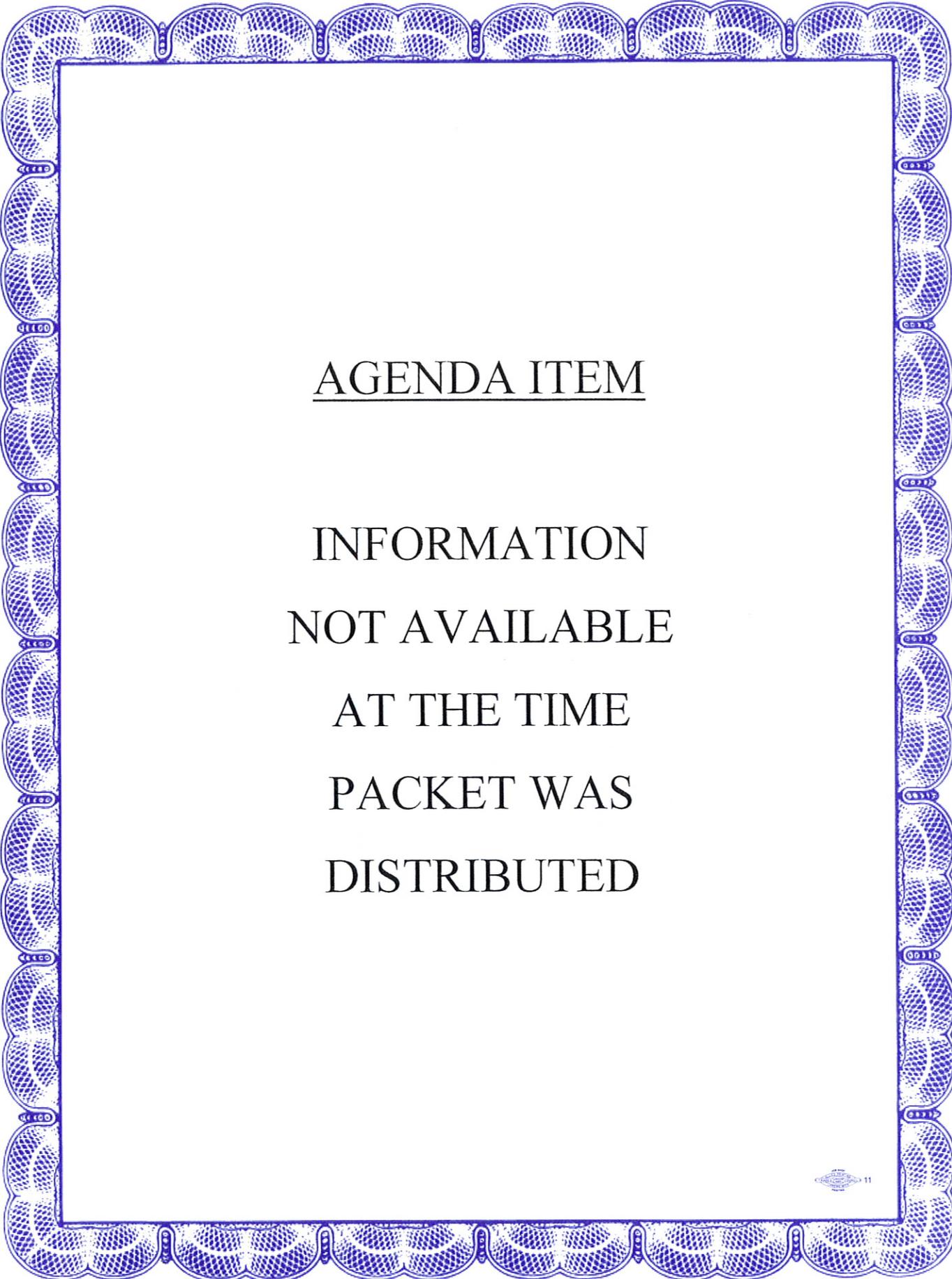
NOW, THEREFORE BE IT RESOLVED that the Plan restatement as outlined in the Volume Submitter Defined Contribution Trust Agreement and Adoption Agreement 001 is hereby adopted.

BE IT FURTHER RESOLVED that William Barkyoub, Chairperson of the Defined Contribution Governing Committee, is hereby authorized to execute the Defined Contribution Plan and any documents that are necessary to implement the Plan restatement on behalf of the City of Lansing and the 54-A District Court.



AGENDA ITEM

INFORMATION
NOT AVAILABLE
AT THE TIME
PACKET WAS
DISTRIBUTED



AGENDA ITEM

INFORMATION
NOT AVAILABLE
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PACKET WAS
DISTRIBUTED

RECYCLING FUND		FY 2013	FY 2013	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016
Account #	Description	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Revenues								
597.000000.639100.00000	RECYCLING COLLECTION FEE	3,410,500.00	3,421,147.52	3,578,650.00	3,481,728.26	3,600,450.00	3,592,195.98	3,600,000.00
597.000000.679000.00000	INTEREST INCOME	0.00	(1,031.03)	0.00	0.00	0.00	0.00	0.00
597.000000.679100.00000	FROM FUND BALANCE	608,325.00	0.00	236,350.00	0.00	326,350.00	0.00	382,200.00
597.000000.680000.00000	MISCELLANEOUS REVENUE	23,535.00	10,105.70	62,000.00	15,747.12	18,800.00	32,474.58	23,000.00
597.000000.682001.00000	SALE OF RECYCLED MATERIALS	130,000.00	3,368.01	80,000.00	11,060.73	12,000.00	0.00	6,000.00
597.000000.695200.00000	LOAN PROCEEDS	0.00	0.00	0.00	1,737,700.00	0.00	0.00	0.00
597.000000.698000.00000	CONTRA-BOND PROCEEDS	0.00	0.00	0.00	(1,737,700.00)	0.00	0.00	0.00
	Total Revenues	4,172,360.00	3,433,590.20	3,957,000.00	3,508,536.11	3,957,600.00	3,624,670.56	4,011,200.00
Expenses - Recycling Collection								
597.453685.702000.00000	SALARIES	107,325.00	93,905.75	129,630.00	108,837.74	128,970.00	111,938.56	129,208.00
597.453685.706000.00000	HOURLY WAGES	267,674.00	230,596.16	252,580.00	239,122.74	258,013.00	256,465.75	264,000.00
597.453685.707000.00000	TEMPORARY HELP	21,926.00	47,382.14	21,926.00	33,926.55	21,926.00	20,085.42	21,926.00
597.453685.708000.00000	OVERTIME - SALARY	4,908.00	1,136.90	4,908.00	28,981.25	4,908.00	26,787.63	5,153.00
597.453685.709000.00000	OVERTIME - HOURLY	22,723.00	32,339.69	22,723.00	47,220.72	22,723.00	31,777.87	23,859.00
597.453685.712000.00000	LONGEVITY	7,471.00	12,933.73	7,839.00	12,997.76	6,980.00	7,740.94	8,405.00
597.453685.713100.00000	VACATION/SICK/PERSONAL LEAVE	53,039.00	71,726.72	55,516.00	86,938.11	55,973.00	60,191.91	56,500.00
597.453685.715067.00000	PENSION EXP						143.89	
597.453685.715300.00000	FRINGE BENEFITS - FIXED	466,159.00	431,998.43	511,920.00	604,026.23	536,368.00	544,346.53	553,000.00
597.453685.715400.00000	FRINGE BENEFITS - VARIABLE	201,679.00	165,126.81	169,605.00	174,159.19	173,268.00	167,542.83	174,000.00
597.453685.716000.00000	CHANGE IN ACCRD COMPENSATED AB	0.00	(1,778.00)	0.00	5,882.00	0.00	11,236.00	0.00
597.453685.741000.00000	MISCELLANEOUS OPERATING	50,000.00	53,346.28	125,000.00	112,709.79	120,000.00	98,342.77	125,000.00
597.453685.741600.00000	ADMINISTRATIVE CHARGES	36,808.00	36,808.00	44,016.00	44,016.00	33,930.00	33,930.39	33,930.00
597.453685.741855.00000	BOND ISSUE COSTS	0.00	0.00	0.00	27,214.60	0.00	0.00	0.00
597.453685.742000.00000	SUPPLIES	4,079.00	0.00	4,079.00	0.00	4,079.00	0.00	4,080.00
597.453685.743000.00000	CONTRACTUAL SERVICES	160,000.00	79,282.31	235,000.00	125,495.66	210,000.00	165,169.87	210,000.00
597.453685.743700.00000	ENGINEERING	40,177.00	43,318.11	22,115.00	20,985.23	42,508.00	36,493.87	67,005.00
597.453685.744000.00000	UTILITIES	5,985.00	0.00	15,000.00	0.00	17,000.00	9,131.58	18,000.00
597.453685.745100.00000	BUILDING RENTAL	0.00	0.00	6,750.00	11,196.37	5,700.00	6,044.54	5,241.00
597.453685.745200.00000	EQUIPMENT RENTAL	370,000.00	384,452.01	377,000.00	326,788.63	377,000.00	229,008.73	377,000.00
597.453685.745230.00000	EQUIPMENT RENTAL	0.00	0.00	4,000.00	4,000.00	3,000.00	3,000.00	24,000.00
597.453685.746100.00000	BUILDING MAINTENANCE	3,969.00	115.00	40,000.00	0.00	40,000.00	20,423.96	30,000.00
597.453685.748000.00000	INSURANCE & BONDS	13,533.00	10,129.10	18,195.00	18,996.59	15,939.00	24,664.66	17,060.00
597.453685.749000.00000	DEPRECIATION	0.00	0.00	0.00	150,506.04	0.00	301,012.08	0.00
597.453685.975000.00000	BUILDINGS	250,000.00	0.00	0.00	0.00	0.00	0.00	0.00
597.453685.977000.00000	EQUIPMENT	0.00	0.00	0.00	1,806,072.50	0.00	0.00	0.00
597.453685.981000.00000	PRINCIPAL	0.00	0.00	0.00	69,619.12	394,864.00	208,649.46	212,759.00
597.453685.982000.00000	INTEREST	525,000.00	0.00	525,000.00	27,000.62	59,948.00	30,654.60	27,567.00
597.453685.991640.00000	OPERATING TRANSFER	0.00	250,000.00	0.00	0.00	0.00	0.00	0.00
597.453685.991998.00000	CONTRIBUTED CAPITAL	0.00	707,141.65	0.00	0.00	0.00	0.00	214,486.00
597.453685.998001.00000	CONTRA-FIXED ASSETS	0.00	0.00	0.00	(1,806,072.50)	0.00	214,485.52	0.00
597.453685.998002.00000	CONTRA-DEBT PRINCIPAL	0.00	0.00	0.00	(69,619.12)	0.00	(208,649.46)	0.00
	Total	2,612,455.00	2,649,960.79	2,592,802.00	2,211,001.82	2,533,097.00	2,410,619.90	2,602,179.00
Expenses - Composting								
597.453686.702000.00000	SALARIES	67,560.00	59,112.73	78,920.00	66,489.15	78,057.00	68,148.75	79,250.00
597.453686.706000.00000	HOURLY WAGES	150,858.00	89,325.08	151,430.00	61,986.71	152,689.00	88,888.61	158,000.00
597.453686.707000.00000	TEMPORARY HELP	87,705.00	27,784.53	87,705.00	45,653.35	87,705.00	40,069.42	87,705.00

597.453686.708000.00000	OVERTIME - SALARY	7,560.00	3,644.93	7,560.00	12,260.12	7,560.00	15,329.84	7,938.00
597.453686.709000.00000	OVERTIME - HOURLY	24,885.00	32,468.90	24,885.00	42,752.77	24,885.00	28,194.69	26,129.00
597.453686.712000.00000	LONGEVITY	5,713.00	5,916.31	6,414.00	4,799.10	5,711.00	6,333.60	6,885.00
597.453686.713100.00000	VACATION/SICK/PERSONAL LEAVE	40,559.00	32,810.15	45,422.00	32,099.76	45,796.00	49,247.83	46,250.00
597.453686.715300.00000	FRINGE BENEFITS - FIXED	284,206.00	262,897.38	325,077.00	231,889.30	337,366.00	371,750.46	350,390.00
597.453686.715400.00000	FRINGE BENEFITS - VARIABLE	129,387.00	77,614.65	113,999.00	72,069.83	115,455.00	84,018.23	116,000.00
597.453686.741000.00000	MISCELLANEOUS OPERATING	17,760.00	6,722.23	32,760.00	7,370.98	32,760.00	10,119.58	32,760.00
597.453686.741600.00000	ADMINISTRATIVE CHARGES	27,375.00	27,375.00	30,547.00	30,547.00	23,548.00	23,547.61	23,548.00
597.453686.742000.00000	SUPPLIES	1,856.00	0.00	2,500.00	0.00	2,500.00	0.00	2,500.00
597.453686.743700.00000	ENGINEERING	0.00	0.00	22,115.00	20,985.23	71,045.00	60,993.21	0.00
597.453686.744000.00000	UTILITIES	6,270.00	0.00	9,000.00	0.00	7,600.00	4,082.35	7,600.00
597.453686.744500.00000	LANDFILL FEES	128,000.00	152,277.10	148,000.00	214,227.42	148,000.00	150,196.60	220,000.00
597.453686.745100.00000	BUILDING RENTAL	0.00	0.00	6,750.00	11,196.37	6,750.00	7,158.01	6,206.00
597.453686.745200.00000	EQUIPMENT RENTAL	230,000.00	195,444.82	253,000.00	184,256.31	260,000.00	186,276.92	220,000.00
597.453686.746100.00000	BUILDING MAINTENANCE	3,930.00	0.00	5,390.00	0.00	5,930.00	3,027.85	5,930.00
597.453686.748000.00000	INSURANCE & BONDS	8,670.00	7,969.59	12,724.00	13,846.16	11,146.00	13,345.04	11,930.00
	Total	1,222,294.00	981,363.40	1,364,198.00	1,052,429.56	1,424,503.00	1,210,728.60	1,409,021.00
Expenses - Transfer Station								
597.453687.707000.00000	TEMPORARY HELP	0.00	0.00	0.00	0.00	0.00	1,868.05	0.00
Expenses - Promo, Educ, Mkting								
597.453688.702000.00000	SALARIES	38,181.00	33,407.08	0.00	89.89	0.00	0.00	0.00
597.453688.708000.00000	OVERTIME - SALARY	2,200.00	0.00	0.00	5.81	0.00	0.00	0.00
597.453688.709000.00000	OVERTIME - HOURLY	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
597.453688.712000.00000	LONGEVITY	1,465.00	1,331.51	0.00	3.36	0.00	0.00	0.00
597.453688.713100.00000	VACATION/SICK/PERSONAL LEAVE	10,400.00	7,384.18	0.00	22.46	0.00	0.00	0.00
597.453688.715300.00000	FRINGE BENEFITS-FIXED	55,458.00	55,723.73	0.00	0.00	0.00	0.00	0.00
597.453688.715400.00000	FRINGE BENEFITS-VARIABLE	23,038.00	16,019.10	0.00	0.00	0.00	0.00	0.00
597.453688.741000.00000	MISCELLANEOUS OPERATING	75,000.00	56,784.15	0.00	0.00	0.00	61.36	0.00
597.453688.741600.00000	ADMINISTRATIVE CHARGES	9,611.00	9,611.00					
597.453688.742000.00000	SUPPLIES	6,395.00	4,188.51					
597.453688.743000.00000	CONTRACTUAL SERVICES	45,000.00	34,876.58	0.00	0.00	0.00	0.00	0.00
597.453688.744000.00000	UTILITIES	5,985.00	0.00					
597.453688.745100.00000	BUILDING RENTAL	35,070.00	35,031.00					
597.453688.745200.00000	EQUIPMENT RENTAL	5,000.00	3,400.00					
597.453688.745230.00000	EQUIPMENT RENTAL	5,258.00	5,258.00					
597.453688.746100.00000	BUILDING MAINTENANCE	7,350.00	0.00					
597.453688.747100.00000	CONFERENCES	2,000.00	317.48					
597.453688.748000.00000	INSURANCE & BONDS	8,000.00	4,600.54					
	Total	337,611.00	267,932.86	0.00	121.52	0.00	61.36	0.00
Total Expenses		4,172,360.00	3,899,257.05	3,957,000.00	3,263,552.90	3,957,600.00	3,623,277.91	4,011,200.00
Revenues less Expenses		0.00	(465,666.85)	0.00	244,983.21	0.00	1,392.65	0.00



CITY OF LANSING

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REVIEW AND RECOMMENDATIONS ON STRUCTURE, POLICIES AND PROCEDURES FOR THE CITY OF LANSING OFFICE OF THE INTERNAL AUDITOR

Jim DeLine
Internal Auditor
March 30, 2016

- I. Mission Statement: *"The mission of the City of Lansing Internal Auditor's office is to follow the City Charter, to improve the accountability for public funds and to improve operations of City government for the benefit of the citizens of the City of Lansing."*
- II. Objectives:
 - a. To ensure City programs are meeting goals and objectives by conducting performance audits which make recommendations based on criteria established and evidence obtained.
 - b. To ensure the integrity of City finances by conducting financial and cash audits focusing on economy, accuracy and efficiency in the use of resources used to achieve program results.
 - c. To provide City Council with information necessary to performing its legislative charge.