

**AMENDMENT NO. 24-1
TO THE
RULES AND REGULATIONS
OF THE MEBA PENSION TRUST – MONEY PURCHASE BENEFIT PLAN**

At their June 20, 2024 meeting, the Trustees of the MEBA Money Purchase Benefit Plan (the “Plan”) amended the Plan’s Rules and Regulations to implement automatic distributions of small account balances with respect to participants who terminate employment, and to make other desired changes. Specifically, effective January 1, 2024, except as otherwise noted, the Trustees have amended the Rules and Regulations to (i) add new defined terms for “Terminated Employee” and “Termination of Employment”; (ii) add provisions regarding the automatic cash out of a Vested Benefit of \$1,000 or less for a Terminated Employee and provisions regarding automatic IRA rollovers for Terminated Participant accounts with a balance that is greater than \$1,000 but not over \$7,000; (iii) make other desired changes for consistent use of terminology; (iv) permit a surviving spouse to elect to be treated as the employee for required minimum distributions; (v) increase the required beginning date under the Plan; (vi) conform the Plan’s language regarding overpayments to the overpayment policy adopted by the Board of Trustees; (vii) clarify the terms of the Plan with respect to distributions made at the direction of a payee; and, (viii) determine the identity of the proper payee and any benefits under the Plan;

1. **Terminated Employee and Termination of Employment.** A new Plan Section 1.25 shall be added to read as follows (cross-references and subsequent sections are renumbered accordingly):

The term “Terminated Employee” shall mean a Participant who has not engaged in Covered Employment for a minimum of three (3) consecutive years. The term “Termination of Employment” shall mean, with respect to a Participant, the date on which the Participant becomes a Terminated Employee.

2. **Automatic cash out of Small Vested Benefits.** A new Plan Section 6.07 shall be added to read as follows (cross-references and subsequent sections are renumbered accordingly):

**6.07 AUTOMATIC CASH OUT OF SMALL ACCOUNTS UPON
TERMINATION OF EMPLOYMENT.**

- (a) **Accounts with a Vested Benefit of \$1,000 or less.**

Automatic Distribution of Vested Benefit of \$1,000 or less. Notwithstanding any provision in this Plan to the contrary, effective September 1, 2024, if upon Termination of Employment the value of an Account payable to a Terminated Employee is \$1,000 or less and the Participant has not otherwise specified a method of distribution in accordance with reasonable procedures established by the Plan Administrator, such Account shall be paid in a 100% lump sum payment.

- (b) **Automatic IRA Rollovers of Vested Benefit between \$1,000 and \$7,000.**

Notwithstanding any other provision of this Plan, effective September 1, 2024, if upon Termination of Employment, the value of a Terminated

Employee's Account is greater than \$1,000 but less than \$7,000, the value of such Account shall be automatically rolled over, in lump sum, to an Individual Retirement Account (IRA) in the Participant's name with an IRA recordkeeper selected by the Trustees, which transfer shall occur without the consent of the Participant or Beneficiary, if the Participant or Beneficiary does not otherwise specify a method of distribution in accordance with reasonable procedures established by the Plan Administrator.

3. **Changes for consistent use of terminology.**

Because a Participant is defined as an Employee with an account under the Plan, for clarity and consistency, all references in Section 6.05 and Section 6.06 to "Employee" shall be changed to "Participant".

4. **Surviving Spouse treated as the Participant for Required Minimum Distributions.** Plan Section 6.05(d)(2)(A) shall be amended to read as follows (new language shown in *bold italics*):

- (A) If the ~~Employee's~~ **Participant's** surviving Spouse is the ~~Employee's~~ **Participant's** sole designated Beneficiary, then, except as elected pursuant to Section 6.05(d)(2)(E), distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the ~~Employee~~ **Participant** died, or by December 31 of the calendar year in which the ~~Employee~~ **Participant** would have attained age ~~70 ½ (age 72, for distributions required to be made after December 31, 2019 if the Employee attains age 70 ½ after such date)~~ **their Required Beginning Date as defined in subsection (g)(5) below.**

For the avoidance of doubt, effective January 1, 2024, a Participant's surviving Spouse shall be treated in the same manner as the Participant would have with respect to required minimum distributions and other distribution options.

5. **Increase of the Required Beginning Date.** Plan Subsection 6.05(g)(5) shall be amended to read as follows (new language shown in *bold italics*, deleted language ~~stricken~~):

(5) Required Beginning Date. "Required Beginning Date" means (1) for a ~~Employee-Participant~~ who is not a 5% owner (as defined in Code Section 416(i)(1)) the April 1 ~~following the later of the calendar year in which the Participant attains age 70 ½ (or age 72 for distributions required to be made after December 31, 2019 with respect to an Employee who attains age 70 ½ after such date) or the calendar year in which the Employee terminates employment~~ **of the year following the later of the calendar year in which the Participant attains their Applicable Age or the calendar year in which the Participant becomes a Terminated Employee** and (2) for an ~~Employee~~ **Participant** who is a 5% owner (as defined in Code Section 416(i)(1)) the April 1 following the calendar year in which ~~the Employee attains age 70 ½ (or age 72 for distributions required to be made after December 31, 2019 with respect to an Employee who attains age 70 ½ after such date)~~ **the Participant attains their Applicable Age. For purposes of this subsection, the term "Applicable Age" means:**

- (i) *age 70½ if the Participant attained age 70½ prior to December 31, 2019;*
- (ii) *age 72 if the Participant attained age 72 after December 31, 2019, and prior to January 1, 2023;*
- (iii) *age 73 if the Participant attains age 72 after December 31, 2022, and age 73 before January 1, 2033; and*
- (iv) *age 75 if the Participant attains age 74 after December 31, 2032.*

6. **Overpayment Policy.** Plan Section 8.04 shall be amended to read as follows (new language shown in *bold italics*, deleted language ~~stricken~~):

Section 8.04 Overpayments

In the event a benefit is paid to an Employee, Participant, Spouse, alternate payee, Beneficiary, or third party in an amount greater than the amount to which such person or party was entitled pursuant to the Plan, the Plan has the right to recover such benefit payments (hereinafter “Overpayments”) ~~by offsetting any future benefits otherwise payable by the Plan to a participant or to any person who is entitled to benefits with respect to that Participant, including but not limited to a Spouse, alternate payee, or Beneficiary. The Plan may offset any benefit payable under the Plan, including but not limited to uninsured death benefits and joint and survivor benefits. Future benefit payments, if any, shall be made on the correct and appropriate basis~~ *in accordance with the Recovery of Overpayments Policy adopted by the Trustees.*

The Plan shall have a constructive trust, lien, and/or equitable lien by agreement in favor of the Plan on any Overpayment, including amounts held by a third party, such as an attorney. Any such amount will be deemed to be held in trust by the Employee, Participant, Spouse, alternate payee, Beneficiary, or third party for the benefit of the Plan until paid to the Plan. By accepting benefits from the Plan, the Employee, Participant, Spouse, alternate payee, Beneficiary, or third party agree that a constructive trust, lien, and/or equitable lien by agreement in favor of the Plan exists with regard to any Overpayment. ~~The Employee, Participant, Pensioner, spouse, alternate payee, or Beneficiary,~~ *and* agree to cooperate with the Plan by reimbursing all amounts due and agree to be liable to the Plan for all of its costs and expenses, including attorneys’ fees and costs, related to the collection of any Overpayment *and, to the extent permissible under law,* agree to pay interest at the rate determined by the Trustees from the date of the Overpayment through the date that the Plan is paid the full amount owed.

~~In addition to its right to recover Overpayments by offset, the Plan also has the right to recover Overpayments by pursuing legal action against the party to whom the benefits were paid or the party on whose behalf they were paid, including their estate. In that event, the party to whom benefits were paid or the party on whose behalf they were paid shall pay all costs and expenses, including attorneys’ fees and costs, incurred by the Plan in connection with the collection of any Overpayment or the enforcement of any of the Plan’s rights to repayment.~~ Any refusal by the Employee, Participant, Spouse, alternate payee, Beneficiary, or third party to reimburse the Plan for an Overpayment will be considered a breach of the agreement with the Plan that the Plan will provide the benefits available under the Plan and that the Participant will comply with the rules of the Plan. Further, by accepting benefits

from the Plan, the Employee, Participant, Spouse, alternate payee, Beneficiary, or third party affirmatively waive any defenses available to any of them in any action by the Plan or Trustees to recover Overpayments or amounts due under any other rule of the Plan, including but not limited to a statute of limitations defense or a preemption defense, to the extent permissible under applicable law. The Plan has the right to file suit in any state or federal court that has jurisdiction over the Plan's claim.

7. **Distributions Made at the Direction of a Payee.** A new Plan Section 9.06 shall be added to read as follows:

9.06 Reliance on Payee Representations

The Plan Administrator and all other persons or entities associated with the operation of the Plan, the management of its assets, and the provision of benefits hereunder, may reasonably rely on the truth, accuracy and completeness of all data provided by any Participant, Beneficiary, or alternate payee under a qualified domestic relations order, including, without limitation, data with respect to age, health and marital status.

Furthermore, the Plan Administrator and all other persons or entities associated with the operation of the Plan may reasonably rely on all consents, elections and designations filed with the Plan or those associated with the operation of the Plan by any Participant, the spouse of any Participant, any Beneficiary of any Participant, any alternate payee under a qualified domestic relations order, or the representatives of such persons without duty to inquire into the genuineness of any such consent, election or designation. None of the aforementioned persons or entities associated with the operation of the Plan, its assets and the benefits provided under the Plan shall have the duty to inquire into any such data, and all may on such data being current to the date of reference, it being the duty of the Participants, spouses of Participants, Beneficiaries and alternate payees to advise the appropriate parties of any change in such data.

8. **Determining the Identity of the Proper Payee.** A new Plan Section 9.07 shall be added to read as follows):


9.07 Identity of Payee

The determination of the Plan Administrator as to the identity of the proper payee of any benefit under the Plan and the amount of such benefit properly payable shall be conclusive, and payment in accordance with such determination shall constitute a complete discharge of all obligations on account of such benefit.

Adopted in Principle: June 20, 2024


Language Approved: August 27, 2024

CHAIRMAN



Adam Vokac, Chairman

SECRETARY



Edward Hanley, Secretary