

STATE OF IOWA  
DEPARTMENT OF ADMINISTRATIVE SERVICES  
RETIREMENT INVESTORS' CLUB

# PLAN DOCUMENT

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IOWA 457(B) EMPLOYEE CONTRIBUTION PLAN

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REVISED AUGUST 2017

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# IOWA 457(B) EMPLOYEE CONTRIBUTION PLAN

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## PREAMBLE

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This Plan is intended to satisfy the requirements for an “eligible deferred compensation plan” under Section 457(b) of the Internal Revenue Code of 1986, as amended from time to time, and all other applicable provisions of law and the regulations issued thereunder. This Plan may be referred to as “The Iowa 457 Employee Contribution Plan,” which is one of three plans that comprise the Retirement Investors’ Club (RIC).

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## ARTICLE ONE DEFINITIONS

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

- 1 Account** means any fixed annuity contract, variable annuity contract, life insurance contract, documents evidencing mutual funds, variable or guaranteed investments, or combination thereof provided for in the Plan. An Account may be funded with pretax contributions, post-tax contributions, or both.
- 2 Alternate Payee** means the person who is or was the spouse of a Participant or is the child of a Participant to the extent that such person is entitled to any or all of a Participant’s Account under a court order that the Plan Administrator or designee has determined to be a Plan-approved Qualified Domestic Relations Order.
- 3 Automatic Contribution Arrangement** means an arrangement elected by a RIC Employer under which, in the absence of an affirmative election by a Covered Employee, a certain amount of the Covered Employee’s Compensation will be contributed to the Plan as an elective deferral in lieu of being included in the Eligible Employee’s pay.
- 4 Beneficiary** means a person, entity or estate a Participant or Alternate Payee designates to receive benefits following the death of the Participant or Alternate Payee.
- 5 CFR** means the Federal Code of Regulations, as amended from time to time. See also the definition of **Regulations** below.
- 6 Code** means the Internal Revenue Code of 1986, as amended from time to time.
- 7 Compensation** means all cash compensation for services to the Employer, including salary, wages, fees, commissions, bonuses, and overtime pay, that is includible in the Employee’s gross income for the calendar year, plus amounts that would be cash compensation for services to the Employer

includible in the Employee's gross income for the calendar year but for a compensation reduction election under Code Sections 125, 132(f), 403(b) or 457(b) (including an election under Article Three to defer Compensation under the Plan). Pursuant to 26 CFR Section 1.415(c)-2, Compensation may also include any payments made to a Participant who has had a Severance From Employment, provided that the compensation is paid the later of 2 ½ months after the Severance From Employment has occurred or the end of the calendar year that contains the date of the Participant's Severance From Employment. In addition, pursuant to 26 CFR Section 1.457-4(d)(1), Compensation will include payments made to an individual who does not currently perform services for the Employer by reason of qualified military service (as defined in Code Section 414(u)(5)) to the extent those payments do not exceed the amount the individual would have received if the individual had continued to perform services for the Employer rather than enter qualified military service.

- 8 Covered Employee** means an employee of a RIC Employer who is identified by the RIC Employer as being covered under the EACA, for any RIC Employer electing an EACA.
- 9 DAS** means the State of Iowa Department of Administrative Services.
- 10 Default Elective Deferrals** means the elective deferrals contributed to the Plan under the EACA on behalf of Covered Employees who do not have an affirmative election in effect regarding elective deferrals.
- 11 Default Amount** means the amount the RIC Employer selects as a default for all Covered Employees under the EACA elected by the RIC Employer. The amount may be a dollar amount or a percent of Compensation.
- 12 Deferral Contribution** means the amount of Compensation that a Participant agrees to contribute to the Plan. Contributions may be made on a pretax or post-tax basis, as determined by the Participant. Post-tax contributions are permitted to the extent they comply with the definition of Roth 457(b) Contributions found in Section 43 of this Article, and if they are allowed by the applicable Employer.
- 13 Defined Benefit Governmental Plan** means a pension plan established under Code Section 401(a) in which the retirement benefits are defined by a set formula. The State of Iowa offers employees the following: Iowa Public Employees' Retirement System (IPERS), Public Safety Peace Officers' Retirement, Accident and Disability System (POR) and the Judicial Retirement System.
- 14 Designated Roth Account** means a separate account within the Investment Provider's recordkeeping system that is designed to hold a Participant's post-tax Contributions and earnings thereon. A Participant may not direct pre-tax Contributions to the Designated Roth Account.
- 15 Distributee** means a person receiving funds, including Participants and non-spouse Beneficiaries.
- 16 EACA** means an automatic contribution arrangement that satisfies the uniformity requirement in Section 2 of Article Seven of this Plan and the notice requirement in Section 3 of Article Seven.
- 17 Effective Date of Plan** means January 1, 1979, the date the Plan became effective.

- 18 Eligible Employee** means any non-temporary executive, judicial or legislative branch Employee, or Employee of a RIC Employer, who is regularly scheduled for 20 or more hours of work per week or who has a fixed annual salary. RIC Employers may alter this definition of eligibility for their Employees.
- 19 Eligible Retirement Plan** means an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), a qualified trust described in Code Section 401(a), an annuity plan described in Code Section 403(a), an eligible deferred compensation plan described in Code Section 457(b) which is maintained by an eligible employer described in Code Section 457(e)(1)(A), a qualified retirement plan described in Code Section 401(a), and an annuity contract or custodial account described in Code Section 403(b).
- 20 Eligible Rollover Distribution** means any distribution to an eligible Distributee of all or any portion of the balance to the credit of the Distributee into an Eligible Retirement Plan; except that such term will not include:
- A)** any distribution which is one of a series of substantially equal periodic payments (not less frequently than annually) made –
    - 1)** for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee’s designated Beneficiary, or
    - 2)** for a specified period of 10 years or more,
  - B)** any distribution to the extent such distribution is required under Code Section 401(a)(9);
  - C)** any distribution which is made upon an unforeseeable emergency of the Employee; and
  - D)** any corrective distribution of excess Deferral Contributions.
- 21 Employee** means a non-temporary (permanent full-time or permanent part-time) employee of the Employer, including full-time elected officials and members of the general assembly, except employees of the board of regents’ institutions. For the purpose of enrollment, officials-elect and members-elect of the general assembly shall be considered Employees. Persons in a joint employee relationship with the Employer and a non-RIC Employer shall not be considered employees eligible to participate in the Plan.
- 22 Employer** means the State of Iowa, including the eight judicial districts division of community services of the department of corrections, and any other governmental employer that participates in the Plan.
- 23 Form 1099-R** means the tax form used to report distributions from the Plan to the Internal Revenue Service and the State of Iowa.
- 24 Human Resources Associate** means the person within each agency who handles deferred compensation issues. This person may also handle payroll and other benefit issues.



- 25 Includible Compensation** means an Employee's actual wages in box 1 of Form W-2 for the Employer, but increased (up to the dollar maximum) by any compensation reduction election under Code Sections 125, 132(f), 402(g)(3) or 457(b). The amount of Includible Compensation is determined without regard to any community property laws. Pursuant to 26 CFR Section 1.457-4(d)(1), Includible Compensation will include any payments made to a Participant who has had a Severance From Employment, provided that the Includible Compensation is paid by the later of 2½ months after the Participant's Severance From Employment or the end of the calendar year that contains the date of such Participant's Severance From Employment. In addition, pursuant to 26 CFR Section 1.457-4(d)(1), Includible Compensation will include payments made to an individual who does not currently perform services for the Employer by reason of qualified military service (as defined in Code Section 414(u)(5)) to the extent those payments do not exceed the amount the individual would have received if the individual had continued to perform services for the Employer rather than enter qualified military service. Includible Compensation will not include Employee pick-up contributions described in Code Section 414(h)(2).
- 26 Investment Option** means the separate funds in which contributions to the Plan are invested in accordance with Article Four of the Plan Document.
- 27 Investment Product** means the aggregate of all Investment Options offered by an Investment Provider.
- 28 Investment Provider**
- A) Active** means an investment company that is able to open new Accounts.
  - B) Inactive** means an investment company that cannot open new Accounts but may continue to provide service to existing Accounts.
- 29 Maximum Deferral Contribution Limit** means the maximum amount a Participant may contribute to the Plan during a calendar year; see Article Three, Section 5, Table A below.
- 30 Minimum Required Distribution Date** means April 1 of the calendar year following the later of:
- A)** the calendar year in which the Employee attains age 70 ½; or
  - B)** the calendar year in which the Employee severs employment.
- 31 Normal Retirement Age** means age 65 unless the Participant declares a different Normal Retirement Age; it cannot be earlier than a year in which the Participant is eligible to receive benefits without an age reduction penalty from the Participant's Defined Benefit Governmental Plan, or later than age 70½. A Participant who is a qualified police or firefighter as defined under Section 415(b)(2)(H)(ii)(I) may designate a Normal Retirement Age between age 40 and 70½.
- 32 Participant** means an Employee, a former Employee, an Alternate Payee, or a spouse who is a Beneficiary of a deceased Employee, former Employee, or Alternate Payee.

- 33 Participation Agreement** means an agreement, which meets the requirements of Article Three below, entered into between an Eligible Employee and the Employer pursuant to which an Eligible Employee agrees to make Deferral Contributions to the Plan and thus to become a Participant.
- 34 Plan** means the Iowa 457(b) Employee Contribution Plan as authorized by Code Section 457(b), Iowa Code Section 509A.12, and Iowa Code Chapter 8A.
- 35 Plan Administrator** means a DAS employee designated by the Trustee to administer the Plan.
- 36 Plan Document** means this instrument, including all amendments thereto.
- 37 Plan Fiduciaries** means the Trustee, the Plan Administrator, Investment Providers, the persons they designate to carry out or help carry out their duties or responsibilities as fiduciaries under the Plan, and any individual designated as a fiduciary under state or federal law.
- 38 Plan Year** means the Plan's accounting year, January 1 to December 31.
- 39 Qualified Domestic Relations Order (QDRO)** means a court order, judgment or decree that creates or recognizes the existence of the rights of someone other than the Participant to an interest in the Participant's Account. The Alternate Payee must be the Participant's spouse, former spouse, or child.
- 40 RIC Employer** means any Iowa governmental employer, other than the State of Iowa, that joins the Plan.
- 41 Regulations** means the Federal Income Tax Regulations including proposed and temporary regulations, as promulgated by the Secretary of the Treasury or the Secretary's delegate, and as amended from time to time.
- 42 Required Beginning Date** means April 1 of the calendar year after the later of the calendar year the person has a Severance From Employment or reaches age 70 ½.
- 43 Roth 457(b) Contributions** means, if so elected by the Employer, contributions that are:
- A)** made by the Employer to the Plan pursuant to a request submitted by a Participant, which qualifies as a "designated Roth contribution" within the meaning of Code Section 402A;
  - B)** irrevocably designated by the Participant at the time of the cash or deferred election as a Roth 457(b) Contribution that is being made in lieu of all or a portion of the Deferral Contributions the Participant is otherwise eligible to make under the Plan; and
  - C)** treated by the Employer as includible in the Participant's income at the time the Participant would have received that amount in cash if the Participant had not made a cash or deferred election.
- 44 Severance From Employment** means the Employee ceases to be employed by the Employer.

**45 Trust** means the Trust established pursuant to Iowa Code Section 8A.434 and maintained in accordance with the terms of the Plan as amended from time to time.

**46 Trustee** means the director of DAS.

**47 Trust Fund** means the fund established under the Trust, and held by said Trustee in accordance with the Plan and Trust, to which deposits and contributions under the Plan and Trust will be made and out of which benefits under the Plan and Trust will be provided.

**48 Unforeseeable Emergency** means a severe financial hardship resulting from an unforeseeable emergency, such as the sudden and unexpected illness or accident of the Participant, of a dependent of the Participant (as defined in Code Section 152(a)), or of a Beneficiary of a Participant, loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant.

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## ARTICLE TWO      ELIGIBILITY

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### **1 Conditions of Eligibility**

Any non-temporary executive, judicial or legislative branch Employee who is regularly scheduled for 20 or more hours of work per week or who has a fixed annual salary, or an employee of an RIC Employer, is eligible to defer Compensation under the Plan, except employees of the board of regents' institutions. An official-elect and members-elect of the general assembly are also eligible provided Deferral Contributions meet the requirements set forth in the Plan. Final determination on eligibility shall rest with the Plan Administrator. RIC Employers may establish their own eligibility criteria within the limits of applicable laws and regulations.

### **2 Participation**

An Eligible Employee may become a Participant by completing the appropriate Investment Provider paperwork and the Participation Agreement. The signed Participation Agreement must be returned to the Participant's Human Resources Associate, payroll office, or to DAS. The Investment Provider paperwork must be returned to the Investment Provider. By signing the Participation Agreement, the Employee elects to participate in the Plan and consents to the Employer deferring the amount specified in the Participation Agreement from the Participant's Compensation for each specified pay period. The amount specified shall continue until changed or suspended pursuant to Article Three below.

### **3 Determination of Eligibility**

The Plan Administrator shall determine the Eligibility of each Employee for participation in the Plan based upon information furnished by the Employer. A person wishing to challenge the Plan Administrator's decision must file a timely appeal pursuant to DAS's administrative rules.

#### **4 Termination of Participation**

Participation in the Plan shall cease upon the complete distribution of all the Participant's Account balances under the Plan.

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### **ARTICLE THREE      CONTRIBUTIONS**

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#### **1 Participation Agreements**

**A)** In order to participate in the Plan, a Participant who satisfies the Determination of Eligibility described in Article Two must complete a Participation Agreement with the Employer and file such Participation Agreement as described in Article Two. The Participation Agreement will specify:

- 1) The amount of the Participant's Compensation which the Participant agrees to make as Deferrals, subject to the limitations of this Article; and
- 2) The date as of which Deferral Contribution pursuant to the Participation Agreement will begin, as described in paragraphs B and C of this Section. In the absence of a specified date, participation will begin the month following the month of submittal.

**B)** A Participant may make Deferral Contributions payable in the calendar month during which the Eligible Employee first becomes a Participant if the Participation Agreement providing for such Deferral Contribution is submitted as described in Article Two, Section 2 before the first day of the month in which the Compensation is paid or made available.

**C)** Notwithstanding subsection B of this Section, a new Employee who is also an Eligible Employee may become a Participant and make Deferral Contribution payable in the calendar month during which the new Employee first becomes an Employee if a Participation Agreement providing for the Deferral Contribution is entered into on or before the first day on which the person performs services for the Employer.

**D)** A Participant may, by amendment of a Participation Agreement or by any manner as the Plan may prescribe, do any of the following:

- (1) change the Investment Provider to receive the Deferral Contribution; or
- (2) change prospectively the amount of the Deferral Contribution.

An amendment to the Participation Agreement will be effective as early as administratively practicable, but not earlier than the first day of the following calendar month in which the Compensation is paid or made available.

## 2 Deduction Schedule

Each Participant who meets the requirements of eligibility described in Article Two shall have the option to have the entire amount of Deferral Contributions deducted from the first paycheck of the month, the second paycheck of the month, equally divided between the first and second paychecks of the month, or out of all paychecks each month. Deduction schedules may vary for RIC Employers. Deferral Contributions may be allocated to more than one Active Investment Provider.

## 3 Leave of Absence

Unless the Participant submits a form to stop Deferral Contributions, Deferral Contributions for a Participant who is on a leave of absence shall continue to the extent that Compensation continues. If Deferral Contributions are stopped, Participants who return to work after an unpaid leave will need to complete the appropriate Participation Agreement to reinstate Deferral Contributions.

## 4 Minimum Contribution

Notwithstanding anything in the Plan to the contrary, the minimum monthly amount a Participant may defer under the Plan is \$25 or 1% of pay, if percentages are allowed by the appropriate payroll system.

## 5 Maximum Deferral Contribution Limit

Except as provided in Section 6 of this Article, a Participant's Deferral Contributions for a Plan Year shall not exceed the lesser of:

- A) 100% of the Participant's Includible Compensation for the Plan Year from Plan Year 2002 forward, and 33 1/3% for Plan Years prior to 2002 ; or
- B) the Maximum Deferral Contribution Limit under Code Section 457(e)(15), as shown:

**Table A**

<b>Plan Year(s)</b>	<b>Maximum Deferral Contribution Limit – Applicable Dollar Amount</b>	<b>Plan Year(s)</b>	<b>Maximum Deferral Contribution Limit – Applicable Dollar Amount</b>
1979 – 1997	\$7,500	2006	\$15,000
1998 – 2000	\$8,000	2007	\$15,500
2001	\$8,500	2008	\$15,500
2002	\$11,000	2009	\$16,500
2003	\$12,000	2010	\$16,500
2004	\$13,000	2011	\$16,500
2005	\$14,000	After 2011	Indexed in \$500 increments as determined annually by the IRS

## 6 Catch-Up Provisions

The Participant has two options to defer more than the Maximum Deferral Contribution Limit. These two options cannot be used in the same Plan Year.

### A) 3-Year Catch-Up Provision

Notwithstanding the limit provided in Section 5 of this Article, for each of the last three Plan Years prior to the year in which a Participant attains Normal Retirement Age, a Participant's Deferral Contributions shall not exceed the lesser of:

- 1) \$15,000 for Plan Years beginning before January 1, 2002 and twice the limit under Section 5, Table A for Plan Years beginning on or after such date; or
- 2) The sum of the maximum deferral permitted in Section 5 of this Article for the current tax year and as much of the applicable deferral limit under Code Section 457(b)(2) in prior years before the current tax year that had not previously been used ("underutilized amount"). For purposes of this Section, a prior year will be taken into account only if such year began after December 31, 1978, and the Participant was eligible to participate in the Plan during all or a portion of the prior year.
- 3) A Participant may only make this election under this subsection once with respect to any plan under Code Section 457(b) of the Employer.
- 4) In determining a Participant's underutilized amount, the Plan will take into consideration:
  - a. Prior to 2002, if a Participant made Deferrals to the Plan and deferrals to any other plan under Code Section 457(b), salary reduction contributions made to plans under Code Section 401(k), plans under Code Section 403(b), simplified employee pension (SARSEP) plans under Code Section 402(h)(1), simple retirement accounts under Code Section 408(p), and amounts deferred under any plan for which a deduction is allowed because of a contribution to an organization described in Code Section 501(c)(18), such deferrals to the other plans will be taken into account in determining a Participant's underutilized amount under Code Section 457(b)(2). In addition, Includible Compensation will be limited to the limitation in effect in the calendar year in which the deferrals were made. If such deferrals cumulatively exceed the then-applicable dollar amount in Code Section 457(b)(2) in the year that such amounts were deferred, then there will be no underutilized amount for that year.
  - b. To the extent that the Employer did not maintain a plan under Code Section 457(b), no underutilized limitation is available to a Participant for that prior year.
  - c. After 2001, only deferrals to plans under Code Section 457(b) will be taken into account for purposes of determining the underutilized amount.
  - d. Age 50 Plus Catch-Up Contributions will not be taken into account for purposes of determining a Participant's underutilized amount.

**B) 50+ Catch-Up Provision**

Participants may defer a higher amount during any Plan Year in which the Participant attains or is age 50 or older. The maximum a Participant may defer each Plan Year shall be the sum of:

- 1) the Maximum Deferral Contribution Limit in Section 5 of this Article, for the current Plan Year; and
- 2) the lesser of:
  - a. Compensation available for deferral; or
  - b. the amount in Table B as shown.

**Table B**

<b>Plan Year</b>	<b>Additional Deferral Contribution Amount Eligible For Use With 50+ Catch-Up Provision</b>	<b>Plan Year</b>	<b>Additional Deferral Contribution Amount Eligible For Use With 50+ Catch-Up Provision</b>
2002	\$1,000	2008	\$5,000
2003	\$2,000	2009	\$5,500
2004	\$3,000	2010	\$5,500
2005	\$4,000	2011	\$5,500
2006	\$5,000	After 2011	
2007	\$5,000	\$5,000 plus cost-of-living adjustments, if any, established by the IRS	

**C) Maximum Amount of Catch-Up Contributions**

Any catch-up contributions made by a Participant pursuant to this Section may not exceed the greater of (a) the amount that the Participant is eligible to make as Deferral Contributions under Section 6.A, or (b) the amount that the Participant is eligible to make as Deferrals under Section 6.B.

**7 Rollovers/Transfers into the Plan**

**A) Rollovers**

Any Participant who is an Employee, a former Employee, a spouse Beneficiary, or an Alternate Payee who is the former spouse of a Participant, may roll in funds from an Eligible Retirement Plan described in Code Section 457(b) into the Plan. To the extent an Investment Provider can accommodate the request, such Participants may also roll in funds consisting of post-tax Roth contributions and earnings from an Eligible Retirement Plan described in Code Sections 401(k) and 403(b).

The Plan Administrator may require documentation to confirm that the prior plan satisfies the requirements of Code Section 457(b), 401(k) or 403(b) respectively, to confirm that the prior plan permits rollovers out, and to determine whether any portion of the rollover or transfer shall be taken into account in applying the limits of Sections 5 and 6 of this Article.

All funds may be received directly from an Eligible Retirement Plan or from the Participant, if received within 60 days of distribution from an Eligible Retirement Plan.

Any amounts received into the Plan will take all the characteristics of the Plan. Such funds will be accounted for separately and shall not be commingled with existing Deferral Contributions.

A Participant who rolls funds into the Plan may request a distribution of the funds received, plus or minus any corresponding gains and losses, prior to becoming otherwise eligible for a distribution. The funds may be distributed to the Participant or be rolled to another Eligible

## **B) Transfers**

Any Participant who is an Employee of a RIC Employer, a former Employee of a RIC Employer, a spouse Beneficiary, or an Alternate Payee who is the former spouse of a Participant, may transfer funds from an Eligible Retirement Plan described in Code Section 457(b) into the Plan. The movement of funds shall be characterized as a plan-to-plan transfer, not a rollover, if either of the two conditions is met: 1) the RIC Employer requires all funds from its prior plan to transfer to RIC; or 2) the RIC Employer maintains its current plan and allows Participants to elect to transfer funds from the plan it maintains to the Plan. If neither condition applies, the movement of funds shall be a rollover as described in Section 7(A) of this Article.

All such funds will be commingled with Deferral Contributions and will not be available to the Participant until all funds in the Plan are so available.

## **C) Maximum Deferral Contribution Limit**

The portion of any funds received as either a rollover or a plan-to-plan transfer that is attributable to Deferral Contributions made in a prior Plan Year shall not be considered a Deferral Contribution for purposes of applying the limits of Sections 5 and 6 for the Plan Year in which the rollover or transfer is made to the Plan. The portion, if any, of a rollover or transfer that is attributable to Deferral Contributions made in the Plan Year in which a rollover or transfer is made shall be taken into account in applying the limits of Sections 5 and 6 of this Article.

## **8 Required Make-Up Contributions**

Notwithstanding any provision of the Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code Section 414(u). A Participant whose employment is interrupted by qualified military service under Code Section 414(u) or who is on a leave of absence for qualified military services under Code Section 414(u) may elect to make additional Deferral Contributions upon resumption of employment with the Employer equal to the maximum Deferral Contributions that the Participant could have elected during that



period of the Participant's participation in the Plan had continued, reduced by the actual amount of Deferral Contributions made by the Participant for the applicable year. This right shall continue for five years following the resumption of employment, or, if sooner, for a period equal to three times the period of the employment interruption or leave.

In the case of a Participant who dies on or after January 1, 2007 while performing qualified military service (as defined in Code Section 414(u)), the Beneficiaries are entitled to any additional benefits (other than Deferrals relating to the period of qualified military service) provided under the Plan had the Participant resumed employment and then had a Severance From Employment on account of death.

## **9 Federal and State Income Taxes**

Deferral Contributions made on a pretax basis are exempt from federal and state income taxes until such time as the funds are paid or made available as provided in Code Section 457(b). Deferral Contributions are included as compensation for FICA and a Participant's Defined Benefit Governmental Plan.

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# **ARTICLE FOUR      ACCOUNTS**

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## **1 Maintenance of Accounts**

The Investment Provider shall establish and maintain a Participant Account in the name of the State of Iowa for the exclusive benefit of the Participant. The Account of a Participant shall always be fully vested and non-forfeitable. All assets of the Plan, including all Deferral Contributions, assets rolled or transferred into the Plan, and all income attributable thereto, shall be held in a trust, custodial account, or an annuity contract in accordance with the provisions of the Plan, and shall be held (until made available to the Participant) for the exclusive benefit of the Participant.

## **2 Modification to Account**

Subject to all the provisions of the Plan, a Participant may at any time use the Participation Agreement to amend or modify the Account as follows:

- A)** Change Deferral Contribution amount (increase, decrease, suspend); and
- B)** Transfer to another Investment Provider within the Plan.

Increases and decreases to Deferral Contributions shall generally take effect the month after the request is received. Suspending Deferral Contributions shall take effect as soon as administratively possible. Name and address changes will take effect as soon as administratively possible. Beneficiary changes shall take effect when the Plan Administrator accepts the applicable beneficiary designation form. If Beneficiary designations are held by the Investment Provider, the Participant must send changes directly to the Investment Provider. Transfers from one Investment Provider to

another (provider to provider transfers) will be requested from the previous Investment Provider within 30 days of receipt of first Deferral Contribution by the new Provider. If the Account to be transferred does not receive current Deferral Contributions, the request will be made as soon as administratively possible. After Severance From Employment, it is the Participant's responsibility to inform DAS and the Investment Provider of any name, address, or Beneficiary changes.

A Participant may reinstate Deferral Contributions at any time, except after Deferral Contributions have ceased as a part of an Unforeseeable Emergency withdrawal request, Article Five, Section 2.

### **3 Appointment and Responsibility of Investment Provider**

The Trustee shall appoint, after a competitive bidding process, one or more insurance companies or other financial services companies as Investment Provider(s) to invest and hold the assets of the Plan. The Investment Provider shall serve at the pleasure of the Plan Administrator and shall have certain rights, powers and duties provided to it under the Investment Provider service agreement. The Investment Providers shall, subject to the Trustee's consent, have the power to appoint agents to act for the Investment Providers in the administration of Accounts according to the terms, conditions, and provisions of their service agreement or contract with the State of Iowa. All Deferral Contributions under the Plan shall be paid to the Investment Providers and shall be held, invested and reinvested by the Investment Providers in accordance with the provisions of Sections 4, 5 and 6 of this Article.

### **4 Method of Payment**

Deferral Contributions shall be forwarded after each pay period to the Investment Providers by issuance of warrants or electronic remittances, accompanied by a listing of the amounts to be credited to each Participant Account. Deferral Contributions will be remitted in a timely manner consistent with the requirements of 26 CFR Section 1.457-8. Investment Providers must minimize crediting errors and provide timely and accurate credit resolution.

### **5 Investment Options**

The Trustee shall adopt various Investment Options for the investment of Deferral Contributions by the Participant and shall monitor and evaluate the appropriateness of the Investment Options, other than the investments offered under a self-directed brokerage account, offered by the Plan. The Trustee may remove or phase out an Investment Option if the Investment Option has failed to meet the established evaluation criteria or for other good cause as determined by the Trustee. Following such adoption or removal of Investment Options by the Trustee, the Participant shall be entitled to select from among the available Investment Options for investment of Deferral Contributions. In the event that Investment Options are removed, the Trustee may require the Participant to move balances to an alternative Investment Option offered by the Plan. If the Participant fails to act in response to a written notice sent by the Investment Provider within the number of days specified in the notice, upon the Plan Administrator's request the Investment Provider shall transfer money out of the removed Investment Option to an alternative Investment Option chosen by the Trustee or Investment Provider.

By exercising such right to select Investment Options or by failing to respond to a notice to transfer from a removed Investment Option where the Trustee moves the money on behalf of the Participant, the Participant agrees that none of the Plan Fiduciaries will be liable for any investment losses or lost investment opportunities that are experienced by the Participant in the alternative Investment Option they select or that is selected for them if they fail to take appropriate action with regard to a removed Investment Option or that may be implemented by the Plan Administrator in accordance with the Plan. At any time, the Plan Administrator may reexamine the performance of the terminating Investment Option to determine if continued Plan participation is justified. Active Investment Providers may add new Investment Options if those Investment Options meet the criteria set forth in the investment policy.

## **6 Investment of Participant's Account**

A Participant's Account shall be invested in Investment Options within the Investment Product in accordance with the investment elections specified by the Participant in the manner prescribed by the Investment Provider and approved by the Plan Administrator. Any funds received by an Investment Provider without proper investment instructions shall be invested in a target retirement date fund based on the Participant's date of birth. The Investment Provider shall assume a retirement age of 65.

A Participant may change the investment of Deferral Contributions and may reallocate amounts in the Account among the Investment Options in a manner determined by each Investment Provider and subject to such provisions as the Plan Administrator may adopt. Any Deferral Contributions invested in an Investment Option that is a guaranteed investment or annuity contract shall be subject to any and all terms of such contract, including any limitations placed on the exercise of any rights otherwise granted to a Participant under any provisions of the Plan with respect to such Deferral Contributions. The fact that an Investment Option is available for investment to Participants under the Plan shall not be construed as a recommendation for investment in that Investment Option.

All interest, dividends, charges for administration and premiums, and changes in value due to market fluctuation applicable to each Participant's Account, which is invested in accordance with the Participant's investment specifications, shall be credited or debited as they occur. All reports to the Participant shall be based on fair market value as of the reporting date.

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## **ARTICLE FIVE WITHDRAWALS PRIOR TO SEVERANCE FROM EMPLOYMENT**

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### **1 Conditions for Withdrawals**

A Participant shall not be entitled to withdraw funds from the Participant's Account prior to Severance From Employment except as provided in this Article. A Participant who is eligible to withdraw funds under this Article shall determine whether funds shall be withdrawn from pretax contributions and earnings, post-tax contributions and earnings, or both.

## **2 Unforeseeable Emergency**

In the event a Participant, a Participant's dependent, or a Participant's primary Beneficiary experiences an Unforeseeable Emergency, the Plan Administrator, in its sole discretion, may permit the Participant to withdraw from the Participant's Account an amount that does not exceed the amount reasonably needed to meet the Unforeseeable Emergency. A distribution request payable on behalf of a dependent or Beneficiary shall not be granted if the individual was not a dependent or a named Beneficiary when the Unforeseeable Emergency occurred. For purposes of this Section, a "dependent" must meet the definition of dependent found in Code Section 152.

The amount reasonably needed to meet the Unforeseeable Emergency shall be reduced by any amounts that are reimbursable through insurance or any other means, amounts that may be obtained by the Participant's cessation of Deferral Contributions, or amounts that may be obtained by the Participant's liquidation of other assets to the extent that such liquidation would not itself cause a severe financial hardship. A Participant shall submit such evidence of the emergency as the Plan Administrator may require.

Participants cannot make Deferral Contributions for six (6) months following withdrawal due to an Unforeseeable Emergency.

If a request is denied, the Participant may request that the Plan Administrator reconsider the request by submitting (within 30 days of the date of the denial) additional written evidence of qualification or reasons to support the request for an Unforeseeable Emergency withdrawal. If the request is denied a second time, the Participant may request that the Trustee review the request. The Trustee shall render a final decision on behalf of the Plan.

## **3 In-Service Withdrawal of Small Accounts**

A Participant whose total Account value (all Accounts with all Investment Providers within the Plan) does not exceed \$5,000 (or the dollar limit as specified in Code Section 411(a)(11), if greater) and who has not made any Deferral Contributions for the two-year period ending on the date of the withdrawal may withdraw the total amount in the Account for any reason, provided the Participant has not previously received a distribution under this Section. A Participant who meets the requirements of this Section and is otherwise eligible may request an in-plan Roth rollover to a Designated Roth Account. The Plan Administrator may also elect to distribute the accumulated Account value of a Participant's Account without consent, if the criteria in this Section are met.

## **4 Plan-To-Plan Transfers Out of the Plan**

The Plan, at the Plan Administrator's discretion, may make plan-to-plan transfers of all or a portion of the pretax contributions and earnings within the Account to a Defined Benefit Governmental Plan if such transfer is for the purchase of permissive service credit (as defined in Code Section 414(n)(3)(A)) under such plan.

## **5 Withdrawals Due to Age**

A Participant who is employed but has attained the age of 70½ may withdraw all or a portion of the Participant's Account.

## **6 Procedures**

A Participant shall apply for a withdrawal under this Article in accordance with the procedures established by the Plan Administrator. Amounts approved to be withdrawn shall be distributed as soon as administratively possible.

## **7 Loans**

Loans are prohibited under the Plan.

## **8 In-Plan Roth Rollover to Designated Roth Account**

An eligible Participant may roll over all or a portion of the Participant's pretax Account balance into a Designated Roth Account within the Plan if the Participant has an eligible rollover distribution. This is referred to as an in-plan Roth rollover. Once an in-plan Roth rollover has been completed, it is irrevocable.

Eligible Participants may request to roll eligible funds if they have a distributable event as described below. Eligible Employees may also request to roll eligible funds prior to reaching a distributable event if the Investment Provider allows for such transactions.

For purposes of this Section, distributable events for an Employee are limited to:

- Severance From Employment;
- eligibility to withdraw under Section 3 of this Article relating to small accounts;
- eligibility to withdraw under Section 5 of this Article due to age; and
- eligibility to withdraw funds previously rolled into the Plan under Article Three, Section 7.

Distributable events to other Participants are limited to:

- division of an Account due to a Qualified Domestic Relations Order, in relation to the Alternate Payee's share of the Employee's Account; and
- death of the Employee, in relation to a Beneficiary's share of the Employee's Account.

An eligible rollover distribution is any distribution except:

- required minimum distributions;
- unforeseeable emergency distributions; and
- any of a series of substantially equal periodic distributions paid at least once a year over:
  - a Distributee's lifetime or life expectancy;
  - a Distributee's and a Distributee's beneficiary's lifetimes or life expectancies; or
  - a period of 10 or more years.

The Participant will be responsible for the payment of income taxes due to the conversion. Any amount converted shall not be considered part of the Participant's annual Maximum Contribution Limit for the year of the in-plan Roth rollover.

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**ARTICLE SIX      DISTRIBUTIONS UPON SEVERANCE FROM EMPLOYMENT**

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**1 Commencement**

All distributions under this Plan shall comply with the requirements of Code Section 401(a)(9), including the provisions of the Worker, Retiree, and Employer Recovery Act of 2008.

In the event of a Participant's Severance From Employment, the Participant shall be entitled to receive a distribution of all Accounts under the Plan. A Participant who is eligible to withdraw funds under this Article shall determine whether funds shall be withdrawn from pretax contributions and earnings, post-tax contributions and earnings, or both.

In the event that a Participant dies before the entire balance of the Account is distributed, Section 5 of this Article shall apply.

Neither the Investment Provider nor the Plan Administrator will initiate payments until at least 30 after receipt of the Special Tax Notice Regarding Plan Payments. The Participant may waive the 30 day notice period by making an affirmative election indicating whether or not the Participant wishes to make an Eligible Rollover Distribution.

The Participant may elect, on forms prescribed by the Plan Administrator and Investment Provider, the time at which distributions under the Plan are to commence by designating a distribution option. However, the Participant shall begin payment no later than the Required Beginning Date provided by Code Section 401(a)(9).

**2 Benefits Total**

The Participant shall be entitled to receive the benefits created by participating in the Plan, in accordance with the Participant's Investment Provider's distribution options. Generally, the benefits payable to the Participant will be the equivalent of the total benefits created by the investment selection made by the Participant, taking into consideration fees and market losses and gains where applicable.

**3 Late Retirement**

If the Participant continues employment after attaining 70½ years of age, all benefits payable under the Plan may be deferred until the Participant severs employment or dies. If the Participant is not an active Employee, the payment of benefits must begin no later than April 1<sup>st</sup> of the calendar year following the calendar year in which the Participant attains age 70½. A Participant may receive a

distribution from the Plan if age 70½ and still employed. Participants receiving distributions who wish to make Deferral Contributions must open a new Account.

#### **4 Distributions from Designated Roth Accounts**

Qualified distributions from the Designated Roth Account shall not be subject to income tax. A qualified distribution from a Designated Roth Account is a payment made to a Distributee who is eligible to request a distribution pursuant to this Plan, but only if the request is made both after the Participant attains age 59½ (or after the Participant's death or disability) and after the Participant has had a Designated Roth Account in the Plan for a period of at least 5 years.

The 5-year period described in the preceding sentence begins on January 1 of the year the Participant's first contribution was made to the Designated Roth Account. However, if the Participant made a direct rollover to a Designated Roth Account in the Plan from a Designated Roth Account in a plan of another employer, the 5-year period begins on January 1 of the year the Participant's first contribution was made to the Designated Roth Account in the Plan or, if earlier, to the Designated Roth Account in the plan of the other employer. Payments from the Designated Roth Account that are not qualified distributions will be taxed to the extent allocable to earnings after the rollover.

#### **5 Death**

If a deceased Participant has multiple beneficiaries, the Participant's account shall be divided into separate accounts prior to distribution under the required minimum distribution rules, in accordance with 26 CFR Section 1.401(a)(9)-8 Q&As A-2(a) and A-3.

If a Participant dies prior to the Required Beginning Date, the Participant's Beneficiary may elect to take distributions under the five-year rule or the life expectancy rule. A nonspouse Beneficiary must make the election by December 31 of the calendar year after the calendar year the Participant died. A spouse Beneficiary must make the election by the earliest of the December 31 of the calendar year in which distributions must commence, December 31 of the year the Participant would have turned age 70 ½, or December 31 of the year containing the fifth anniversary of the Participant's death.

Under the five-year rule, all funds must be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death. Under the life expectancy rule, distribution of funds for a nonspouse Beneficiary must commence by December 31 of the calendar year after the calendar year the Participant died, and for a spouse Beneficiary who is the sole designated Beneficiary, benefits must commence before the later of December 31 of the calendar year after the calendar year the Participant died or December 31 of the calendar year in which the Participant would have attained age 70 ½.

If a Participant dies after the Required Beginning Date, a Beneficiary will generally receive benefits based on the distribution option selected by the Participant. The benefits must be received at least as rapidly as the Participant received them prior to death. If the Participant did not select a lifetime

annuity, the death benefits must be distributed by the later of the life expectancy of the Beneficiary or the life expectancy of the Participant.

## **6 Designated Beneficiary**

The Participant shall have the right to file with the Plan Administrator or Plan Administrator's designee a written Beneficiary or change of Beneficiary form designating the person(s), entity, or estate who shall receive the benefits payable under the Plan in the event of the Participant's death. Upon the Participant's death, the Beneficiary shall have the right to apply to the Plan Administrator or Plan Administrator's designee to amend the payment option as previously elected by the Participant. If Participant's beneficiary designation is held by the Investment Provider, the Investment Provider policies will supersede this Section.

- A)** The form for this purpose shall be provided by the Plan Administrator or Plan Administrator's designee and will have no effect until it is signed, filed with the Plan Administrator or Plan Administrator's designee by the Participant, and accepted by the Plan Administrator or Plan Administrator's designee.
- B)** If the Participant dies without having a Beneficiary form on file or is not survived by the designated Beneficiary under the Plan, the payments shall be made to the Participant's estate. If no estate is opened, or has closed prior to receipt of final payments, the payment may be made first, to a surviving spouse, second, to a surviving child or children, third, to a surviving parent or parents. If there is no designated Beneficiary, distributions must be made within 5 years of the Participant's date of death.
- C)** Participant accepts and acknowledges the burden for executing and filing with the Plan Administrator or Plan Administrator's designee a proper Beneficiary designation form.

A Beneficiary may disclaim all rights to receive funds from the Participant's Account if such disclaimer meets the requirements of Code Section 2518. A disclaimer must be filed within nine months of the Participant's death, or such other time frame as required by federal or state law. In such cases, the Beneficiary's share shall revert to the remaining named Beneficiaries. If there are no other named Beneficiaries, the Participant's estate shall become the Beneficiary.

## **7 Payment and Settlement Options**

Subject to the provisions of Section 1, a Distributee may elect within the period and on the forms prescribed by the Plan Administrator and Investment Provider, to receive the balance of the Account in the form of:

- A)** a lump sum, payable in cash;
- B)** lifetime periodic installments;
- C)** systematic withdrawal payments; or



- D) payments made available from the Investment Provider and approved by the Plan Administrator or the Trustee.

## **8 Rollover to Eligible Retirement Plan**

Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Section, a Distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan or to a Roth individual retirement account established under Code Section 408A as specified by the Distributee in a direct rollover. Pursuant to Code Section 402(c)(11), effective January 1, 2007, a designated Beneficiary may elect a direct rollover of funds to an eligible beneficiary individual retirement plan described in Code Section 408(a) or (b).

Effective July 1, 2012, an Employee who has had a Severance From Employment, an Alternate Payee, or a spouse of a deceased Employee or Alternate Payee may roll pretax 457(b) funds to the Iowa's 401(a) Employer Match Plan. Such funds become subject to the Employer Match Plan requirements and Regulations governing 401(a) plans. No Designated Roth contributions or earnings may be rolled to the Employer Match Plan.

## **9 Minimum Distribution Requirements**

Any payment of benefits shall be made according to a form of distribution that begins not later than the Minimum Required Distribution Date, according to Code Section 401(a)(9). Payments shall be calculated such that:

- A) the entire Account will be distributed over the lives or over a period not extending beyond the life expectancy of the Participant and the Participant's designated Beneficiary,
- B) the amounts payable with respect to the Participant will be paid at times which are not later than the times required by Code Section 401(a)(9)(G) [relating to incidental death benefits],
- C) any remaining payments after the death of the Participant shall be made at least as rapidly as under the form of distribution being used as of the date of the Participant's death, and
- D) the life expectancy or joint and last survivor life expectancy shall be computed using the expected return multiples in the Internal Revenue Service Tables under 26 CFR Section 1.72-9 or under any other method as permitted by the Regulations under Code Section 401(a)(9).

## **10 Distribution for Minor Beneficiary**

In the event a distribution is to be made to a minor, the Plan Administrator may direct that such distribution be paid to the legal guardian, or if none, to a parent of such Beneficiary or a responsible adult with whom the Beneficiary lives, or to the custodian for such Beneficiary under the Iowa Uniform Transfers to Minors Act or under any similar law promulgated by the State in which the Beneficiary resides. Such a payment to the legal guardian, custodian or parent of a minor Beneficiary shall fully discharge the Trustee, Plan Administrator, Employer, and Plan from further liability on account thereof.

## **11 Location of Participant or Beneficiary Unknown**

The Plan Administrator or its designee shall make all reasonable attempts to determine the identity and address of a Participant or a Participant's Beneficiary entitled to benefits under the Plan. For this purpose, a reasonable attempt means (a) the mailing by certified mail of a notice to the last known address shown in the Plan Administrator's or designee's records; (b) use of a commercial locator service, the internet or other general search method; or (c) use such other methods as the Plan Administrator believes prudent.

If the Participant or Beneficiary has not responded within six months, the Plan shall continue to hold the benefits due such person until, in the Plan Administrator's discretion the Plan is required to take other action under applicable law.

Notwithstanding the foregoing, if the Plan Administrator or designee is unable to locate a person entitled to benefits hereunder after applying the search methods set forth above, then the Plan Administrator, in its sole discretion, may pay an amount that is immediately distributable to such person in a direct rollover to an individual retirement plan designated by the Plan Administrator.

## **12 Distributions Under Qualified Domestic Relations Order**

The Plan specifically permits distribution at any time to an Alternate Payee under a Qualified Domestic Relations Order irrespective of whether the Participant has met the Plan requirements to receive a distribution. A distribution to an Alternate Payee prior to the Participant's Severance From Employment is available only if the order does not prohibit distribution at that time. Nothing in this Article permits a Participant a right to receive a distribution at a time otherwise not permitted under the Plan nor does it permit the Alternate Payee to receive a form of payment not permitted under the Plan. An Alternate Payee who is the spouse or former spouse of the Participant shall be treated as the Distributee of any distribution or payment made to the Alternate Payee and shall be subject to any applicable federal and state income taxes or product-specific penalties.

## **13 Federal and State Withholding Taxes**

It shall be the responsibility of the Investment Providers, when making payment directly to the Distributee, to withhold the required federal and state income taxes, to remit them to the proper government agency on a timely basis, to provide the Distributee with a Form 1099-R each year, and to file all necessary reports as required by federal and state regulations.

## **14 Special Provision Applicable to 2009 Required Minimum Distributions.**

A Participant who would otherwise be required to receive a minimum distribution from the Plan in accordance with Code Section 401(a)(9) for the 2009 distribution calendar year may elect not to receive any such distribution that is payable with respect to the 2009 distribution calendar year.

Notwithstanding the provisions of Section 8 of this Article, the Plan Administrator may permit a Participant who receives a minimum distribution from the Plan for the 2009 distribution calendar year to make a direct rollover of such distribution to an eligible retirement plan in accordance with the provisions of Section 8.

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**ARTICLE SEVEN      ELIGIBLE AUTOMATIC CONTRIBUTION ARRANGEMENT (EACA)**

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**1 Rules of Application**

- A)** If a RIC Employer elects to implement an EACA, the provisions of this Article shall apply for the Plan Year. To the extent that any other provision of the Plan is inconsistent with the provisions of this Article, the provisions of this Article shall govern.
- B)** Default Elective Deferrals will be made on behalf of Covered Employees who do not have an affirmative election in effect regarding elective deferrals. The amount of Default Elective Deferrals made for a Covered Employee each pay period shall be the Default Amount set by the RIC Employer. If the RIC Employer has so elected, a Covered Employee's Default Amount will be increased as specified by the RIC Employer. The increase will be effective beginning with the first pay period that begins in such Plan Year or, if elected by the RIC Employer, the first pay period in such Plan Year that begins on or after the date specified by the RIC Employer.
- C)** A Covered Employee will have a reasonable opportunity after receipt of the notice described in Section 3 of this Article to make an affirmative election regarding elective deferrals (either to have no elective deferrals made or to have a different amount of elective deferrals made) before Default Elective Deferrals are made on the Covered Employee's behalf. Default Elective Deferrals being made on behalf of a Covered Employee will cease as soon as administratively feasible after the Covered Employee makes an affirmative election to have no elective deferrals made or to have a different amount of elective deferrals made.

**2 Uniformity Requirement**

- A)** Except as provided in Section 2.B of this Article or if the RIC Employer has elected an increasing Default Amount, the same amount of Compensation will be withheld as Default Elective Deferrals from all Covered Employees subject to the Default Percentage.
- B)** Default Elective Deferrals will be reduced or stopped to meet the limitations under Section 457(b) of the Internal Revenue Code and to satisfy any suspension period required after a distribution.

**3 Notice Requirement**

- A)** At least 30 days, but not more than 90 days, before the beginning of the Plan Year, the RIC Employer will provide each Covered Employee a notice of the Covered Employee's rights and obligations under the EACA as described in Section 3.B of this Article, written in a manner calculated to be understood by the average Covered Employee. If an Employee becomes a Covered Employee after the 90th day before the beginning of the Plan Year and does not receive the notice for that reason, the notice will be provided no more than 90 days before the

Employee becomes a Covered **Employee**, but not later than the date the Employee becomes a Covered Employee.

**B)** The notice must accurately describe:

1. The amount of Default Elective Deferrals that will be made on the Covered Employee's behalf in the absence of an affirmative election;
2. The Covered Employee's right to elect to have no elective deferrals made on his or her behalf or to have a different amount of elective deferrals made;
3. How Default Elective Deferrals will be invested in the absence of the Covered Employee's investment instructions; and
4. The Covered Employee's right under Section 3.A of this Article to make a withdrawal of Default Elective Deferrals and the procedures for making such a withdrawal.

**4 Withdrawal of Default Elective Deferrals**

- A)** No later than 90 days after a Covered Employee's pay is first reduced by Default Elective Deferrals, the Covered Employee may request a distribution of his or her Default Elective Deferrals. No spousal consent is required for a withdrawal under this Section 4.
- B)** The amount to be distributed from the Plan upon the Covered Employee's request is equal to the amount of Default Elective Deferrals made through the earlier of (a) the pay date for the second payroll period that begins after the Covered Employee's withdrawal request and (b) the first pay date that occurs after 30 days after the Covered Employee's request, plus attributable gains and losses through the date of distribution. Any fee charged to the Covered Employee for the withdrawal may not be greater than any other fee charged for a cash distribution.
- C)** Unless the Covered Employee affirmatively elects otherwise, any withdrawal request will be treated as an affirmative election to stop having elective deferrals made on the Covered Employee's behalf as of the date the withdrawal request is submitted.
- D)** Default Elective Deferrals distributed pursuant to this Section 4 are not counted towards the dollar limitation on elective deferrals contained in Code § 457(b).

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**ARTICLE EIGHT ADMINISTRATION**

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**1 Powers and Duties of the Plan Administrator**

The primary responsibility of the Plan Administrator is to administer the Plan for the exclusive benefit of the Participants, subject to the specific terms of the Plan. The Plan Administrator shall

administer the Plan in accordance with its terms and shall have the power and discretion to construe the terms of the Plan and determine all questions arising in connection with the administration, interpretation, and application of the Plan. The Plan Administrator may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan; provided, however, that any procedure, discretionary act, interpretation or construction shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the Plan shall continue to be deemed a non-qualified plan under the terms of Code Section 457(b), and shall comply with the terms of all Regulations issued pursuant thereto. The Plan Administrator shall have all powers necessary or appropriate to accomplish the duties under the Plan.

The Participant specifically agrees that the Employer, the Trustee, the Plan Administrator, or any other employee or agent of the Employer, shall not be liable for any loss sustained by the Participant for the nonperformance of duties, negligence, or any other misconduct of the above-named persons except that this paragraph shall not excuse malicious or wanton misconduct.

The Plan Administrator shall be charged with the duties of the general administration of the Plan, including, but not limited to, the following:

- A) the discretion to determine all questions relating to the eligibility of Employees to participate or remain a Participant hereunder and to receive benefits under the Plan;
- B) authorization to direct the Investment Providers with respect to all non-discretionary or otherwise directed disbursements of funds; and
- C) maintenance of all necessary records for the administration of the Plan.

## **2 Records and Reports**

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

## **3 Fees**

All investment management fees and Investment Provider administrative fees shall be deducted from Participants' accounts. The Employer shall not be responsible for paying any fees to the Investment Provider or to an investment fund.

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**ARTICLE NINE      AMENDMENT AND TERMINATION**

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**1 Amendment**

DAS reserves the right at any time and from time to time, and retroactively if deemed necessary or appropriate, to amend in whole or in part any or all of the provisions of the Plan. However, no amendment shall be made that has the effect of impairing the right of any Participant to amounts credited to the Participant's Account in the Plan, unless required to comply with federal or state law.

**2 Termination**

DAS may terminate the Plan or completely discontinue Deferral Contributions under the Plan for any reason at any time. In the event of a Plan termination, the total amount in each Participant's Account shall be distributed as the Plan Administrator shall direct in accordance with the provisions of the Plan.

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**ARTICLE TEN      MISCELLANEOUS**

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**1 Conditions of Employment Not Affected by Plan**

Participation in the Plan by an Employee shall not be construed as a contract of employment to the Participant or an amendment to an existing employment contract of the Participant, nor shall participation in the Plan be construed as affording to the Participant any representation or guarantee regarding the Participant's continued employment.

**2 Construction**

The Plan shall be construed, regulated and administered in such a manner as to satisfy the requirements for eligibility under Code Section 457(b) and, if any provision of the Plan is subject to more than one interpretation or constructions, such ambiguity shall be resolved in the favor of that interpretation or construction which is consistent with the Plan being so eligible.

The titles and headings of the Articles and Sections in the Plan Document are for convenience only. In the case of ambiguity or inconsistency, the text rather than the titles or headings shall control.

In construction of the Plan Document, the masculine shall include the feminine or neuter and the singular shall include the plural and vice-versa in all cases where such meanings would be appropriate.

**3 Non-Alienation**

Except as otherwise required by law, the rights of any Participant (including any Employer compensation or benefits paid) under the Plan shall not be subject to the rights of creditors of the

Participant, and shall be exempt from execution, attachment, garnishment, prior assignment, transfer by operation of law in the event of the bankruptcy or insolvency or any other judicial relief or order for creditors or other third persons. No Participant shall have any right to commute, sell, assign, encumber, hypothecate, transfer or otherwise convey the right to receive any payments hereunder, which payments and the right thereto, are expressly declared to be non-assignable and nontransferable, and any such attempted assignment or transfer shall not be recognized by the Plan. Except as required by law, the right to exercise any power of any Participant shall be personal and shall not be exercisable by any trustee in bankruptcy, court of law, or other person or entity seeking to act in the name of or by the right of the Participant except as follows: the guardian or custodian of a Participant who is incapacitated by reason of illness or age, a person so designated in a Participant's lawfully executed power of attorney where the Participant is incapacitated by reason of illness or age, or the guardian or custodian of a Beneficiary who has not reached majority. The Participant agrees that in the event of the Participant's bankruptcy or insolvency, a timely application will be made to secure exemption for all funds maintained in the Participant's Account.

#### **4 Qualified Domestic Relations Order**

Notwithstanding the provisions of Section 3 of this Article, effective January 1, 2002, the Plan Administrator shall comply with the provisions of a domestic relations order, which the Plan Administrator determines to constitute a Qualified Domestic Relations Order, as defined in Code Section 414(p). The Plan Administrator shall establish procedures to determine the status of a judgment, decree or order as a Qualified Domestic Relations Order and to administer Plan distributions in accordance with Qualified Domestic Relations Orders. The Plan Administrator, or the Plan Administrator's designee, will determine whether the judgment, decree, or order is valid and binding on the Plan, and whether it is issued by a court or agency with jurisdiction over the Plan. The judgment, decree, or order must specify which of the Participant's Accounts are to be paid or set aside and the valuation date of the Accounts.

#### **5 Facility of Payment**

In the event the Plan Administrator determines that any Participant receiving or entitled to receive benefits under the Plan has been declared incompetent by a court of competent jurisdiction, benefit payments due under the Plan may be made to the legal guardian of the property of such incompetent person. In the event the Plan Administrator determines that any Participant has executed a binding power of attorney, or other legal document authorizing another to act as agent or attorney on behalf of such Participant, benefit payments due under the Plan may be made to the agent or attorney so designated in the power of attorney or other legal document. Benefit payments made under the Plan in accordance with determinations of the Plan Administrator shall be a complete discharge of any obligations arising under the Plan with respect to such benefit payments.

#### **6 Elections**

Any elections, notifications or designations made by a Participant pursuant to the provisions of the Plan shall be made in the time and manner determined by the Plan Administrator. The Plan Administrator reserves the right to change, from time to time, the time and manner for making notifications, elections or designations by Participants under the Plan if it determines after due

deliberation that such action is justified in that it improves the administration of the Plan. In the event of a conflict between the provisions for making an election, notification or designation set forth in the Plan and such new administrative procedures, those new administrative procedures shall prevail.

**7 Tax Effects**

Neither the Employer, the Plan Administrator, the State of Iowa or any agency thereof, nor any firm, person, nor corporation represent or guarantee that any particular federal, state, or local tax consequences will occur as a result of any Participant’s initial or continued participation in the Plan. It is recommended that each Participant consult with an independent advisor regarding the tax consequences of participation in the Plan.

**8 Supplementary Information**

Any explanatory brochures, pamphlets, or notices distributed by the Plan shall be distributed for information purposes and shall not override any provision of the Plan or give any person any claim or right not provided for under the Plan. Notwithstanding the foregoing, to the extent that the terms of the Plan Document authorize the adoption of supplementary guidelines or procedures, any publication announcing such guidelines or procedures may be relied upon by the persons to whom it is distributed, unless and until modified by a subsequent publication, or revocation of the publication by the Plan Administrator. Any procedural requirement described in any such publication shall be binding, as applicable, to the same extent as if such requirement were set forth in the Plan Document. In the event any form or other document, used in administering the Plan, including but not limited to enrollment forms and marketing materials, conflicts with the terms of the Plan, the terms of the Plan shall prevail.

Department of Administrative Services

/s/  
Janet E. Phipps, Director and Trustee

8/17/2017  
Date