UNIVERSITY SYSTEM OF MARYLAND
DEFERRED COMPENSATION PLAN AND TRUST

Amended and Restated Effective as of January 1, 2020

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UNIVERSITY SYSTEM OF MARYLAND
DEFERRED COMPENSATION PLAN AND TRUST

ARTICLE I.
ESTABLISHMENT AND RESTATEMENT OF PLAN

Section 1.01. Plan Establishment and History.

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

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

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

Section 1.02. Plan Restatement.

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

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

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

ARTICLE II.
RULES OF CONSTRUCTION AND DEFINITIONS

Section 2.01. Rules of Construction and Governing Law.

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

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

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

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

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

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

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

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

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

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

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

(4) A Transfer Account to reflect the Participant's or Beneficiary's interest under the Plan attributable to transfers pursuant to Article XII.

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

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

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

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

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

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

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

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

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

Any payment that is not described in paragraph (1) or (2) above is not considered Compensation if paid after Severance from Employment. Thus, for example, Compensation does not include amounts paid after Severance from Employment that are severance pay, unfunded nonqualified deferred compensation, or parachute payments within the meaning of Code Section 280G(b)(2).

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

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

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

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

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

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

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

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

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

(3) the payment is made to the Employee under a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid to the Employee at the same time if the Employee had continued in employment with the University and only to the extent that the payment is includible in the Employee's gross income.

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

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

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

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

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

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

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

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

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

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

(w) "Pre-Tax Contribution" means a contribution made to the Plan by the Employer at the election of a Participant pursuant to a Participation Agreement in accordance with Article III.

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

(y) "Related Employer" means any entity which is under common control with the Employer under Code Section 414(b), (c), (m), or (o). The Employer shall determine which entities are Related Employers based on a reasonable, good faith standard and taking into account the special rules applicable under IRS Notice 89-23, 1989-1 C.B. 654.

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

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

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

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

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

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

(ff) "State Pers. & Pens. Art." means the State Personnel and Pensions Article of the Annotated Code of Maryland (1978, 2004 Repl. Vol.).

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

(hh) "Trust Fund" means the assets of the Plan held pursuant to the terms of the Plan and Trust.

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

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

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

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

ARTICLE III.
PARTICIPATION

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

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

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

Section 3.04. Deferrals of Sick, Vacation, and Back-Pay. A Participant who has not had a Severance from Employment may elect to defer accumulated sick pay, accumulated vacation pay, and back-pay if the requirements of Code Section 457(b) are satisfied and if

permitted by Board policy and Maryland State law. These amounts may be deferred for any calendar month only if a Participation Agreement providing for the Annual Deferral is entered into before the beginning of the month in which the amounts would otherwise be paid or made available and the Participant is an Employee on the date the amounts would otherwise be paid or made available. Compensation that would otherwise be paid for a payroll period that begins before Severance from Employment is treated as an amount that would otherwise be paid or made available before an Employee has a Severance from Employment. In addition, Annual Deferrals may be made for former Employees with respect to Compensation paid after an Employee has a Severance from Employment as described in Section 2.02(i) of the Plan.

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

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

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

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

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

Section 3.10. Cessation of Plan Participation. An Employee shall cease to be a Participant on the distribution of the Employee's entire interest in the Plan.

Section 3.11. Vesting Standards. A Participant shall be 100% Vested in the Participant's Accounts.

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

ARTICLE IV.
LIMITATIONS ON AMOUNTS DEFERRED

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

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

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

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

(b) The sum of:

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

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

However, in no event can the deferred amount under this Section 4.03 be more than the Participant's Compensation for the year. A Participant may not have more than one Normal Retirement Age under the Plan.

Section 4.04. Special Rules. For purposes of this Article IV, the following rules shall apply:

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

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

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

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

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

ARTICLE V.
ACCOUNTS AND REPORTS

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

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

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

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

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

ARTICLE VI.
VALUATION OF ACCOUNTS

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

Section 6.02. Valuation and Book Value. All interest, dividends, charges for premiums and changes in value due to market fluctuations, or charges or expenses of

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

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

ARTICLE VII.
DECLARATION OF TRUST

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

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

Section 7.03. Fiduciary Status and Delegation of Duties. The Board is a fiduciary of Plan assets, custodial accounts, or annuity contracts only to the extent required by applicable provision of the Annotated Code of Maryland or the Code. The assumption of fiduciary status by the Board hereunder shall not extend to, or create, any liability or duty to a Participant with respect to the Investment Options offered for Participant selection. No provision of this Plan

shall be construed in any manner that would be inconsistent with the duties and responsibilities specified herein. The Board, as an entity, may: (a) allocate duties and responsibilities under this Plan to one or more of its members; (b) designate one or more persons or entities in their employ to perform such duties and responsibilities; and (c) determine any matter with respect to this Plan by a majority vote of those individuals then constituting the Board.

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

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

Section 7.06. Deposits And Disbursements From The Trust.

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

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

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

Section 7.07. Resignation And Removal Of Trustees. Any custodial trustee may resign at any time in writing to the Administrator. Any custodial trustee may be removed by the Administrator. Upon such resignation or removal, a successor trustee shall be appointed by the Administrator, and shall have the same powers and duties as those conferred upon the custodial trustees hereunder.

Section 7.08. No Guarantees. Neither the Board nor the Administrator guarantees the Trust from loss or depreciation or the payment of any amount which may become due to any person under this Plan and Trust.

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

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

ARTICLE VIII.
INVESTMENT OF ACCOUNTS

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

Section 8.02. Participant Investment Options.

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

in his or her amended Participation Agreement. Such amendments to the Participation Agreement may be made through electronic means under regular and secure procedures established therefore.

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

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

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

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

ARTICLE IX.
BENEFITS

Section 9.01. Benefit Payments.

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

(1) Severance from Employment;

(2) death;

(3) attainment of age 70½; or

(4) unforeseeable emergency, as described in Section 9.09.

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

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

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

Section 9.02. Payment Options.

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

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

Section 9.03. Lump Sum Settlement. Notwithstanding anything in this Plan to the contrary, if a Participant's Account Balance does not exceed $1,000 (determined without regarding to his or her Rollover Contribution Account) at the time of Severance from Employment, the Administrator may effect a lump sum distribution of the Participant's Accounts.

Section 9.04. Minimum Distribution Rules. No payment option may be selected by a Participant unless the amounts payable to the Participant are expected to be at least equal to the minimum distribution required under Code Section 401(a)(9). With respect to distributions under the Plan, the Plan will apply the minimum distribution requirements of Code Section 401(a)(9) in accordance with the final Treasury Regulations under Code Section 401(a)(9), as follows:

(a) General Rules.

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

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

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

(b) Time and Manner of Distribution.

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

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

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

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

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

(iv) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, this Section 9.04(b)(2), other than Section 9.04(b)(2)(i), will apply as if the surviving Spouse were the Participant.

For purposes of this Section 9.04(b)(2) and Section 9.04(d), unless Section 9.04(b)(2)(iv) applies, distributions are considered to begin on the Participant's Required Beginning Date. If Section 9.04(b)(2)(iv) applies, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.04(b)(2)(i). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's Required Beginning Date (or to the Participant's surviving Spouse before the date distributions are required to begin to the surviving Spouse under Section 9.04(b)(2)(i)), the date distributions are considered to begin is the date distributions actually commence.

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

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

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

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

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

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

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

(1) Death On or After Date Distributions Begin.

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

(A) The Participant's remaining Life Expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

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

(C) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary, the Designated Beneficiary's remaining Life Expectancy is calculated using the age of the beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

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

(2) Death Before Date Distributions Begin.

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

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

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

(e) Definitions.

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

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

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

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

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

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

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

such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

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

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

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

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

Section 9.06. Voluntary In-Service Distribution.

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

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

(2) the Participant has not previously received an in-service distribution of the Participant's Account under this Section; and

(3) no Annual Deferrals have been made to the Plan with respect to the Participant during the two year period ending on the date of the in-service distribution under this Section.

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

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

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

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

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

(c) Unforeseeable Emergency Distribution Standard. A distribution on account of unforeseeable emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of

the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship, or by cessation of deferrals under the plan.

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

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

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

ARTICLE X.
ELIGIBLE ROLLOVERS FROM THIS PLAN

Section 10.01. Definitions for this Article.

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

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

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

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

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

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

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

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

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

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

(8) effective January 1, 2008, a Roth individual retirement account described in Code Section 408A(e), provided the Distributee's adjusted gross income does not

exceed any limit applicable under federal law for the tax year in which the distribution occurs.

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

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

(1) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated beneficiary, or for a period of ten years or more;

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

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

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

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

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

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

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

Section 10.02. Direct Transfer of Eligible Rollover Distribution. A Distributee may elect on an Applicable Form to have an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan as specified by the Distributee in a Direct Rollover, at the time and in the

manner prescribed by the Vendor. An Eligible Rollover Distribution that is paid to an Eligible Retirement Plan in a Direct Rollover is excludable from the Distributee's gross income under Code Section 402; provided, however, if any portion of such Eligible Rollover Distribution is subsequently distributed from the Eligible Retirement Plan, that portion shall be included in gross income to the extent required under Code Section 402, 457, or 408.

Section 10.03. Mandatory Withholding of Eligible Rollover Distributions.

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

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

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

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

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

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

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

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

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

ARTICLE XI.
ELIGIBLE ROLLOVERS TO THIS PLAN

Section 11.01. Participant Rollovers.

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

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

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

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

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

Section 11.04. In-Plan Roth Rollovers.

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

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

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

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

ARTICLE XII.
PLAN-TO-PLAN TRANSFERS

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

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

(2) The transferor plan provides for transfers;

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

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

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

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

(a) Requirements for Transfer. At the direction of the Employer, the Administrator may permit a class of Participants and Beneficiaries to elect to have all or any portion of their Account Balance transferred to another eligible governmental plan within the meaning of Code Section 457(b) and Treasury Regulation Section 1.457-2(f). A transfer is permitted under this Section 12.02(a) for a Participant only if the Participant has had a Severance from Employment with the Employer and is an employee of the entity that maintains the other eligible governmental plan. Further, a transfer is permitted under this Section 12.02(a) only if the other eligible governmental plan provides for the acceptance of plan-to-plan transfers and if each Participant and Beneficiary has an amount deferred under the other plan immediately after the

transfer at least equal to the amount transferred. The Administrator may require such documentation from the receiving plan as it deems appropriate or necessary to comply with this Section 12.02 (for example, to confirm that the receiving plan is an eligible governmental plan and to assure that the transfer is permitted under the receiving plan) or to effectuate the transfer pursuant to Treasury Regulation Section 1.457-10(b).

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

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

Section 12.04. Permissive Service Credit Transfers.

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

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

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

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

Section 12.07. Plan Charges. An Employee who has become a Participant through a transfer allowed by this Section shall be liable for Plan charges and expenses in the same manner

and to the same extent as any other Participant notwithstanding the fact that all or part of his or her existing Account Balance may have been derived from contributions and earnings attributable to another plan. In addition, the Administrator may from time to time impose charges on said transfers to be deducted directly from the Participant's Transfer Account in this Plan once the transfer has occurred.

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

ARTICLE XIII.
DOMESTIC RELATIONS ORDERS

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

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

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

Section 13.04. Distributions to Alternate Payees of Covered PADROs. Distribution of benefits to the alternate payee shall commence as soon as administratively practicable after (i)

a determination is made that the order satisfies the applicable requirements of the Code and the procedures established by the Administrator, and (ii) receipt by the Administrator of the Applicable Forms for the election of benefits. In the event of an alternative payee's death, any remaining benefits shall be payable solely to the alternate payee's estate, via the duly-appointed and then-currently serving executor of the alternative payee's estate.

ARTICLE XIV.
LOANS

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

Section 14.02. Maximum Loan Amount.

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

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

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

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

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

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

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

(c) provide for a reasonable interest rate established by the Vendor in accordance with the applicable law.

Section 14.04. Security for Loan; Default.

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

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

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

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

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

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

ARTICLE XV.
PLAN ADMINISTRATION

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

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

Section 15.03. Delegation by Administrator.

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

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

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

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

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

ARTICLE XVI.
CLAIMS PROCEDURE

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

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

ARTICLE XVII.
AMENDMENT OF THE PLAN

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

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

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

Section 17.04. Effective Date of Amendments. All amendments shall become effective on the date established by the Board. No amendments shall deprive any Participant of

any of the benefits to which the Participant is entitled under this Plan with respect to amounts credited prior to the effective date of the amendment.

ARTICLE XVIII.
TERMINATION OF THE PLAN

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

ARTICLE XIX.
MISCELLANEOUS

Section 19.01. Non-Assignability.

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

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

Section 19.02. Military Service.

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

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

(c) Effective January 1, 2007, to the extent provided under Code Section 401(a)(37), in the case of a Participant whose employment is interrupted by qualified military service and who dies while performing qualified military service, the survivor of such Participant shall be

entitled to any additional benefit (other than benefit accruals) provided under the Plan as if the Participant timely resumed employment in accordance with USERRA and then, on the next day, terminated employment on account of death.

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

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

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

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

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

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

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

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

Section 19.05. Erroneous Payments. If the Administrator or Vendor makes any payment that, according to the terms of the Plan and the benefits provided hereunder, should not have been made, the Administrator or Vendor may recover that incorrect payment, by whatever means necessary, whether or not it was made due to the error of the Administrator or Vendor, from the person to whom it was made, or from any other appropriate party. For example, if any such incorrect payment is made directly to a Participant, the Administrator or Vendor may deduct it when making any future payments directly to that Participant.

Section 19.06. Benefit Payment Issue Resolution. The Administrator, or its designee, if in doubt regarding the correctness of its action with respect to a benefit payment, may direct suspension of payment until satisfied as to the correctness of the payment or the person to receive the payment. Alternatively, the Administrator, or its designee, may file, in any state court of competent jurisdiction, a suit, in the form it deems appropriate, for legal determination of the benefits to be paid and the persons to receive them. The Administrator, or its designee, may also bring a suit, or take other action as it deems appropriate, to resolve questions involving investment directions. The Administrator shall comply with the final order of the court in any such suit, and Participants and the Administrator shall be bound by such an order, insofar as it affects the benefits payable under this Plan, or the method or manner of payment.

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

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

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

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

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

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

search methods, including using Internet search tools, commercial locator services, credit reporting agencies, information brokers, investigation databases, and analogous services that may involve charges. The Administrator may charge missing Participants and Beneficiaries reasonable expenses for efforts to find them.

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

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

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

Section 19.16. Counterparts. The Plan may be executed in any number of counterparts, each of which shall be deemed to be an original. All counterparts shall constitute but one and the same instrument and shall be evidenced by any one counterpart.

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

UNIVERSITY SYSTEM OF MARYLAND
BOARD OF REGENTS

_____
Signature

_____
Printed

_____
Title

_____
Date

APPENDIX A

APPROVED VENDORS

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

1.1 Approved Vendors

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

- TIAA
- Fidelity Investments

1.2 Former Vendors

As of January 1, 2008, the Former Vendor under the Plan is AIG VALIC.