

AGENDA
MONTGOMERY TOWNSHIP
BOARD OF SUPERVISORS
April 25, 2016

www.montgomerytwp.org

Robert J. Birch
Candyce Fluehr Chimera
Michael J. Fox
Jeffrey W. McDonnell
Joseph P. Walsh

Lawrence J. Gregan
Township Manager

ACTION MEETING – 8:00 PM

1. Call to Order by Chairman
2. Pledge of Allegiance
3. Public Comment
4. Announcement of Executive Session
5. Consider Approval of Minutes of April 11, 2016 Meeting
6. Welcome New Public Works Department Employee
7. Consider Approval of 2016 Autumn Festival Sponsorship and Vendor Form Approval
8. Consider Approval of Autumn Festival Fireworks Contract
9. Consider Acceptance of DVRPC Grant – Phase 1 Powerline Trail Connection Project and Approval of Engineering Services Proposal
10. Consider Authorization to Execute Restated 401(a) Money Purchase Pension Plan and to Submit IRS Determination Letter
11. Consider Authorization to Execute Restated ICMA Money Purchase Plan and Trust Agreement – Montgomery Township DROP Account
12. Consider Approval of First Quarter 2016 Budget Report
13. Consider Approval of Acceptance of Stormwater Basins into the Basin Naturalization Program
14. Consider Approval of Waiver of Fees - Montgomery Elementary School Building Permits
15. Consider Payment of Bills
16. Other Business
17. Adjournment

Future Public Hearings/Meetings:

04-26-2016 @7:00pm – Environmental Advisory Committee
05-03-2016 @7:30pm – Zoning Hearing Board
05-09-2016 @8:00pm – Board of Supervisors

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Public Comment

MEETING DATE: April 25, 2016

ITEM NUMBER: #3

MEETING/AGENDA: WORK SESSION

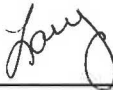
ACTION XX

NONE

REASON FOR CONSIDERATION: Operational: XX Information: Discussion: Policy:

INITIATED BY: Lawrence J. Gregan
Township Manager

BOARD LIAISON: Joseph P. Walsh, Chairman
of the Board of Supervisors



BACKGROUND:

The Board needs to remind all individual(s) making a comment that they need to identify themselves by name and address for public record.

The Board needs to remind the public about the policy of recording devices. The individual(s) needs to request permission to record the meeting from the chairman and needs to identify themselves, by name and address for public record.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

None.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

None.

RECOMMENDATION:

None.

MOTION/RESOLUTION:

None.

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Consider Approval of Minutes for April 11, 2016

MEETING DATE: April 25, 2016 ITEM NUMBER: #5

MEETING/AGENDA: WORK SESSION ACTION XX NONE

REASON FOR CONSIDERATION: Operational: XX Information: Discussion: Policy:

INITIATED BY: Lawrence J. Gregan
Township Manager

BOARD LIAISON: Joseph P. Walsh, Chairman
of the Board of Supervisors



BACKGROUND:

Please contact Deb Rivas on Monday, April 25, 2016 before noon with any changes to the minutes.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

None.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

None.

RECOMMENDATION:

None.

MOTION/RESOLUTION:

None.

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

**MINUTES OF MEETING
MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
APRIL 11, 2016**

Chairman Joseph P. Walsh called the action meeting to order at 8:00 p.m. In attendance were Vice Chairman Candyce Fluehr Chimera and Supervisors Robert J. Birch, Michael J. Fox and Jeffrey W. McDonnell. Also in attendance were Frank Bartle, Esquire, Lawrence Gegan, Chief Scott Bendig, Ami Tarburton, Ann Shade, Bruce Shoupe, Kevin Costello, Rich Grier, Kelsey McMeans and Deb Rivas.

Following the Pledge of Allegiance, Chairman Joseph P. Walsh called for public comment from the audience and there was none.

Chairman Joseph P. Walsh made a motion to approve the minutes of the March 28, 2016 Board of Supervisors meeting, and Supervisor Michael J. Fox seconded the motion. The minutes of the meeting were unanimously approved as submitted.

Public Information Coordinator Kelsey McMeans reported that Montgomery Township is celebrating Local Government Week from April 11 to April 15. Local Government Week focuses attention on the need for strong, independent, and active local governments as well as recognizing the valuable contributions made by residents serving their communities in public offices. The event will bring area school children to the Township Building for outside demonstrations of the Fire Department, Public Works Department, Police Department and Volunteer Medical Services Corps of Lansdale. The students will also tour the building and learn about the Township Administration during an informative Question and Answer session in the Township Meeting room. Resolution #1 made by Supervisor Michael J. Fox, seconded by Vice Chairman Candyce Fluehr Chimera and adopted unanimously, recognizes and honors local government week and area elementary schools, Montgomery Elementary and Mary, Mother of the Redeemer, for sponsoring student government programs and for their commitment to developing the leaders of the future.

Director of Planning and Zoning Bruce Shoupe reported that the Shade Tree Commission will be sponsoring its annual event to celebrate Arbor Day. This year, the Annual Arbor Day Tree Give-Away will be held on Saturday, April 23, 2016 at the Montgomery Township Community and Recreation Center. Montgomery Township has also been named as a 2015 Tree City USA recipient with a presentation of the award by our State Forester scheduled during the event as well. Resolution #2 made by Chairman Joseph P. Walsh, seconded by Supervisor Michael J. Fox and adopted unanimously proclaimed April 23, 2016 to be Arbor Day in Montgomery Township.

Director of Planning and Zoning Bruce Shoupe reported that applicant Nappen and Associates proposes to increase the available parking from 51 spaces to 103 spaces at a property located at 1390 Welsh Road. The property is a 5.3 acre parcel of land with an existing 76,400 square foot building and it is within the LI-Limited Industrial Zoning District. The parking spaces will be located in new areas along the east and north side of the building and a new access drive onto Welsh Road is proposed on the north side of the property. In addition, associated traffic improvements are proposed for left turn movements for east bound Welsh Road into the property. Resolution #3 made by Chairman Joseph P. Walsh, seconded by Supervisor Michael J. Fox and adopted unanimously, approved the Preliminary/Final Land Development Plan for LDS #681 - 1390 Welsh Road – Nappen & Associates.

Director of Public Works Kevin Costello reported that staff received and opened bids for the Roof Restoration Work project at the Township Building on March 31, 2016 at 1:00 p.m. The Township's Consultant, Weatherproofing Technologies, Inc., reviewed the bids and made a recommendation to award the bid to the lowest responsible bidder, Munn Roofing Corporation, with a total bid for Alternate Bid#1 of \$280,000.00. Resolution #4 made by Supervisor Michael J. Fox, seconded by Vice Chairman Candyce Fluehr Chimera and adopted unanimously, awarded the contract for the Roof Restoration Project to Munn Roofing Corporation for a total projected cost of \$280,000.00.

Director of Public Works Kevin Costello reported that a proposal from Weatherproofing Technologies, Inc. has been received for Pre-Construction Services, Contract Administration, Construction Oversight and all Closeout Documents for the Roofing Restoration Work project. Staff has review the proposal and is recommending the Consulting Services Agreement be authorized in the amount of \$17,600.00. Resolution #5 made by Supervisor Michael J. Fox, seconded by Supervisor Robert J. Birch and adopted unanimously, approved the Consulting Services Agreement with Weatherproofing Technologies, Inc. for the Administration/Police Complex Roof Restoration Project at a not to exceed cost of \$17,600.00.

Chief of Police J. Scott Bendig reported that the Federal Bureau of Investigation is presenting its 24th annual Mid-Atlantic Law Enforcement Executive Development Seminar from Sunday, June 5 through Friday, June 10, 2016 at Princeton University. This is an outstanding development seminar and a valuable training opportunity for law enforcement executives. Participants have the opportunity to exchange plans, problems, and solutions with their peers; to develop new thoughts and ideas; and to share successes of their own communities. It is recommended that Lieutenant William Peoples be authorized to attend this seminar. Resolution #6 made by Supervisor Robert J. Birch, seconded by Chairman Joseph P. Walsh and adopted unanimously, approved the request for Lieutenant William Peoples to attend the FBI Mid-Atlantic Law Enforcement Executive Development Seminar from Sunday, June 5 through Friday, June 10, 2016 at Princeton University.

Chief of Police J. Scott Bendig reported that Firefighter Robert Hedden currently holds three certifications in the Commonwealth of Pennsylvania and has recently submitted an application for renewal of those certifications for a new three year cycle (2013-2016). Firefighter Hedden is requesting approval to take a course titled "Elevator Occupancy Evacuation Operations" and "Management of Dust Collector Explosion Hazards" courses to satisfy 16 of his required 45 Continuing Education credits. These courses are being offered through the New Jersey Center for Services in Hamilton, NJ and Bordentown, NJ. These courses are free of

charge. Resolution #7, made by Supervisor Robert J. Birch, seconded by Vice Chairman Candyce Fluehr Chimera and adopted unanimously, authorized the out-of-state training for Firefighter Robert Hedden.

Chief of Police J. Scott Bendig reported that FEMA has recently announced that a federal disaster has been declared for the winter storm that impacted parts of Pennsylvania on January 22-23, 2016. Having "disaster" status for the events of Winter Storm Jonas allows state, county and municipal governments and other eligible private non-profits to be reimbursed for costs associated with the response to the storm. Montgomery Township will be applying for reimbursement of Public Works expenses that were a direct result of the Winter Storm. The first step in this process is to adopt the PEMA-DAP-2 "Designation of Agent" resolution authorizing an agent to execute all required forms and documents for the purposes of obtaining financial assistance for Winter Storm Jonas. Resolution #8 made by Supervisor Michael J. Fox, seconded by Vice Chairman Candyce Fluehr Chimera and adopted unanimously, adopted the PEMA-DAP-2 Resolution designating Richard M. Lesniak, Emergency Management Coordinator, as the Township's agent to execute all required forms and documents for the purposes of obtaining financial assistance for Winter Storm Jonas.

Director of Administration and Human Resources Ann Shade reported that Benefits Consultant Group (BCG), administrator for the 401(a) Money Purchase Pension Plan for the non-uniformed employees and 457(b) Deferred Compensation Plan for all Township employees, has advised the Township that the Plans' Directed Trustee, Oppenheimer (OFI) will no longer be providing these services in 2016. BCG has recommended the firm of Mid-Atlantic Trust Company (MATC) to serve in this capacity for these two plans. BCG has provided Agreements for each Plan to be executed in order to engage MATC to provide the Directed Trustee services. Resolution #9 authorized the execution of the Directed Trust Agreements with Mid-Atlantic Trust Company (MATC) to provide Directed Trustee services for the Township's 401(a) Money Purchase Pension Plan and 457(b) Deferred Compensation Plan.

Director of Administration and Human Resources Ann Shade reported that the Township maintains an employee handbook of personnel policies that is provided to all employees. As laws, practices and procedures change, the Township determines the need to update existing policies or to add new policies. The "Post-Offer, Pre-Employment Medical Examination and Substance Abuse Testing Policy" is being presented for approval. This policy outlines the Township's procedure requiring post-offer physicals and pre-employment substance abuse testing for all candidates of job categories who are offered positions at Montgomery Township. This policy includes steps as it relates to advisement of the physical and drug testing at the time of the employment offer, and results and appeal, as applicable, of the medical exam. This policy has been reviewed by the Risk Control Department of Delaware Valley Insurance Trust, labor attorneys of Eckert Seamans and Montgomery Township staff. Resolution #10 made by Supervisor Robert J. Birch, seconded by Supervisor Jeffrey W. McDonnell and adopted unanimously, approved the policy for distribution to employees and inclusion in the Montgomery Township Employee Handbook.

Director of Finance Ami Tarburton reported that the Finance Department has completed all 2015 year-end accruals and adjustments. In preparation for Maillie, LLP's 2015 audit field work, scheduled for the week of April 18, 2016, the department would like to proceed with the annual transfer of General Fund balance surplus, as has been authorized by the Board in prior years. Staff is projecting a General Fund surplus of \$1.7M. This surplus results from revenues exceeding budget by 10.3% and expenditures falling below budget by 2.6%. Staff is recommending that \$1.7M of fund balance be transferred as follows: Capital Reserve Fund - \$600,000 to the Montgomery Township Road Program, \$100,000 to the Park Capital Plan, \$100,000 to the Storm Water Pipe Replacement Reserve, \$100,000 to the Technology Improvements Reserve; Recreation Center Fund - \$470,000 to the Montgomery Township Community and Recreation Center Funding; Debt Service Fund - \$330,000 as the Principal Payment to retire the 2012 GO Note. Resolution #11 made by Chairman Joseph Walsh,

seconded by Supervisor Robert J. Birch and adopted by a vote of 4 to 0, with Supervisor Michael J. Fox abstaining, authorized the transfer of monies as noted above.

A motion to approve the payment of bills was made by Chairman Joseph P. Walsh, seconded by Vice Chairman Candyce Fluehr Chimera, and adopted unanimously, approved the payment of bills as submitted.

Under other business, resident Royce Repka of 102 Brookwood Road stated that he has requested that PECO run gas lines into his neighborhood, however, he has been told that he needs a certain percentage of neighborhood home owners to commit to signing up for gas usage. Mr. Repka stated that many homeowners in that area are established residents who don't necessarily want to switch their heating service. Mr. Repka asked if the Township was able to provide any assistance when it comes to working with PECO. Supervisor Michael J. Fox stated that the Township does have a liaison with PECO. Supervisor Fox was not sure if this liaison could be of assistance, but Township staff will reach out to ask the question for Mr. Repka.

There being no further business to come before the Board, the meeting adjourned at 8:25 p.m.

**MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY**

SUBJECT: Welcome New Public Works Department Employee

MEETING DATE: April 25, 2016

ITEM NUMBER: #6

MEETING/AGENDA: WORK SESSION

ACTION XX

NONE

REASON FOR CONSIDERATION: Operational: XX Policy: Discussion: Information:

INITIATED BY: Kevin A. Costello
Director of Public Works

BOARD LIAISON: Joseph P. Walsh, Chairman



BACKGROUND:

Tonight we would like to introduce and welcome new employee, Michele Hughes, to Montgomery Township as a Part-Time Secretary in the Public Works Department.

Michele began her employment on April 18, 2016 and comes to us with a solid background in office administration and customer service and will be a great addition to the Public Works Department.

Michele will be working under Stacey Rymkiewicz to assist with office administration and other tasks as assigned.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None

PREVIOUS BOARD ACTION:

None

ALTERNATIVES/OPTIONS:

None

BUDGET IMPACT:

The position was included in the 2016 Final Approved Budget.

RECOMMENDATION:

Welcome new employee, Michele Hughes, to Montgomery Township effective April 18, 2016.

MOTION/RESOLUTION:

BE IT RESOLVED by the Board of Supervisors of Montgomery Township that we hereby welcome new employee, Michele Hughes, to Montgomery Township as a Part-Time Secretary in the Public Works Department effective April 18, 2016.

MOTION: _____ SECOND: _____

ROLL CALL:

Robert J. Birch	Aye	Opposed	Abstain	Absent
Candye Fluehr Chimera	Aye	Opposed	Abstain	Absent
Michael J. Fox	Aye	Opposed	Abstain	Absent
Jeffrey W. McDonnell	Aye	Opposed	Abstain	Absent
Joseph P. Walsh	Aye	Opposed	Abstain	Absent

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

**MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY**

SUBJECT: Consider Approval of 2016 Autumn Festival Sponsorship and Vendor Solicitations

MEETING DATE: April 25, 2016

ITEM NUMBER: #7

MEETING/AGENDA:

ACTION

NONE

REASON FOR CONSIDERATION: Operational: xx Policy: Discussion: Information:

INITIATED BY: Stacy Crandell

Assistant to the Township Manager

BOARD LIAISON: Robert Birch & Candyce Fluehr-Chimera

Autumn Festival Board Liaisons

BACKGROUND:

The 2016 Autumn Festival will take place on October 1, 2016 from 12:00pm – 8:00pm at the William F. Maule Park at Windlestrae. This is the 16th year of this popular community event, led by a combination of staff and volunteers. The event includes Fireworks, Music, Pony Rides, Amusements, Corn Maze, Scarecrow Making, Food Vendors and more. There is no rain date for this event. In case of rain, the event will be held the same day inside at the Community and Recreation Center.

The committee is also responsible for obtaining the funds necessary to partially finance the event. As a part of the committee's fundraising efforts, a solicitation letter is sent to businesses in the Township seeking various levels of sponsorship in order to fund the activities at the Festival. Sponsorship levels include:

- Fall Foliage - up to \$499
- Scarecrow - \$500 - \$999
- Pumpkin - \$1,000+

Depending on the level of donation the business falls into, they will be eligible for certain benefits as detailed in the Sponsorship Brochure. Solicitation of donations also reduces the cost to residents at the festival. Please see the attached letter and brochure.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

None.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

Our current fund balance as of the end of 2015 is \$44,718.01. The Township donation amount for 2016 is budgeted at \$7,000.

RECOMMENDATION:

Staff recommends the Board approve the 2016 Autumn Festival Solicitation Letter and Brochure.

MOTION/RESOLUTION:

BE IT RESOLVED by the Board of Supervisors of Montgomery Township that we hereby approve the 2016 Autumn Festival Solicitation Letter and Brochure.

MOTION: _____ SECOND: _____

ROLL CALL:

Robert J. Birch	Aye	Opposed	Abstain	Absent
Candyce Fluehr Chimera	Aye	Opposed	Abstain	Absent
Michael J. Fox	Aye	Opposed	Abstain	Absent
Jeffrey W. McDonnell	Aye	Opposed	Abstain	Absent
Joseph P. Walsh	Aye	Opposed	Abstain	Absent

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.



Dear Montgomery Township Business Owner,

Montgomery Township is excited to offer you the opportunity to be a part of our 2016 Autumn Festival Celebration. On Saturday, October 1, 2016, Montgomery Township will be hosting its 16th Annual Autumn Festival which attracts thousands of participants to the William F. Maule Park at Windlestrae for a celebration filled with entertainment, food and many free activities. This years' event will continue with the additions of musical performances and a firework display.

With a wide variety of family-centric and all-age activities including inflatable amusements, a corn maze, hayrides, pumpkin decorating, scarecrow making, a petting zoo, pony rides, police and fire demonstrations, music, vendors, crafters, and – *of course* – snacks and beverages, the festival is a true example of neighborly camaraderie and pride.

There is no better way to showcase your role as an active member of the community in which you conduct business than through your sponsorship, which allows us to continue to host a family-friendly event enjoyed by all who attend.

We've made it easy for you to support the festival by creating three multi-tiered sponsorship levels -- with each level containing specific elements of sponsor recognition. ***Please refer to the enclosed Sponsorship Brochure for details.***

Please contact Matt Reimel, Athletics and Recreation Coordinator, at mreimel@montgomerytp.org or (267) 649-7208.

Together we can make Montgomery Township's Autumn Festival a banner event!

Thank you for your consideration.

Sincerely,

Matt Reimel
Athletics and Recreation Coordinator

I want to sponsor the
Autumn Festival on October 1st!

Please check a sponsorship level:

- ☐ Pumpkin: \$1,000+
☐ I would like a sponsor table
☐ I would like 5 wristbands
☐ Scarecrow: \$500 - \$999
☐ I would like a sponsor table
☐ Fall Foliage: up to \$499

Sponsor Name: _____

Contact Name: _____

Address: _____

City/State/Zip: _____

Phone: _____

Email: _____

Please reply as soon as possible – but **no later than August 31** – to guarantee full sponsor benefits.

Enclosed is my check made payable to:

Montgomery Township
Community and Recreation Center
Autumn Festival Sponsor
1030 Horsham Road
Montgomeryville, PA 18936

About Autumn Festival

On Saturday, October 1, 2016,
Montgomery Township will host its 16th
annual Autumn Festival in beautiful William
F. Maule Park at Windlestrae, off Kenas
Road.

Encompassing families and friends from the
township and its nearby neighborhoods,
thousands of attendees partake in
entertainment, education, food and
frivolity.

The Autumn Festival is a unique and cost-
effective way to showcase your business or
organization to a diverse, community-based
audience.

With your generosity, we can continue to
make this award-winning event a shining
example of community spirit and local
pride. Thank you for your support!

The Autumn Festival Committee

Mary Alfarano
Sue Dessner
Ruth Hardin

Candyce Fluehr Chimera and Robert J. Birch
Board of Supervisors Liaisons

Saturday, October 1, 2016

Sponsorship Opportunities



**William F. Maule Park
at Windlestrae
1147 Kenas Road
North Wales, PA**

Sponsor Benefits

PUMPKIN – \$1,000+

Receive *all* the benefits of the Scarecrow level *plus*:

- Opportunity to place promotional literature/item in the attendees' take-away bags.
- *20-second promotional "ad" via loudspeaker at the event.
- Five free amusement wristbands.

*(Please email your 20-second promotional "ad" to mreimel@montgomerytwp.org no later than 8/31. Literature/promotional ad must have prior approval by the Board of Supervisors. Promotional "ad" to be presented at the event.)



SCARECROW – \$500-\$999

Receive *all* the benefits of the Fall Foliage level *plus*:

- One free sponsor table at the event.



FALL FOLIAGE – up to \$499

Receive the following benefits:

- Recognition as a valued sponsor on Autumn Festival signage (*attendance 3000+*).
- Recognition as a valued sponsor via a loudspeaker announcement at the Festival.
- Recognition as a valued sponsor on a special Autumn Festival page of the Montgomery Township website and cable channels.
- Satisfaction of knowing that you played an important role in making the Autumn Festival a truly special community event.



Montgomery Township Autumn Festival

1030 Horsham Road

Montgomeryville, PA 18936

Phone: (267) 649-7200

Fax: (215) 855-6656

<http://www.montgomerytwp.org>

VENDOR INFORMATION & FORM

We invite you to join us at the 16th annual Montgomery Township Autumn Festival on Saturday, October 1, 2016 from 12:00 pm until 6:00 pm. We will be having activities for all age groups throughout the day. Some of the events will be amusements for the kids, hay rides, K-9 demonstrations, music, food, and scarecrow making.

WHERE: William F. Maule Park at Windlestrae, Kenas Road between Horsham and County Line Roads.

WHEN: Saturday, October 1, 2016 from 12:00 pm until 8:00 pm
No Rain Date- Same day inside at the Community and Recreation Center

COST: \$60.00 (for-profit businesses) and \$20 (non-profits) for a space, approximately 10'X15'. You must provide your own table and chairs unless you would prefer to rent from us (one 8' table and two chairs for \$15).

SET-UP TIME: To allow time to check in, unload and set up:

- Vendors shall arrive at 10:00 am and shall relocate all vehicles from booth areas to Vendor parking at the Rose Twig Section of the park by 11:00 a.m.

To assist you to return to your booth or back to Vendor parking at the close of the event, a shuttle will be provided for transportation between the two areas.

No vehicles will be permitted to enter the vendor sites after 11:00 am; however, vehicles will be allowed to return to the booths beginning at 6:00 pm. If you must leave early, you will have to walk your display material to the Vendor parking lot.

WE PROVIDE: 1 Space (approximately 10'X15').

Applications will be accepted on a space available basis and are subject to review by the Recreation Office and the Autumn Festival Committee. Please complete a Vendor or Food Vendor registration form and return it with payment to the address above to reserve your space. **No space can be reserved without a complete registration form and full payment- no exceptions!**

Hope to see you there!

If you have any questions about the Autumn Festival, please contact:

Matt Reimel, Athletics and Recreation Coordinator

mreimel@montgomerytwp.org or (267) 649-7208



Montgomery Township Autumn Festival

1030 Horsham Road

Montgomeryville, PA 18936

Phone: (267) 649-7200

Fax: (215) 855-6656

<http://www.montgomerytwp.org>

MONTGOMERY TOWNSHIP AUTUMN FESTIVAL – OCTOBER 1, 2016
VENDOR REGISTRATION – FORM & FEE DUE BY SEPTEMBER 10th!

Business/Organization:		
Type of Organization:	<input type="checkbox"/> For-Profit: \$60.00/space <input type="checkbox"/> Non-Profit: \$20.00/space	
Contact Person:		
Address:		
Phone:		Cell:
E-Mail Address (REQUIRED):		
Type of Display or Activity:		
Selling or Giving Anything Away?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Table Rental w/ Chairs	<input type="checkbox"/> Yes <input type="checkbox"/> No	

We provide a space approximately 10' X 15' in one area of the Festival for you to set up your display/activity.

Please note that no alcoholic beverages are permitted at this event.

By signing this form, I release Montgomery Township and any individual working on behalf of the Autumn Festival Committee from any liability. Please return the form to Montgomery Township in person or mail to: Matt Reimel, Athletics and Recreation Coordinator, Montgomery Township, 1030 Horsham Road, Montgomeryville, PA 18936. Any questions, please call (267) 649-7208.

Signature: _____ Date: _____

For Office Use

Registration Form Received By: _____

Date: _____ **Payment Received:** _____



Montgomery Township Autumn Festival

1030 Horsham Road

Montgomeryville, PA 18936

Phone: (267) 649-7200

Fax: (215) 855-6656

<http://www.montgomerytwp.org>

FOOD VENDOR INFORMATION & FORM

We invite you to join us at the 16th annual Montgomery Township Autumn Festival on Saturday, October 1, 2016 from 12:00 pm until 8:00 pm. We will be having activities for all age groups throughout the day. Some of the events will be amusements for the kids, hay rides, K-9 demonstrations, music, food, and scarecrow making.

WHERE: William F. Maule Park at Windlestrae, Kenas Road between Horsham and County Line Roads.

WHEN: Saturday, October 1, 2016 from 12:00 pm until 8:00 pm
No Rain Date- Same day inside at the Community and Recreation Center

COST: \$100.00 (for Food Vendors), \$60.00 (for-profit businesses) and \$20 (non-profits) for a space, approximately 10'X15'. You must provide your own table and chairs unless you would prefer to rent from us (one 8' table and two chairs for \$15).

SET-UP TIME: To allow time to check in, unload and set up:

- Food vendors shall arrive at 9:00 am and shall relocate all vehicles from booth areas to Vendor parking at the Rose Twig Section of the park by 10:15 a.m.

To assist you to return to your booth or back to Vendor parking at the close of the event, a shuttle will be provided for transportation between the two areas.

No vehicles will be permitted to enter the vendor sites after 11:00 am; however, vehicles will be allowed to return to the booths beginning at 6:00 pm. If you must leave early, you will have to walk your display material to the Vendor parking lot.

WE PROVIDE: 1 Space (approximately 10'X15').

Applications will be accepted on a space available basis and are subject to review by the Recreation Office and the Autumn Festival Committee. Please complete a Vendor or Food Vendor registration form and return it with payment to the address above to reserve your space. **No space can be reserved without a complete registration form and full payment- no exceptions!**

Hope to see you there!

If you have any questions about the Autumn Festival, please contact:

Matt Reimel, Athletics and Recreation Coordinator

mreimel@montgomerytwp.org

(267) 649-7208



Montgomery Township Autumn Festival
 1030 Horsham Road
 Montgomeryville, PA 18936
 Phone: (267) 649-7200
 Fax: (215) 855-6656
<http://www.montgomerytwp.org>

MONTGOMERY TOWNSHIP AUTUMN FESTIVAL – OCTOBER 1, 2016
FOOD VENDOR REGISTRATION – FORM & FEE DUE BY SEPTEMBER 10th!

Food Vendor Name:		
Fee:	\$100.00	
Contact Person:		
Address:		
Phone:		Cell:
E-Mail Address (REQUIRED):		
Type of Food Selling:		

DISPLAY INFORMATION:

For placement and planning purposes- ***PLEASE BE SPECIFIC***- to ensure you are given the space you need- thank you! A Montgomery County Health Department Special Events Form is also required to be filled out.

Bringing a Tent?	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, what size?
Electricity Needed?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Tables Needed?	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, how many?
Please list <u>everything</u> that you will be bringing to the park for your display (i.e., refrigerator, grills, etc.) (If needed- use back of this sheet)	

The fee for food vendors is \$100.00. ***Make check payable to Montgomery Township.***

Please note that no alcoholic beverages are permitted at this event.

By signing this form, I release Montgomery Township and any individual working on behalf of the Autumn Festival Committee from any liability. Please return the form to Montgomery Township Community & Recreation Center in person or fax to 215-855-6656. Any questions, please call Montgomery Township CRC at 267-649-7200.

Signature: _____ Date: _____

For Office Use

Registration Form Received By: _____

Date: _____ **Payment Received:** _____

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Consider Approval for Fireworks Contract for 2016 Autumn Festival

MEETING DATE: April 25, 2016

ITEM NUMBER: # 8

MEETING/AGENDA:

ACTION **xx**

NONE

REASON FOR CONSIDERATION: Operational: Policy: Discussion: xx Information:

INITIATED BY: Stacy Crandell

BOARD LIAISON: Robert Birch & Candyce Fluehr-Chimera

Assistant to the Township Manager

Autumn Festival Committee Board Liaisons

BACKGROUND:

In September 2014, the Township had a fireworks display to celebrate their 300th Anniversary. Due to popularity, the Autumn Festival Committee would like to keep the tradition going of having a fireworks display at the annual Autumn Festival Event.

The Autumn Festival Committee has received a contract from Celebrations Fireworks, the same vendor used at the 300th Anniversary Celebration. The cost for the fireworks display is \$12,500. Once the contract is signed, a 25 percent deposit is due of \$3,125.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

None.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

The Township needs to send a 25% deposit of \$3,125 to the Celebration Fireworks to secure the date. The funds will be allocated from the Autumn Festival Fund.

RECOMMENDATION:

Township Staff and the Autumn Festival Committee have recommended that the Township contract with Celebration Fireworks.

MOTION/RESOLUTION:

BE IT RESOLVED by the Board of Supervisors of Montgomery Township that we hereby approve the contract and authorize the deposit be sent to Celebrations Fireworks to provide the fireworks display for the Autumn Festival Event on October 1, 2016.

MOTION: _____

SECOND: _____

ROLL CALL:

Robert J. Birch	Aye	Opposed	Abstain	Absent
Candyce Fluehr Chimera	Aye	Opposed	Abstain	Absent
Michael J. Fox	Aye	Opposed	Abstain	Absent
Jeffrey W. McDonnell	Aye	Opposed	Abstain	Absent
Joseph P. Walsh	Aye	Opposed	Abstain	Absent

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

CELEBRATION FIREWORKS, INC.
7911 7th St., Slatington PA 18080

DISPLAY AGREEMENT

1. This agreement, entered into this **18th day of March 2016** is between Celebration Fireworks, Inc. hereinafter referred to as "CFI", and **Montgomery Township, PA** herein after referred to as PURCHASER.
2. CFI agrees to furnish PURCHASER, in accordance with terms and conditions hereinafter set forth, a fireworks display, together with the services of a pyrotechnic operator licensed for the state of the display to be in charge of, and along with sufficient crew to safely discharge the display. The display is scheduled to be performed on the **1st day of October, 2016 at Windlestrae Park.**
3. PURCHASER, at its own expense, agrees to provide to CFI: A) A suitable DISPLAY SITE in which to stage the fireworks display, including a firing and a fallout zone acceptable to CFI in which the fireworks and fireworks debris may be exhibited, rise and fall safely. B) Adequate policing, guard protection, roping, fencing, and/or other crowd control measures to prevent the access of the public, or its property not authorized by CFI into the display site. C) The services and cost of standby firemen and/or applicable permit fees as required by state and local statutes, ordinances or regulations. D) Access by CFI, at all times to the DISPLAY SITE to set up the display. If PURCHASER fails to fully comply with all requirements of A, B, C, and/or D set forth above, CFI shall have no obligation to complete the performance and PURCHASER agrees to pay CFI the entire contract price plus any additional expenses incurred because of said failure. If in its sole discretion, PURCHASER designates an area for members of the public to view the display ("spectator area") and/or area for parking vehicles, ("parking area"), the PURCHASER shall: E) Ensure that the Spectator Area does not infringe on the Display Area; F) Have sole responsibility for insuring that the terrain of the Spectator Area and any structures thereon, including, but not limited to grandstands and bleachers are safe for use by spectators; G) Have sole responsibility for insuring that the Parking Area is safe for use; H) Have sole responsibility to police, monitor, and appropriately control spectator access to the Spectator Area and Parking Area and police, monitor and appropriately control the behavior of persons in these areas. It is expressly agreed that CFI, (including it's operators and crew) shall not inspect, police, monitor or otherwise supervise any area of the site other than the Display Area, except to insure: I) That any Spectator or Parking Area are outside the Display Area; and J) After completion of the Display, that the Display Area is cleared of any live fireworks debris originating from the program.
4. PURCHASER shall pay to CFI **\$12,500**. A deposit of **25% (\$3,125)** must be paid **at the time of contract acceptance**. Full final payment is due within ten (10) calendar days after the date of the display. A finance charge at a periodic rate of 1.5% per month, 18% annual percentage rate, will be charged on the unpaid balance after 30 days from the date of the display. PURCHASER, by signing this agreement, authorizes CFI to receive and verify financial information concerning PURCHASER from any person or entity.
5. PURCHASER agrees to assume the risk of weather, or causes beyond the control of CFI which may prevent the display from being safely discharged on the scheduled date, which may cause the cancellation of any event for which PURCHASER has purchased the display, or which may effect or damage such portion of the exhibits as must be placed and exposed a necessary time before the display. It shall be within CFI's sole discretion to determine whether or not the display may be safely discharged on the scheduled date and at the scheduled time. If for any reason beyond CFI's control, including, without limitation, inclement weather, CFI is unable to safely discharge the display on the scheduled date or should any event for which PURCHASER has purchased the display be canceled, the parties shall attempt to negotiate a new display date (**rain date shall be tbd**), which shall be within 60 days of the original display date. PURCHASER further agrees to pay CFI for any reasonable additional expenses made necessary by this postponement. If they are unable to agree on a new display date, CFI shall be entitled to liquidated damages from PURCHASER as if PURCHASER had canceled the display on the date set for the display, as provided in the following paragraph.
6. PURCHASER shall have the option of unilaterally canceling this display prior to the date of the display. If PURCHASER exercises this option, PURCHASER agrees to pay CFI, as liquidated damages, the following percentages of the agreed contract price: 1) 25% if cancellation occurs three (3) or more days before the date scheduled for the display, 2) 35% if cancellation occurs within two (2) days of the actual date set for the display, 3) 50% if the cancellation occurs on the date set for the display. If cancellation occurs prior to the date of the display, PURCHASER agrees to pay CFI, in addition to the above percentages, the reasonable value associated with any specific custom work performed by CFI or its agents including but not limited to music, narration tape, production and/or sponsor logo.
7. In the event the PURCHASER cancels the display, it will be impractical or extremely difficult to fix the actual amount of CFI's damages. The foregoing represents a reasonable estimate of the damages CFI will suffer if PURCHASER cancels the display.

8. Sponsor agrees to credit **Celebration Fireworks Inc.** as "Fireworks by Celebration Fireworks" in all advertising and marketing materials that are within the Sponsors authority.
9. CFI agrees to furnish insurance coverage in connection with the display only, for the following risks and amounts: bodily injury and property damage liability Ten Million Dollars per occurrence. Such insurance shall include additional insureds (as requested) regarding claims made against PURCHASER for bodily injury or property damage arising from the operations of CFI in performing the Display provided for in this Agreement. Such insurance afforded by CFI shall not include claims made against PURCHASER for bodily injury or property damage arising from A) Failure of PURCHASER, including through or by it's employees, agents, or independent contractors, to perform it's obligations under this Agreement, including, without limitation, those contained in paragraph 3 of this Agreement: B) Failure of the PURCHASER to provide discretionary spectator and parking areas referred to in paragraph 3 of this Agreement. PURCHASER shall indemnify and hold CFI harmless from all claims and suits made against CFI for bodily injury or property damage arising from A) and B) of the paragraph.

Indemnification: To the fullest extent permitted by law, CFI shall protect, hold free and harmless, defend and indemnify the Township (including its elected or appointed officials, officers, and employees) from all liability, penalties, costs, losses, damages, expenses, causes of action, claims or judgments (including attorney's fees) resulting from injury to or death of any person or damage to property of any kind, which injury, death of any person or damage arises out of, or is in any way connected with the Township's fireworks display on October 1, 2016.

10. If any legal action is brought to enforce or interpret the terms or provisions of this agreement, the prevailing party shall be entitled to reasonable attorney fees and costs in addition to any other relief to which they may be entitled. This agreement shall be interpreted under the laws of the State of Pennsylvania. It is further agreed that the courts of the State Of Pennsylvania shall have exclusive jurisdiction to adjudicate any disputes arising out of this contract or the performance of the display provided for herein.
11. In the event CFI breaches this agreement, or is otherwise negligent in performing the fireworks display provided herein, PURCHASER shall, under no circumstances be entitled to recover monetary damages from CFI beyond the amount PURCHASER agreed to pay CFI under this agreement. PURCHASER shall not, under any circumstances, be entitled to recover any consequential damages from CFI including, without limitation, for loss of income, business, or profits. Nothing in the paragraph shall be construed as a modification or limit to the insurance afforded in paragraph 8) above.
12. It is agreed, nothing in this Agreement or in CFI's performance of the display provided for herein, shall be construed as forming a partnership or joint venture between PURCHASER and CFI. The parties hereto shall be severally responsible for their own separate debts and obligations and neither party shall be held responsible for any agreements or obligations not expressly provided for herein. All terms of this agreement are in writing and may only be modified by written agreement of both parties hereto. Both parties acknowledge that they have received a copy of said written Agreement and agree to be bound by said terms of written agreement only.
13. Any notice to the parties required under this agreement shall be given by mailing such notice in the U.S. Mail, postage prepaid, first class, addressed as follows: CELEBRATION FIREWORKS, INC., 7911 7th St., Slatington PA 18080. PURCHASER's address shall be c/o Matt Reimel, Montgomery Township, 1001 Stump Rd., Montgomeryville, PA 18936.
14. If there is more than one PURCHASER, they shall be jointly and severally responsible to perform PURCHASER's obligations under this agreement. This agreement shall become effective after it is executed and accepted by the PURCHASER and then after it is executed by CFI at CFI's offices in Emmaus, Pennsylvania. This agreement may be executed in several counter parts, including faxed copies, each one of which shall be deemed an original against the party executing same. This agreement shall be binding upon the parties hereto and upon their heirs, successors, executors, administrators, and assigns. PURCHASER recognizes that because of the nature of fireworks, an industry accepted level of 3% of the product used in any display may not function as designed and this level of nonperformance is accepted as full performance.

SIGNED ON THIS DATE _____ . Pricing herein is firm through **Oct. 30, 2016**.

FOR PURCHASER:

X _____

FOR CELEBRATION FIREWORKS, INC.

JH Kempa

Title: **President**

7911 7th St., Slatington PA 18080 Ph: (610) 987-8989 Fax: (610) 987-8988
Email: john@celfire.com Web: www.celfire.com

Township Staff recommends moving forward with TPD's proposal.

MOTION/RESOLUTION:

BE IT RESOLVED by the Board of Supervisors of Montgomery Township that we hereby approve the professional scope of work from Traffic Planning & Design in the amount not to exceed \$7,500 for the Powerline Trail Connection Phase 1 Project.

MOTION: _____ SECOND: _____

ROLL CALL:

Robert J. Birch	Aye	Opposed	Abstain	Absent
Candyce Fluehr Chimera	Aye	Opposed	Abstain	Absent
Michael J. Fox	Aye	Opposed	Abstain	Absent
Jeffrey W. McDonnell	Aye	Opposed	Abstain	Absent
Joseph P. Walsh	Aye	Opposed	Abstain	Absent

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.



TRAFFIC PLANNING AND DESIGN, INC.

WWW.TRAFFICPD.COM

Professional Services Agreement

Letter of Engagement

Date:	April 21, 2016
Client:	Montgomery Township
Address:	1001 Stump Road Montgomeryville, PA 18936
Client Contact:	Mr. Larry Gregan, Township Manager
Project Name:	Powerline Connector Trail – Phase I Proposal Part A: Kickoff / Project Scoping
Municipality/County/State:	Montgomery Township, Montgomery County, PA
TPD Project Manager:	Joseph Platt, P.E.
TPD Project No.:	MOTO 00107

Traffic Planning and Design, Inc. (TPD) is pleased to submit this Letter of Engagement regarding the above-referenced project. This Agreement will be between TPD and the Montgomery Township ("Client").

As recently discussed, the TPD Team has developed this PART A scope of work in order to complete several preliminary tasks that are necessary in order to move Phase I of the Powerline Connector Trail through initial environmental scoping.

These preliminary steps are essential to effectively bridge the gap between previously completed high level planning effort and the PennDOT design process. By authorizing these preliminary work tasks, the Township will enable the TPD Team of professionals to develop a more cost effective final design proposal based on refined project concepts and more clearly defined environmental clearance information that will evolve out of the scoping field view process. These tasks are essential in order to keep the project moving forward at an aggressive pace and in a cost effective manner.

Scope of Services

PART A: PLAN AND SCOPE REFINEMENT

TASK I: PROJECT MANAGEMENT / ADMINISTRATION

1. TPD will prepare a project schedule and monthly invoice and status report for the Township (client) and DVRPC. The status report will indicate items completed within the past month and items to be completed in the following month.
2. TPD will coordinate all work with project subconsultants. This will include reviewing project invoices.
3. TPD will participate in periodic status meetings and conference calls with the client. Up to three (3) meetings are included in this Part 1 scope of work.

TASK II: ENVIRONMENTAL AND ENGINEERING SCOPING

1. TPD will prepare the Environmental and Engineering Scoping Field View document via the PennDOT Expert System.
2. The TPD Team will prepare preliminary project mapping for use during the scoping field view.
3. The TPD Team will attend the Environmental and Engineering Scoping Field View with representatives from the PennDOT Environmental Unit, Montgomery Township and DVRPC.
4. TPD will prepare minutes from the Environmental and Engineering Scoping Field View and will revise the Scoping Document as necessary.

Fee for Services

The preliminary services described above will be provided based on TPD's current approved fee schedule for Montgomery Township. TPD's fee for these professional services is \$7,500.00. TPD will not proceed with services beyond this fee unless first obtaining additional authorization from Client.

Expenses such as copies, prints, postage, mileage, next-day mail, and hand-delivery of materials are included in the fee for professional services.

AUTHORIZATION

Terms and Conditions for this Letter of Engagement

TPD's standard Terms & Conditions are attached, and shall be considered part of this Letter of Engagement.

Confidentiality

Client agrees that any unauthorized use or disclosure of TPD's Standard Terms and Conditions or rate schedule constitutes a violation of applicable state laws, regarding, without limitation, unfair competition, misappropriation, and trade secrets.

Client Acceptance of Services Agreement

TPD's offer of services under this Letter of Engagement shall remain valid for thirty (30) calendar days from the date of this letter. Acceptance of the Letter of Engagement after the end of the thirty (30) day period shall be valid only if TPD elects, in writing, to reaffirm the letter, and waives its right to re-evaluate and resubmit the letter. In order for TPD to begin our services, we request that Client review this Letter of Engagement and return the signed authorization (and retainer fee) to our office.

This Services Agreement prepared by:

Traffic Planning and Design, Inc. (TPD)



Joseph Platt, P.E. – Senior Project Manager

cc: Kevin L. Johnson, P.E. – Township Traffic Engineer

Client Authorization

Client authorizes TPD to proceed with the services as described within this Letter of Engagement:

Signature: _____ Date: _____

Name (Please Print): _____

Title: _____ Firm: _____

E-mail Address: _____ Phone Number: _____

Billing Address*: _____

* (If different than first page) _____

Please retain one copy for your file and forward an executed copy to TPD.

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Consider Authorization to Execute Restated 401(a) Money Purchase Pension Plan and to Submit IRS Determination Letter

MEETING DATE: April 25, 2016

ITEM NUMBER: #10

MEETING/AGENDA: WORK SESSION

ACTION XX

NONE

REASON FOR CONSIDERATION: Operational: XX Policy: Discussion: Information:

INITIATED BY: Ann M. Shade, Director of Admin & HR
Ami Tarburton, Finance Director, Treasurer

BOARD LIAISON: Jeffrey W. McDonnell
Liaison to the Pension Plans

BACKGROUND:

As a Plan sponsor for the 401(a) Money Purchase Pension (MPP) Plan which is offered to non-uniformed employees, Montgomery Township is required by IRS regulations to review and readopt the Plan Document every six years. Benefits Consultant Group (BCG), administrator for the MPP Plan, has advised us that the six-year deadline for restatement of the Plan Document is April 30, 2016.

Attached is the revised MPP Plan Document and Summary Plan Description (SPD) which have been reviewed and recommended by General Counsel at BCG. BCG has also indicated that there were no substantive changes to our Plan and that all changes that were made were required by the IRS to maintain compliance.

In addition, in the past, the MPP Plan Document has been submitted and approved by the IRS for favorable determination of the Plan. Although a favorable determination letter is not required, it does provide the Township with the reliance that the Plan is qualified under IRS regulations.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

Approval of previous 401(a) Money Purchase Pension Plan document and Summary Plan Description revisions, as well as IRS favorable determination letter.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

\$1,750 for Plan restatement fee
\$500 for IRS Determination letter fee

RECOMMENDATION:

It is recommended that the Board of Supervisors authorize execution of the restated Money Purchase Pension Plan 401(a) Plan document and Summary Plan Description and to authorize submission for an IRS favorable determination letter.

MOTION/RESOLUTION:

BE IT RESOLVED by the Board of Supervisors of Montgomery Township that we hereby authorize execution of the restated Money Purchase Pension Plan 401(a) Plan document and Summary Plan Description and to authorize submission for an IRS favorable determination letter.

MOTION: _____ SECOND: _____

ROLL CALL:

Robert J. Birch	Aye	Opposed	Abstain	Absent
Candyce Fluehr Chimera	Aye	Opposed	Abstain	Absent
Michael J. Fox	Aye	Opposed	Abstain	Absent
Jeffrey W. McDonnell	Aye	Opposed	Abstain	Absent
Joseph P. Walsh	Aye	Opposed	Abstain	Absent

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

**Application for Determination for
Adopters of Master or Prototype or
Volume Submitter Plans**

(Under sections 401(a) and 501(a) of the Internal Revenue Code)

OMB No. 1545-0202

For IRS Use Only

Review the Procedural Requirements Checklist before submitting this application.

1a Number Assigned under Section 6.19
of Revenue Procedure 2007-6

 -

1b Name of plan sponsor (employer if single-employer plan)

MONTGOMERY TOWNSHIP

1c Address of plan sponsor (if a P.O. Box, see instructions)

1001 STUMP ROAD

1d City

MONTGOMERYVILLE

1e State

PA

1f Zip Code

19446

1g Country

1h Employer identification number

23-6005687

1i Telephone number

215-393-6900

1j Fax number

1k Employer's tax
year end (MM)

12

2a Person to contact if more information is needed. (See instructions)
(If a Power of Attorney is attached, check box and do not complete this line.)

☒

Contact person's name

2b Contact person's address

2c City

2d State

2e Zip Code

2f Telephone number

2g Fax number

If more space is needed for any item, attach additional sheets the same size as this form. Identify each additional sheet with the plan sponsor's name and EIN and identify each item.

Under penalties of perjury, I declare that I have examined this application, including accompanying statements and schedules, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE ►

Date ►

Type or print name

Type or print title



3a Determination requested for (enter applicable number in box)

- ☒ 1 - Initial Qualification
- ☐ 2 - Request after Initial Qualification
- ☐ 3 - Standardized Plans (**See instructions**)

b If line 3a is 1, please enter the date the plan was signed**c** Enter number of amendments included**d** Enter the date the amendment(s) reflected in 3c were signed (**If more than 4 see instructions**)(i) (ii) (iii) (iv) **e** Enter the date the amendment(s) were effective (**If more than 4 see instructions**)(i) (ii) (iii) (iv) **Yes** **No****f** ☒ ☐ Has the plan received a determination letter?**If "No," submit copies of all prior plan(s) and/or adoption agreement(s).****g** If 3f is "Yes," enter the date of the latest letter (**See instructions**)**h** Enter the number of amendments since the last determination letter**i** ☒ ☐ Have interested parties been given the required notification of this application? (**See instructions**)**j** ☐ ☒ Does the plan have a cash or deferred arrangement (section 401(k))?**k** ☒ ☐ Does the plan have matching contributions (section 401(m))?**l** ☐ ☒ Does the plan have after-tax employee voluntary contributions (section 401(m))?**m** ☐ ☒ Does the plan utilize the permitted disparity rules of section 401(l) when allocating contributions or benefits?**n** ☐ ☒ Is this plan an offset arrangement with any other plans? (**If "Yes," attach a separate statement providing the name, EIN, and plan type of the other plan that is part of the arrangement. See instructions**)

4a Name of plan (If plan name exceeds 70 characters, including spaces, **see instructions**):

MONTGOMERY TOWNSHIP 401(A) MONEY PURCHASE PENSION PLAN

b Enter 3-digit plan number (**See instructions**)

002

c Enter month plan year ends

12

d Enter plan's **original** effective date

01011986

e Enter number of participants (**See instructions**)

50

5 Indicate type of plan by entering the number from the list below:

2

1 -- profit sharing and/or 401(k)

4 -- defined benefit but not cash balance

2 -- money purchase

(See instructions)

3 -- target benefit

5 -- 401(k) safe harbor

Yes **No****6a** ☐ ☒ Is the employer a member of an affiliated service group?**b** ☐ ☒ Is the employer a member of a controlled group of corporations or a group of trades or businesses under common control?If 6a and/or 6b is "Yes," **see instructions**.**7a(1)** ☐ ☒ Is this a master or prototype plan?**a(2)** If "Yes," Date of Opinion letter ►**a(3)** Serial Number ►**b(1)** ☒ ☐ Is this a volume submitter plan?**b(2)** If "Yes," Date of Advisory letter ►**b(3)** Serial Number ►**c** ☒ ☐ Are there modifications to the volume submitter plan or are there addenda to the adoption agreement?**d** ☐ ☒ Are there any "Other" boxes selected in the adoption agreement? (**See instructions**)**8a** ☒ ☒ Is this a governmental plan?**b** ☐ ☒ If "Yes," is the plan a state level plan?**c** ☐ ☒ Is this a nonelecting church plan?**d** ☐ ☒ Is this a collectively bargained plan? (See Regulations section 1.410(b)-9)

8 (continued)

Yes No

e ☐ ☒ Is this a section 412(i) plan?

f ☐ ☒ Has this plan been involved in a merger? (If "Yes," see instructions)

g ☐ ☒ Has the plan been amended or restated to change the type of plan? (If "Yes," see instructions)

9a ☒ ☐ Do you maintain any other qualified plan(s) under section 401(a)?

If "Yes," attach required statement per instructions.

If "No," skip to line 9d.

b ☐ ☒ Do you maintain another plan of the same type (i.e. both this plan and the other plan are defined contribution plans or both are defined benefit plans) that covers non-key employees who are also covered under this plan?

If "Yes," when the plan is top-heavy, do the non-key employees covered under both plans receive the required top-heavy minimum contribution or benefit under: (See instructions)

☐ ☐ (1) This plan, or

☐ ☐ (2) The other plan?

c ☐ ☒ If this is a defined contribution plan, do you maintain a defined benefit plan (or if this is a defined benefit plan, do you maintain a defined contribution plan) that covers non-key employees who are also covered under this plan? If "Yes," when the plan is top-heavy, do non-key employees covered under both plans receive: (See instructions)

☐ ☐ (1) The top-heavy minimum benefit under the defined plan,

☐ ☐ (2) At least a 5% minimum contribution under the defined contribution plan,

☐ ☐ (3) The minimum benefit offset by benefits provided by the defined contribution plan, or

☐ ☐ (4) Benefits under both plans that, using a comparability analysis, are at least equal to the minimum benefit?

d ☒ ☐ Does the plan prevent the possibility that the section 415 limitations will be exceeded for any employee who is (or was) a participant in this plan and any other plan of the employer?



	Yes	No	
10a	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Does any amendment to the plan reduce or eliminate any section 411(d)(6) protected benefit including an amendment adopted after September 6, 2000, to eliminate the joint and survivor annuity form of benefit? (See instructions)
b	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Are trust earnings and losses allocated on the basis of account balances in a defined contribution plan? If "No," attach a statement explaining how they are allocated.
			Is this plan or trust currently under examination or is any issue related to this plan or trust currently pending before the:
c	<input type="checkbox"/>	<input checked="" type="checkbox"/>	• Internal Revenue Service,
d	<input type="checkbox"/>	<input checked="" type="checkbox"/>	• Department of Labor,
e	<input type="checkbox"/>	<input checked="" type="checkbox"/>	• Pension Benefit Guaranty Corporation,
f	<input type="checkbox"/>	<input checked="" type="checkbox"/>	• Voluntary Compliance Resolution Program of the Employee Plans Compliance Resolution System (EPCRS), or
g	<input type="checkbox"/>	<input checked="" type="checkbox"/>	• Any Court.
			If "Yes," attach a statement explaining the issues involved and the contact person's name (IRS Agent, DOL Investigator, etc.) and telephone number.

Optional determination request regarding the ratio percentage test. A determination regarding the average benefit test may be requested by attaching Schedule Q (Form 5300). (See instructions)

11	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this a request for a determination regarding the ratio percentage test of Regs. section 1.410(b)-2(b)(2) or a request for a determination regarding one of the special requirements of Regs. section 1.410(b)-2(b)(5), (6), or (7)? If "Yes," complete only lines 11a through 11n for a ratio percentage test determination, or complete only line 11o for a determination regarding one of the special requirements. If "No," skip to line 12.
a	<input type="checkbox"/>	<input type="checkbox"/>	Is this plan disaggregated into two or more separate plans that are not section 401(k), 401(m), or profit sharing plans? If "Yes," see the instructions and attach separate schedules for each disaggregated portion.
b	<input type="checkbox"/>	<input type="checkbox"/>	Does the employer receive services from any leased employees as defined in section 414(n)?
c	Coverage date (MMDDYYYY). See instructions for inserting date.		<input type="text"/>
d	Total number of employees (including self-employed individuals) (employer-wide)		<input type="text"/>
e	Statutory and regulatory exclusions under this plan (do not count an employee more than once):		
	(1)	Number of employees excluded because of minimum age or years of service required	<input type="text"/>
	(2)	Number of employees excluded because of inclusion in a collective bargaining unit	<input type="text"/>
	(3)	Number of employees excluded because they terminated employment with less than 501 hours of service and were not employed on the last day of the plan year	<input type="text"/>



11e (continued)

(4) Number of employees excluded because employed by other qualified separate lines of business (QSLOBs)

(5) Number of employees excluded because they were nonresident aliens with no earned income from sources within the United States

f Total statutory and regulatory exclusions (add lines 11e(1) through 11e(5))

g Nonexcludable employees (subtract line 11f from line 11d)

h Number of nonexcludable employees on line 11g who are highly compensated employees (HCEs)

i Number of nonexcludable HCEs on line 11h benefiting under the plan

j Number of nonexcludable employees who are nonhighly compensated employees (NHCEs) (subtract line 11h from 11g)

k Number of nonexcludable NHCEs on line 11j benefiting under the plan

l Ratio percentage (**See instructions**)

m Enter the ratio percentage for the following, if applicable:

(1) Section 401(k) part of the plan

(2) Section 401(m) part of the plan

Yes No

n ☐ ☐ Are the results on line 11l or 11m based on the aggregated coverage of more than one plan? If "Yes," attach a statement listing the names, plan numbers, EINs, and benefit/allocation formula of the other plans. **All aggregated plans should be filed concurrently.**

o If the plan satisfied coverage using one of the special requirements of Regulations section 1.410(b)-2(b)(5), (6), or (7) enter the letter from the list below that identifies the special rule.

☐ A = 1.410(b)-2(b)(5) - No NHCEs employed
☐ B = 1.410(b)-2(b)(6) - No HCEs benefit
☐ C = 1.410(b)-2(b)(7) - Collectively bargained only



Determination request regarding the nondiscrimination design-based safe harbors of section 401(a)(4). See instructions

Yes No

12 ☐ ☒ Is this a request for a determination regarding a design-based safe harbor under section 401(a)(4)?**Design-based nondiscrimination safe harbors:**

- a ☐ ☐ Does the plan provide for disparity in contributions or benefits that is intended to meet the permitted disparity requirements of section 401(l)? If "Yes," answer line 12b. Otherwise, skip to line 12c.
- b ☐ ☐ Do the provisions of the plan ensure that the overall permitted limits will not be exceeded?
- c Enter the letter ("A" - "G") from the list below that identifies the safe harbor intended to be satisfied.

A = 1.401(a)(4)-2(b)(2) defined contribution (DC) plan with uniform allocation formula

B = 1.401(a)(4)-3(b)(3) unit credit defined benefit (DB) plan

C = 1.401(a)(4)-3(b)(4)(i)(C)(1) unit credit DB fractional rule plan

D = 1.401(a)(4)-3(b)(4)(i)(C)(2) flat benefit DB plan

E = 1.401(a)(4)-3(b)(5) insurance contract plan

F = 1.401(a)(4)-8(b)(3) target benefit plan

G = 1.401(a)(4)-8(c)(3)(iii)(b) cash balance plan

- d List the plan section(s) that satisfy the safe harbor (including, if applicable, the permitted disparity requirements)



ATTACHMENT TO FORM 53-7
MONTGOMERY TOWNSHIP 401(A) MONEY PURCHASE PENSION PLAN

Item 9.a.

Plan Name: Montgomery Township Police Pension Plan

Type of Plan: Defined benefit plan

Form of Plan: Individually Designed

Plan Number: 001

Vesting Schedule: 12 years of service are required to vest in the Plan's accrued benefit
derived from employer contributions.

The Plan had not received a determination letter.

The Plan is not paired.

Form **8717**(Rev. August 2014)
Department of the Treasury
Internal Revenue Service**User Fee for Employee Plan Determination
Letter Request**▶ **Attach to determination letter application.**
▶ **For the latest information about this form, go to www.irs.gov/form8717.****For
IRS
Use
Only**

OMB No. 1545-1772

Amount paid _____

1 Name of plan sponsor (employer if single-employer plan)

Montgomery Township

2 Sponsor's employer identification number

23-6005687

3 Plan number

002

4 Plan name

Montgomery Township 401(a) Money

Caution. If you qualify for the exemption from user fees for small business employers, complete only the certification below (see the instructions on page 2 for details). For all other applications, leave the certification blank and check the appropriate box in column B of line 5.**Certification**

I certify that the application for a determination letter on the qualified status of the plan listed above meets the conditions for exemption from user fees described in section 7528(b)(2)(B) of the Internal Revenue Code.

Sign Here ▶ _____

Date ▶ _____

Type or print name and title ▶ _____

Form Submitted	Fee Schedule	
	A	B
		no Demo 5 and no Demo 6:
5a Form 5300:		<input type="checkbox"/> \$ 2,500
b Form 5307:		<input checked="" type="checkbox"/> \$ 500
c Form 5310:		<input type="checkbox"/> \$ 2,000
d		
e Multiple employer plans (Form 5300):		
(1) 2 to 10 Forms 5300 submitted		<input type="checkbox"/> (1) \$ 3,000
(2) 11 to 99 Forms 5300 submitted		<input type="checkbox"/> (2) \$ 3,000
(3) 100 to 499 Forms 5300 submitted		<input type="checkbox"/> (3) \$ 15,000
(4) Over 499 Forms 5300 submitted		<input type="checkbox"/> (4) \$ 15,000
f Multiple employer plans (Form 5310):		
(1) 2 to 10 employers maintaining the plan		<input type="checkbox"/> (1) \$ 3,000
(2) 11 to 99 employers maintaining the plan		<input type="checkbox"/> (2) \$ 3,000
(3) 100 to 499 employers maintaining the plan		<input type="checkbox"/> (3) \$ 15,000
(4) Over 499 employers maintaining the plan		<input type="checkbox"/> (4) \$ 15,000
g Reserved		
(1a)		
(1b)		
(2a)		
(2b)		
(3)		
(4)		
h Reserved		
(1a)		
(1b)		
(2)		
(3)		
(4a)		
(4b)		
(5)		
(6)		
(7)		
i Form 5316 (Group trusts)		<input type="checkbox"/> \$ 1,000

TNA

Form **8717** (Rev. 8-2014)

Power of Attorney and Declaration of Representative

OMB No. 1545-0150

For IRS Use Only

Received by:

Name _____

Telephone _____

Function _____

Date ____/____/____

► Information about Form 2848 and its instructions is at www.irs.gov/form2848.

Part I Power of Attorney

Caution: A separate Form 2848 must be completed for each taxpayer. Form 2848 will not be honored for any purpose other than representation before the IRS.

1 Taxpayer information. Taxpayer must sign and date this form on page 2, line 7.

Taxpayer name and address Montgomery Township 1001 Stump Road Montgomeryville, PA 19446	Taxpayer identification number(s) 23-6005687
	Daytime telephone number 215-393-6900
	Plan number (if applicable) 002

hereby appoints the following representative(s) as attorney(s)-in-fact:

2 Representative(s) must sign and date this form on page 2, Part II.

Name and address Steven Sokolic Benefit Consultants Group 51 Haddonfield Road, Suite 200 Cherry Hill, NJ 08002	CAF No. 1200-33833R PTIN _____ Telephone No. 856-368-7215 Fax No. 856-824-1890
Check if to be sent copies of notices and communications <input type="checkbox"/>	Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____
Check if to be sent copies of notices and communications <input type="checkbox"/>	Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____
(Note. IRS sends notices and communications to only two representatives.)	Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address Michele Lellouche 1660 Prudential Drive Jacksonville, FL 32207	CAF No. 0200-23587R PTIN _____ Telephone No. (904) 399-5888 Fax No. (904) 399-5551
(Note. IRS sends notices and communications to only two representatives.)	Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

to represent the taxpayer before the Internal Revenue Service and perform the following acts:

3 Acts authorized (you are required to complete this line 3). With the exception of the acts described in line 5b, I authorize my representative(s) to receive and inspect my confidential tax information and to perform acts that I can perform with respect to the tax matters described below. For example, my representative(s) shall have the authority to sign any agreements, consents, or similar documents (see instructions for line 5a for authorizing a representative to sign a return).

Description of Matter (Income, Employment, Payroll, Excise, Estate, Gift, Whistleblower, Practitioner Discipline, PLR, FOIA, Civil Penalty, Sec. 5000A Shared Responsibility Payment, Sec. 4980H Shared Responsibility Payment, etc.) (see instructions)	Tax Form Number (1040, 941, 720, etc.) (if applicable)	Year(s) or Period(s) (if applicable) (see instructions)
Qualification of Employee Benefit Plan	Form 5307	IRS Determination Letter

4 Specific use not recorded on Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for Line 4. Specific Use Not Recorded on CAF ☒

5a Additional acts authorized. In addition to the acts listed on line 3 above, I authorize my representative(s) to perform the following acts (see instructions for line 5a for more information):

☐ Authorize disclosure to third parties; ☐ Substitute or add representative(s); ☐ Sign a return; _____

☐ Other acts authorized: _____

- b Specific acts not authorized.** My representative(s) is (are) not authorized to endorse or otherwise negotiate any check (including directing or accepting payment by any means, electronic or otherwise, into an account owned or controlled by the representative(s) or any firm or other entity with whom the representative(s) is (are) associated) issued by the government in respect of a federal tax liability.

List any specific deletions to the acts otherwise authorized in this power of attorney (see instructions for line 5b): Michele Lellouche is restricted to Volume Submitter plan language qualification

- 6 Retention/revocation of prior power(s) of attorney.** The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same matters and years or periods covered by this document. If you **do not** want to revoke a prior power of attorney, check here ☐

YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

- 7 Signature of taxpayer.** If a tax matter concerns a year in which a joint return was filed, each spouse must file a separate power of attorney even if they are appointing the same representative(s). If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.

▶ **IF NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THIS POWER OF ATTORNEY TO THE TAXPAYER.**

Signature

Date

Title (if applicable)

Print Name

Print name of taxpayer from line 1 if other than individual



Part II Declaration of Representative

Under penalties of perjury, by my signature below I declare that:

- I am not currently suspended or disbarred from practice before the Internal Revenue Service;
- I am subject to regulations contained in Circular 230 (31 CFR, Subtitle A, Part 10), as amended, governing practice before the Internal Revenue Service;
- I am authorized to represent the taxpayer identified in Part I for the matter(s) specified there; and
- I am one of the following:
 - a** Attorney--a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b** Certified Public Accountant--duly qualified to practice as a certified public accountant in the jurisdiction shown below.
 - c** Enrolled Agent--enrolled as an agent by the Internal Revenue Service per the requirements of Circular 230.
 - d** Officer--a bona fide officer of the taxpayer organization.
 - e** Full-Time Employee--a full-time employee of the taxpayer.
 - f** Family Member--a member of the taxpayer's immediate family (for example, spouse, parent, child, grandparent, grandchild, step-parent, step-child, brother, or sister).
 - g** Enrolled Actuary--enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Internal Revenue Service is limited by section 10.3(d) of Circular 230).
 - h** Unenrolled Return Preparer--Your authority to practice before the Internal Revenue Service is limited. You must have been eligible to sign the return under examination and have prepared and signed the return. **See Notice 2011-6 and Special rules for registered tax return preparers and unenrolled return preparers in the instructions (PTIN required for designation h).**
 - i** Registered Tax Return Preparer--registered as a tax return preparer under the requirements of section 10.4 of Circular 230. Your authority to practice before the Internal Revenue Service is limited. You must have been eligible to sign the return under examination and have prepared and signed the return. **See Notice 2011-6 and Special rules for registered tax return preparers and unenrolled return preparers in the instructions (PTIN required for designation i).**
 - k** Student Attorney or CPA--receives permission to represent taxpayers before the IRS by virtue of his/her status as a law, business, or accounting student working in an LITC or STCP. See instructions for Part II for additional information and requirements.
 - r** Enrolled Retirement Plan Agent--enrolled as a retirement plan agent under the requirements of Circular 230 (the authority to practice before the Internal Revenue Service is limited by section 10.3(e)).

▶ **IF THIS DECLARATION OF REPRESENTATIVE IS NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THE POWER OF ATTORNEY. REPRESENTATIVES MUST SIGN IN THE ORDER LISTED IN PART I, LINE 2.** See the instructions for Part II.

Note. For designations d-f, enter your title, position, or relationship to the taxpayer in the "Licensing jurisdiction" column. See the instructions for Part II for more information.

Designation-- Insert above letter (a-r)	Licensing jurisdiction (state) or other licensing authority (if applicable)	Bar, license, certification, registration, or enrollment number (if applicable). See instructions for Part II for more information.	Signature	Date
a	CA	272835		
a	FL	899100		3/9/2016

**MONTGOMERY TOWNSHIP 401(A) MONEY PURCHASE PENSION PLAN
AND ALL SUPPORTING FORMS HAVE BEEN PRODUCED FOR
BENEFIT CONSULTANTS GROUP**

MONTGOMERY TOWNSHIP 401(A) MONEY PURCHASE PENSION PLAN

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MONTGOMERY TOWNSHIP 401(A) MONEY PURCHASE PENSION PLAN

THIS PLAN, hereby adopted on the date specified on the signature page, by Montgomery Township (herein referred to as the "Employer").

WITNESSETH:

WHEREAS, the Employer heretofore established a Money Purchase Pension Plan effective January 1, 1986, (hereinafter called the "Effective Date") known as Montgomery Township 401(a) Money Purchase Pension Plan (herein referred to as the "Plan") in recognition of the contribution made to its successful operation by its Employees and for the exclusive benefit of its Eligible Employees; and

WHEREAS, under the terms of the Plan, the Employer has the ability to amend the Plan, provided the Trustee joins in such amendment if the provisions of the Plan affecting the Trustee are amended;

NOW, THEREFORE, effective January 1, 2016, except as otherwise provided herein, the Employer in accordance with the provisions of the Plan pertaining to amendments thereof, hereby amends and restates the Plan to provide as follows:

ARTICLE I DEFINITIONS

1.1 **"Account"** means any separate notational account established and maintained by the Administrator for each Participant under the Plan. The term "Participant's Account" or "Participant's Account Balance" generally means the sum of all Accounts being maintained for the Participant, which represents the Participant's total interest in the Plan. Section 6.8 contains a definition of "Participant's Account Balance" for purposes of that Section. To the extent applicable, a Participant may have any (or all) of the following notational Accounts:

- (a) the Nonelective Contribution Account
- (b) the Employee Mandatory Contribution Account
- (c) the Matching Contribution Account
- (d) the Qualified Nonelective Contribution Account
- (e) the Rollover Account
- (f) the Transfer Account

1.2 **"ACP"** means the actual contribution percentage that is equal to, for a specific group of Participants (either Highly Compensated Employees or Nonhighly Compensated Employees) for a Plan Year, the average of the ACRs (calculated separately for each Participant in such group). The ACP for each group shall be calculated to the nearest one-hundredth of one percent.

For purposes of computing an ACP, a Participant is an Eligible Employee who is eligible required to make an Employee Mandatory Contribution or eligible to receive a Matching Contribution for a "specific Plan Year". In addition, if an Employee Mandatory Contribution is required as a condition of participation in the Plan, any Employee who fails to make such a contribution but who would be a Participant in the Plan for the "specific Plan Year" if such Employee made such a contribution for the "specific Plan Year" shall be treated (for purposes of the ACP test) as an eligible Participant on behalf of whom no Employee Contributions are made. However, if a Participant has no 414(s) Compensation for the Plan Year, then such Participant shall be disregarded for purposes of calculating the ACP of a group.

For purposes of the above paragraph, the term "specific Plan Year" means, for Participants who are Highly Compensated Employees, the Plan Year being tested. If the current year testing method is being used, then the term "specific Plan Year" means, for Participants who are Nonhighly Compensated Employees, the Plan Year being tested. If the prior year testing method is being used, then the term "specific Plan Year" means, for Participants who are Nonhighly Compensated Employees, the Plan Year prior to the Plan Year being tested.

1.3 **"ACR"** means the actual contribution ratio of each Participant, that is a ratio (expressed as a percentage) equal to (1) the Contribution Percentage Amounts of such Participant for such Plan Year, to (2) such Participant's 414(s) Compensation for such Plan Year.

The ACR for each Participant shall be calculated to the nearest one-hundredth of one percent.

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

1.5 **"Affiliated Employer"** means any corporation which is a member of a controlled group of corporations (as defined in Code §414(b)) which includes the Employer; any trade or business (whether or not incorporated) which is under common control (as defined in Code §414(c)) with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Code §414(m)) which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to Regulations under Code §414(o).

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

1.7 **"Anniversary Date"** means the last day of the Plan Year.

1.8 **"Annual Additions"** means, for purposes of applying the limitations of Code §415, the sum credited to a Participant's Accounts for any Limitation Year of (1) Employer contributions, (2) Employee after-tax contributions, (3) Forfeitures, (4) amounts allocated to an individual medical account, as defined in Code §415(l)(2) which is part of a pension or annuity plan maintained by the Employer, (5) amounts derived from contributions paid or accrued which are attributable to post-retirement medical benefits allocated to the separate account of a key employee (as defined in Code §419A(d)(3)) under a welfare benefit plan (as defined in Code §419(e)) maintained by the Employer and (6) allocations under a simplified employee pension plan.

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

Annual Additions shall not include: (1) The direct transfer of a benefit or employee contributions from a qualified plan to this Plan (unless required by an applicable regulation); (2) rollover contributions (as described in Code §§401(a)(31), 402(c)(1), 403(a)(4), 403(b)(8), 408(d)(3), and 457(e)(16)); (3) repayments of loans made to a Participant from the Plan; or (4) repayments of amounts described in Code §411(a)(7)(B) (in accordance with Code §§411(a)(7)(C) and 411(a)(3)(D)).

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

1.10 **"Basic Compensation"** means the Participant's wages as defined in Code §3401(a) and all other payments of compensation by the Employer (in the course of the Employer's trade or business) for which the Employer is required to furnish the Participant a written statement under Code §§6041(d), 6051(a)(3) and 6052 (Form W-2 wages), as well as amounts that would have been received and includible in taxable compensation but for an election under Code §125(a), Code §132(f)(4), Code §402(e)(3), Code §402(h)(1)(B), Code §402(k), or Code §457(b), plus, effective for Compensation Computation Periods beginning on or after January 1, 2009, Military Differential Pay. Compensation must be determined without regard to any rules under Code §3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code §3401(a)(2)).

Basic Compensation for any Self-Employed Individual (with respect to the Employer maintaining the Plan) shall be equal to such individual's Earned Income.

Basic Compensation shall not include amounts paid as Compensation to a nonresident alien, as defined in Code §7701(b)(1)(B), who is not a Participant in the Plan to the extent the compensation is excludable from gross income and is not effectively connected with the conduct of a trade or business within the United States.

1.11 **"Beneficiary"** means the person (or entity) to whom the share of a deceased Participant's interest in the Plan is payable. In addition, Section 6.8 ("Minimum Required Distributions") contains a definition of "designated Beneficiary" for purposes of that Section.

1.12 **"Code"** means the Internal Revenue Code of 1986, as amended or replaced from time to time.

1.13 **"Compensation"** means a Participant's Basic Compensation, adjusted by this Section, actually paid during the Compensation Computation Period, adjusted as follows:

(a) excluding amounts which are contributed by the Employer pursuant to a salary deferral agreement and which are not includible in the gross income of the Participant under Code §125, Code §132(f)(4), Code §402(e)(3), Code §402(h)(1)(B), Code §402(k) or Code §457(b), and employee contributions described in Code §414(h)(2) that are treated as Employer contributions. However, amounts described in the preceding sentence will be included in Compensation for purposes of making Employee Contributions.

(b) excluding Compensation paid before becoming a Participant.

(c) effective for Plan Years beginning on or after July 1, 2007, including the following adjustments for amounts that are paid after a Participant's severance from employment with the Employer.

(1) **Regular pay.** Compensation shall include regular pay after severance of employment if paid by the later of 2 1/2 months after a Participant's severance from employment with the Employer or the end of the Limitation Year that includes the date of the Participant's severance from employment with the Employer, and if:

(i) The payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and

(ii) The payment would have been paid to the Participant prior to a severance from employment if the Participant had continued in employment with the Employer.

(2) **Leave cashouts.** Compensation shall include post-severance leave cash-outs paid by the later of 2 1/2 months after a Participant's severance from employment with the Employer or the end of the Limitation Year that includes the date of the Participant's severance from employment with the Employer if those amounts would have been included in the definition of Compensation if they were paid prior to the Participant's severance from employment with the Employer, and the amounts are for unused accrued bona fide sick, vacation, or other leave, but only if the Participant would have been able to use the leave if employment had continued.

(3) **Deferred Compensation.** Compensation shall include post-severance deferred compensation paid by the later of 2 1/2 months after a Participant's severance from employment with the Employer or the end of the Limitation Year that includes the date of the Participant's severance from employment with the Employer if those amounts would have been included in the definition of Compensation if they were paid prior to the Participant's severance from employment with the Employer maintaining the Plan, and the amounts are received pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid if the Participant had continued in employment with the Employer and only to the extent that the payment is includible in the Participant's gross income.

(d) **Dollar Limitation.** Compensation in excess of \$200,000 (or such other amount provided in the Code) shall be disregarded for all purposes. Such amount shall be adjusted for increases in the cost-of-living in accordance with Code §401(a)(17)(B), except that the dollar increase in effect on January 1 of any calendar year shall be effective for the Compensation Computation Period beginning with or within such calendar year. For any "determination period" of less than twelve (12) months, the Compensation limit shall be an amount equal to the Compensation limit for the calendar year in which the "determination period" begins multiplied by the ratio obtained by dividing the number of full months in the short "determination period" by twelve (12). A "determination period" is not less than twelve (12) months solely because a Participant's Compensation does not include Compensation paid during a "determination period" while the Participant was not a Participant in the Plan.

(e) **Non-eligible Employee.** If any Employees are excluded from the Plan, then Compensation for any such Employees who become eligible or cease to be eligible to participate in the Plan during a Plan Year shall only include Compensation while such Employees are Eligible Employees of the Plan.

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

(g) **Compensation for Determining Rate of Employee Contribution.** If Compensation earned during a Plan Year prior to an Eligible Employee's Effective Date of Participation is excluded for purposes of determining such matching contribution, then such Eligible Employee's Employee Contributions during that period shall also be excluded in determining the amount of such matching contribution.

1.14 **"Compensation Computation Period"** means the Plan Year.

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

1.16 **"Contribution Percentage Amounts"** means all Employer and Employee Contributions, as well as any Qualified Nonelective Contributions and any contributions authorized by (and to the extent prescribed by) Section 4

For purposes of determining Contribution Percentage Amounts, the Administrator may elect to take into account "elective deferrals" and "qualified nonelective contributions" contributed to any plan maintained by the Employer. However, the Plan Year must be the same as the plan year of the plan to which the elective deferrals and the qualified nonelective contributions are made.

"Elective deferrals" for this purpose are Employer contributions made on behalf of a Participant pursuant to an election to defer under a qualified cash or deferred arrangement as described in Code §401(k), any salary deferral simplified employee pension described in Code §408(k)(6), any Simple IRA Plan described in Code §408(p), any eligible deferred compensation plan under Code §457, any plan described

under Code §501(c)(18), and any Employer contributions made on behalf of a Participant for the purchase of an annuity contract under Code §403(b) pursuant to a salary deferral agreement. Elective deferrals shall not include any deferrals properly distributed as excess annual additions under such other plan.

"Qualified nonelective contributions" for this purpose are contributions (other than a matching contribution) made by the Employer to another qualified plan if under the terms of such other plan, such "elective deferrals" and "qualified nonelective contributions" must be fully vested at all times and may not be distributable from such other plan (by its terms) except in accordance with the requirements of Regulation §1.401(k)-1(d).

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

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

1.19 **"Disability"** means a physical or mental condition of a Participant resulting from bodily injury, disease, or mental disorder which renders such Participant incapable of continuing any gainful occupation and which condition constitutes total disability under the federal Social Security Acts.

1.20 **"Early Retirement Date."** This Plan does not provide for a retirement date prior to Normal Retirement Date.

1.21 **"Earned Income"** means with respect to a Self-Employed Individual, the net earnings from self-employment in the trade or business with respect to which the Plan is established, for which the personal services of the individual are a material income-producing factor. For this purpose, a self-employed individual means a sole proprietor who owns the entire interest in the Employer or a partner (or member in the case of a limited liability company treated as a partnership or sole proprietorship for federal income tax purposes) who owns more than ten percent (10%) of either the capital interest or the profits interest in the Employer and who receives income for personal services from the Employer. Net earnings will be determined without regard to items not included in gross income and the deductions allocable to such items. Net earnings are reduced by contributions by the Self-Employed Individual to a qualified Plan to the extent deductible under Code §404. In addition, net earnings shall be determined with regard to the deduction allowed to the Self-Employed Individual by Code §164(f).

If Compensation is defined to exclude any items of Compensation (other than safe harbor adjustments permitted under the Code §414(s) Regulations or limiting Compensation to periods of Plan participation), then for purposes of determining the Compensation of a Self-Employed Individual, Earned Income shall be adjusted by multiplying Earned Income by the percentage of total compensation that is included for the eligible Participants who are Nonhighly Compensated Employees. That percentage is determined by calculating the percentage of each Nonhighly Compensated eligible Participant's total Compensation prior to excluding any non-safe harbor adjustments that are included in the definition of Compensation and averaging those percentages.

For purposes of the preceding paragraph, "common law participant" means a Participant who is neither a Highly Compensated Employee nor a Self-Employed Individual, "includible compensation" means the amount of Compensation taken into account in determining the amount of such contribution for "common law participants," and "total compensation" means the amount of Compensation that would have been taken into account in determining such contribution for "common law participants" if (1) no element of Compensation had been excluded in determining such contribution, and (2) all of the following are included in Compensation: any amount which is contributed by the Employer at the election of the Participant pursuant to a salary deferral agreement and which is not includible in the gross income of the Participant by reason of Code §125, Code §132(f)(4), Code §402(e)(3), Code §402(h)(1)(B), Code §402(k) or Code §457(b), and employee contributions described in Code §414(h)(2) that are treated as Employer contributions.

However, to the extent that the amount of "includible compensation" for "common law participants" includes any amount which is contributed by the Employer at the election of the Participant pursuant to a salary deferral agreement and which is not includible in the gross income of the Participant by reason of Code §125, Code §132(f)(4), Code §402(e)(3), Code §402(h)(1)(B), Code §402(k) or Code §457(b), and employee contributions described in Code §414(h)(2) that are treated as Employer contributions, then those amounts shall be added back to Earned Income after making the adjustment described in the preceding paragraph.

1.22 **"Effective Date of the Plan"** means January 1, 1986, and the Effective Date of the Restatement means January 1, 2016.

1.23 **"Eligible Employee"** means any Employee, except as provided below, and except as provided in any other particular provision for the limited purposes of such provision. The following Employees shall not be eligible to participate in this Plan:

- (a) Employees of Affiliated Employers, unless such Affiliated Employers have specifically adopted this Plan in writing.
- (b) An individual shall not be an Eligible Employee if such individual is not reported on the payroll records of the Employer as a common law employee. In particular, it is expressly intended that individuals not treated as common law employees by the Employer on its payroll records and out-sourced workers, are neither Employees nor Eligible Employees, and are excluded from Plan participation even if a court or administrative agency determines that such individuals are common law employees and not independent contractors. However, this paragraph shall not apply to partners or other Self-Employed Individuals unless the Employer treats them as independent contractors.
- (c) Unless or until otherwise provided, Employees who became Employees as the result of a "Code §410(b)(6)(C) transaction" will not be Eligible Employees until the expiration of the transition period beginning on the date of the transaction and ending on the last

day of the first Plan Year beginning after the date of the transaction. A Code §410(b)(6)(C) transaction is an asset or stock acquisition, merger, or similar transaction involving a change in the Employer of the Employees of a trade or business that is subject to the special rules set forth in Code §410(b)(6)(C).

(d) Employees whose employment is governed by the terms of a collective bargaining agreement between Employee representatives (within the meaning of Code §7701(a)(46)) and the Employer under which retirement benefits were the subject of good faith bargaining between the parties, unless such agreement expressly provides for coverage in this Plan.

(e) Employees who are nonresident aliens (within the meaning of Code §7701(b)(1)(B)) and who receive no earned income (within the meaning of Code §911(d)(2)) from the Employer which constitutes income from sources within the United States (within the meaning of Code §861(a)(3)).

1.24 **"Employee"** means any common law employee, Self-Employed Individual, Leased Employee or other person to the extent that the Code treats such an individual as an employee of the Employer for purposes of the Plan, such as (for certain purposes) any person who is employed by an Affiliated Employer.

1.25 **"Employee Contribution"** means any Employee Contribution that is (or was) made to the Plan by the Participant that is designated or treated at the time of contribution as an after-tax contribution.

1.26 **"Employee Contribution Account"** means the separate account established and maintained by the Administrator for each Participant with respect to the Participant's total interest in the Plan resulting from Employee Contributions.

1.27 **"Employee Mandatory Contribution"** means any Employee contribution that is required as a condition of participation and that is made to the Plan by the Participant pursuant to Section 4.7.

1.28 **"Employee Mandatory Contribution Account"** means the separate account established and maintained by the Administrator for each Participant with respect to the Participant's total interest in the Plan resulting from Employee Mandatory Contributions.

1.29 **"Employer"** means Montgomery Township (also known as the signatory Employer) and any successor which shall maintain this Plan; and any predecessor which has maintained this Plan. The Employer is an entity, with principal offices in the Commonwealth of Pennsylvania. In addition, where appropriate, the term Employer shall include any Participating Employer.

1.30 **"Fiduciary"** means any person who (a) exercises any discretionary authority or discretionary control respecting management of the Plan or exercises any authority or control respecting management or disposition of its assets, (b) renders investment advice for a fee or other compensation, direct or indirect, with respect to any monies or other property of the Plan or has any authority or responsibility to do so, or (c) has any discretionary authority or discretionary responsibility in the administration of the Plan.

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

1.32 **"Forfeiture."** Under this Plan, Participant accounts are 100% Vested at all times. Any amounts that may otherwise be forfeited under the Plan pursuant to Section 6.10 shall be used to reduce the contribution of the Employer or be used to pay any administrative expenses of the Plan.

For purposes of this Plan, any Forfeiture will be disposed of not later than the end of the Plan Year following the Plan Year in which the Forfeiture occurred.

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

1.34 **"415 Compensation"** means the Participant's Basic Compensation during the Compensation Computation Period as adjusted by this Section.

(a) **Post-Severance Pay.** Effective for Limitation Years beginning on or after July 1, 2007, 415 Compensation shall include payments paid after severance from employment that, absent a severance from employment, would have been paid to the Employee had the Employee continued in employment with the Employer to the extent that such amounts are described below:

(1) **Post-severance regular pay.** 415 Compensation shall include regular pay after severance of employment if the payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments, and such amounts are paid by the later of 2 1/2 months after severance from employment or by the end of the Limitation Year that includes the date of such severance from employment.

(2) **Post-severance leave cash-outs.** Leave cash-outs shall be included in 415 Compensation if those amounts would have been included in the definition of 415 Compensation if they were paid prior to the Participant's severance from employment, and the amounts are payment for unused accrued bona fide sick, vacation, or other leave, but only if the Participant would have been able to use the leave if employment had continued, and such amounts are paid by the later of 2 1/2 months after severance from employment or by the end of the Limitation Year that includes the date of such severance from employment.

(3) **Post-severance deferred compensation.** In addition, deferred compensation shall be included in 415 Compensation if the compensation would have been included in the definition of 415 Compensation if it had been paid prior to the Participant's severance from employment, and the compensation is received pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid at the same time if the Participant had continued in employment with the Employer and only to the extent that the payment is includible in the Participant's gross income, and such amounts are paid by the later of 2 1/2 months after severance from employment or by the end of the Limitation Year that includes the date of such severance from employment.

1.35 **"414(s) Compensation"** means 415 Compensation or any other definition of compensation that satisfies the nondiscrimination requirements of Code §414(s) and the Regulations thereunder. The period for determining 414(s) Compensation must be either the Plan Year or the calendar year ending with or within the Plan Year for purposes of meeting the ACP Test requirements. For all other testing purposes, the period for determining 414(s) Compensation must be the Plan Year or some other uniform 12-month period ending in the Plan Year. An Employer may further limit the period taken into account to that part of the Plan Year (or other 12-month period described in the preceding sentence) in which an Employee was a Participant. The period used to determine 414(s) Compensation must be applied uniformly to all Participants for the Plan Year.

1.36 **"Highly Compensated Employee"** means an Employee described in Code §414(q) and the Regulations thereunder, and generally means any Employee who:

- (a) for the "look-back year" had 415 Compensation from the Employer in excess of \$80,000. The \$80,000 amount is adjusted at the same time and in the same manner as under Code §415(d), except that the base period is the calendar quarter ending September 30, 1996.

The "determination year" means the Plan Year for which testing is being performed, and the "look-back year" means the immediately preceding twelve (12) month period.

In determining who is a Highly Compensated Employee, Employees who are nonresident aliens and who received no earned income (within the meaning of Code §911(d)(2)) from the Employer constituting United States source income within the meaning of Code §861(a)(3) shall not be treated as Employees. If an Employee who is a nonresident alien has U.S. source income, that Employee is treated as satisfying this definition if all of such Employee's U.S. source income from the Employer is exempt from U.S. income tax under an applicable income tax treaty. Additionally, all Affiliated Employers shall be taken into account as a single employer and Leased Employees within the meaning of Code §§414(n)(2) and 414(o)(2) shall be considered Employees unless such Leased Employees are covered by a plan described in Code §414(n)(5) and are not covered in any qualified plan maintained by the Employer. The exclusion of Leased Employees for this purpose shall be applied on a uniform and consistent basis for all of the Employer's retirement plans. Highly Compensated Former Employees shall be treated as Highly Compensated Employees without regard to whether they performed services during the "determination year."

1.37 **"Highly Compensated Participant"** means, for a particular Plan Year, a Participant who meets the definition of a Highly Compensated Employee in effect for that Plan Year.

1.38 **"Hour of Service"** means (1) each hour for which an Employee is directly or indirectly compensated or entitled to Compensation by the Employer for the performance of duties (these hours will be credited to the Employee for the computation period in which the duties are performed); (2) each hour for which an Employee is directly or indirectly compensated or entitled to compensation by the Employer (irrespective of whether the employment relationship has terminated) for reasons other than performance of duties (such as vacation, holidays, sickness, jury duty, disability, lay-off, military duty or leave of absence) during the applicable computation period; (3) each hour for which back pay is awarded or agreed to by the Employer without regard to mitigation of damages (these hours will be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment is made). The same Hours of Service shall not be credited both under (1) or (2), as the case may be, and under (3).

Notwithstanding (2) above, (i) no more than 501 Hours of Service will be credited to an Employee on account of any single continuous period during which the Employee performs no duties (whether or not such period occurs in a single computation period); (ii) an hour for which an Employee is directly or indirectly paid, or entitled to payment, on account of a period during which no duties are performed is not required to be credited to the Employee if such payment is made or due under a plan maintained solely for the purpose of complying with applicable worker's compensation, or unemployment compensation or disability insurance laws; and (iii) Hours of Service are not required to be credited for a payment which solely reimburses an Employee for medical or medically related expenses incurred by the Employee.

For purposes of (2) above, a payment shall be deemed to be made by or due from the Employer regardless of whether such payment is made by or due from the Employer directly, or indirectly through, among others, a trust fund, or insurer, to which the Employer contributes or pays premiums and regardless of whether contributions made or due to the trust fund, insurer, or other entity are for the benefit of particular Employees or are on behalf of a group of Employees in the aggregate.

Each Employee shall be credited with such Employee's actual Hours of Service.

For purposes of this Section, Hours of Service will be credited for employment with any Affiliated Employers.

1.39 **"Income"** means the gains or losses for the Plan Year allocable to Excess Aggregate Contributions, which amount shall be determined and allocated, at the discretion of the Administrator, using either of the methods set forth in (a) or (b) below:

(a) Method of allocating Income. The Administrator may use any reasonable method for computing the Income allocable to Excess Aggregate Contributions for the Plan Year, provided that the method is used consistently for all Participants and for all corrective distributions under the Plan for the Plan Year, and is used by the Plan for allocating earnings to a Participant's accounts.

(b) Alternative method of allocating Income. The Administrator may allocate Income to Excess Aggregate Contributions for a Plan Year by multiplying the earnings for the Plan Year allocable to the Employee Contribution Account, Matching Contribution Account, and to other Accounts for Employer contributions that are included in determining Contribution Percentage Amounts, by a fraction, the numerator of which is the Excess Aggregate Contributions for the Employee for the Plan Year, and the denominator of which is the sum of the:

(1) Employee Contribution Account balance, Matching Contribution Account balance, and other Account balances for Employer contributions that are included in determining Contribution Percentage Amounts, as of the beginning of the Plan Year and

(2) Any additional amount of Employee Contributions, Matching Contributions, and other Employer contributions made for the Plan Year to the accounts described in (1) above.

(c) Income shall not include earnings for the period between the end of the Plan Year and the date of the distribution (the "gap period") except with respect to the distribution of Excess Aggregate Contributions for Plan Years that began on or after January 1, 2006 and prior to January 1, 2008. For any year in which gap period income must be taken into account, the Plan will not fail to use a reasonable method for computing the Income that is allocable to Excess Aggregate Contributions merely because the Income allocable to Excess Aggregate Contributions is determined on a date that is no more than 7 days before the distribution. Income for the "gap period" shall be calculated by using either of the methods set forth below:

(1) Safe harbor method of allocating "gap period" income. Under this safe harbor method, Income on Excess Aggregate Contributions for the "gap period" is equal to 10% of the Income allocable to Excess Aggregate Contributions for the Plan Year that would be determined under paragraph (b) above, multiplied by the number of calendar months that have elapsed since the end of the Plan Year. For purposes of calculating the number of calendar months that have elapsed under this safe harbor method, a corrective distribution that is made on or before the fifteenth day of a month is treated as made on the last day of the preceding month and a distribution made after the fifteenth day of a month is treated as made on the last day of the month.

(2) Alternative method for allocating Plan Year and "gap period" income. The Administrator may determine the allocable Income for the aggregate of the Plan Year and the "gap period" by applying the alternative method provided by paragraph (b) above with respect to the entire period represented by the Plan Year and the "gap period", rather than just the Plan Year.

1.40 **"Investment Manager"** means any Fiduciary described in Section 2.1(b).

1.41 **"Late Retirement Date"** means the first day of the month coinciding with or next following a Participant's actual Retirement Date after having reached Normal Retirement Date.

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

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

1.43 **"Limitation Year"** means the Plan Year. All qualified plans maintained by the Employer must use the same Limitation Year. Furthermore, unless there is a change to a new Limitation Year, the Limitation Year will be a twelve (12) consecutive month period. In the case of an initial Limitation Year, the Limitation Year will be the twelve (12) consecutive month period ending on the last day of the initial Plan Year. If the Limitation Year is amended to a different twelve (12) consecutive month period, the new Limitation Year must begin on a date within the Limitation Year in which the amendment is made. For Limitation Years beginning on and after July 1, 2007, the Limitation Year may only be changed by a Plan amendment. Furthermore, if the Plan is terminated effective as of a date other than the last day of the Plan's Limitation Year, then the Plan is treated as if the Plan had been amended to change its Limitation Year (to end on the date of plan termination).

1.44 **"Matching Contribution"** means any Employer matching contribution made pursuant to Section 4.3. In addition, all Employer Contributions (including a contribution made at the Employer's discretion) to the Plan that are made on account of a Participant's Employee Contributions shall be treated as Contribution Percentage Amounts.

1.45 **"Matching Contribution Account"** means the separate account established and maintained by the Administrator for each Participant with respect to the Participant's total interest in the Plan resulting from matching Contributions made pursuant to Section 4.3.

1.46 **"Military Differential Pay"** means, for any Plan or Limitation Year beginning after June 30, 2007, any differential wage payments made to an individual that represents an amount which, when added to the individual's military pay, approximates the amount of compensation that was paid to the individual while working for the Employer. Notwithstanding the preceding sentence, for years beginning after December 31, 2008, an individual receiving a differential wage payment, as defined by Code §3401(h)(2), is treated as an Employee of the Employer making the payment.

The Plan is not treated as failing to meet the requirements of any provision described in Code §414(u)(1)(C) (or corresponding plan provisions, including, but not limited to, Plan provisions related to the ACP test) by reason of any contribution or benefit which is based on the differential wage payment. The preceding sentence applies only if all Employees of the Employer performing service in the uniformed services described in Code §3401(h)(2)(A) are entitled to receive differential wage payments (as defined in Code §3401(h)(2)) on reasonably equivalent terms and, if eligible to participate in a retirement plan maintained by the Employer, to make contributions based on the payments on reasonably equivalent terms (taking into account Code §§410(b)(3), (4), and (5)).

The Administrator operationally may determine, for purposes of the provisions described in Code §414(u)(1)(C), whether to take into account any Matching Contributions attributable to differential wages.

1.47 **"Nonelective Contribution"** means the annual Employer contribution described by Section (f).

1.48 **"Nonelective Contribution Account"** means the separate account established and maintained by the Administrator for each Participant with respect to the Participant's total interest in the Plan resulting from Nonelective Contributions.

1.49 **"Nonhighly Compensated Employee"** means any Employee who is not a Highly Compensated Employee.

1.50 **"Nonhighly Compensated Participant"** means a Participant who is not a Highly Compensated Employee.

1.51 **"Normal Retirement Age"** means the Participant's 55 birthday.

1.52 **"Normal Retirement Date"** means the first day of the month coinciding with or next following the Participant's Normal Retirement Age.

1.53 **"1-Year Break in Service"** means the applicable computation period during which an Employee has not completed more than 500 Hours of Service with the Employer. However, the Employer may amend the Plan to provide a lesser number of Hours of Service in a Plan amendment for eligibility purposes, vesting purposes, or accrual purposes without adversely affecting the Plan's reliance on the IRS advisory letter. Further, solely for the purpose of determining whether a Participant has incurred a 1-Year Break in Service, Hours of Service shall be recognized for "authorized leaves of absence" and "maternity and paternity leaves of absence." Years of Service and 1-Year Breaks in Service shall be measured on the same computation period.

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

Furthermore, for purposes of this definition, "maternity and paternity leave of absence" means an absence from work for any period by reason of the Employee's pregnancy, birth of the Employee's child, placement of a child with the Employee in connection with the adoption of such child, or any absence for the purpose of caring for such child for a period immediately following such birth or placement. For this purpose, Hours of Service shall be credited for the computation period in which the absence from work begins, only if credit therefore is necessary to prevent the Employee from incurring a 1-Year Break in Service, or, in any other case, in the immediately following computation period. The Hours of Service credited for "maternity and paternity leaves of absence" shall be those which would normally have been credited but for such absence, or, in any case in which the Administrator is unable to determine such hours normally credited, eight (8) Hours of Service per day. The total Hours of Service required to be credited for "maternity and paternity leaves of absence" shall not exceed the number of Hours of Service needed to prevent the Employee from incurring a 1-Year Break in Service.

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

1.55 **"Participant Direction Procedures"** means such instructions, guidelines or policies, the terms of which are incorporated herein, as shall be established pursuant to Section 4.8 and observed by the Administrator and applied to Participants who have Participant Directed Accounts.

1.56 **"Plan"** means this instrument, including all amendments thereto.

1.57 **"Plan Year"** means the Plan's accounting year of twelve (12) months commencing on January 1st of each year and ending the following December 31st.

1.58 **"Pre-Retirement Survivor Annuity (Account)"** means an immediate annuity for the life of the Participant's Spouse, the payments under which must be equal to the benefit which can be purchased with the accounts of a Participant. The Pre-Retirement Survivor Annuity Account shall be that portion of the Participant's Account that is subject to the annuity requirements described in the preceding sentence.

1.59 **"Qualified Military Service"** means military service described by Code §414(u). Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service will be provided in accordance with Code §414(u).

1.60 **"Qualified Nonelective Contribution"** means any Employer contributions to the Plan that are designated as such pursuant to any provision of the Plan. All such contributions shall be allocated to the Qualified Nonelective Contribution Account, and shall be fully vested when contributed and subject to the restrictions on distributions from that Account when contributed.

1.61 **"Qualified Nonelective Contribution Account"** means the separate account established and maintained by the Administrator for each Participant with respect to the Participant's total interest in the Plan resulting from Qualified Nonelective Contributions. Amounts in the Qualified Nonelective Contribution Account are nonforfeitable when contributed and may not be distributed earlier than:

(a) a Participant's death, disability or other severance of employment;

(b) a Participant's attainment of age 59 1/2;

(c) the termination of the Plan without the existence at the time of Plan termination of an alternative defined contribution plan or the establishment of an alternative defined contribution plan by the Employer or an Affiliated Employer within the period ending twelve months after distribution of all assets from the Plan maintained by the Employer. For this purpose, a defined contribution plan is not treated as an alternative defined contribution plan if the plan is an employee stock ownership plan (as defined in Code §4975(e)(7) or 409(a)), a simplified employee pension plan (as defined in Code §408(k)), a SIMPLE IRA plan (as defined in Code §408(p)), a plan or contract that satisfies the requirements of Code §403(b), or a plan that is described in Code §§457(b) or 457(f). Furthermore, if at all times during the 24-month period beginning 12 months before the date of the Plan's termination, fewer than 2% of the Participants in the Plan as of the date of Plan termination are eligible under the other defined contribution plan, then the other defined contribution plan is not an alternative defined contribution plan. Distributions from the terminating Plan may only be made in lump sum distributions, pursuant to and defined in Regulation §1.401(k)-1(d)(4)(ii).

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

1.63 **"Retirement Date"** means the date as of which a Participant retires for reasons other than Disability, whether such retirement occurs on a Participant's Normal Retirement Date or Late Retirement Date.

1.64 **"Rollover Account"** means the separate account established and maintained by the Administrator for each Participant with respect to such Participant's interest in the Plan resulting from amounts that are rolled over from a qualified plan (including this Plan) or Individual Retirement Account in accordance with Section 4.6. Amounts in the Rollover Account are nonforfeitable when made.

A separate accounting shall be maintained with respect to any portion of the Rollover Account that is attributable to after-tax employee contributions.

1.65 **"Self-Employed Individual"** means an individual who has Earned Income for the taxable year from the trade or business for which the Plan is established, and, also, an individual who would have had Earned Income but for the fact that the trade or business had no net profits for the taxable year. A Self-Employed Individual shall be treated as an Employee.

1.66 **"Spouse"** means, a spouse as determined under federal tax law.

1.67 **"Terminated Participant"** means a person who has been a Participant, but whose employment has been terminated other than by death, Disability or retirement.

1.68 **"Total Vested Benefit"** means the total Participant's Vested Account balances derived from Employer and Employee Contributions, including rollover contributions, whether Vested before or upon death.

1.69 **"Transfer Account"** means the separate account established and maintained by the Administrator for each Participant with respect to the Participant's total interest in the Plan resulting from amounts transferred to or merged into this Plan from a direct plan-to-plan transfer in accordance with Section 4.5.

1.70 **"Trustee"** means the person or entity named as trustee herein or in any separate trust forming a part of this Plan, and any successors, effective upon the written acceptance of such person or entity to serve as Trustee.

1.71 **"Trust Fund"** means the assets of the Plan and Trust as the same shall exist from time to time.

1.72 **"Valuation Date"** means the Anniversary Date and may include any other date or dates deemed necessary or appropriate by the Administrator for the valuation of the Participants' Accounts during the Plan Year, which may include any day that the Trustee, any transfer agent appointed by the Trustee or the Employer or any stock exchange used by such agent, is open for business. Nothing in this Plan requires or implies a uniform Valuation Date for all Accounts; thus certain valuation provisions that apply to an Account that is not valued on each business day will have no application, in operation, to an Account that is valued on each business day.

1.73 **"Vested"** means the nonforfeitable portion of any account maintained on behalf of a Participant.

1.74 **"Year of Service"** means the computation period of twelve (12) consecutive months, herein set forth, and during which an Employee has at least 1,000 Hours of Service. However, the Employer may amend the Plan to provide a lesser number of Hours of Service in a Plan amendment for eligibility purposes, vesting purposes, or accrual purposes without adversely affecting the Plan's reliance on the IRS advisory letter.

For purposes of eligibility for participation, the initial computation period shall begin with the date on which the Employee first performs an Hour of Service. The participation computation period shall shift to the Plan Year which includes the anniversary of the date on which the Employee first performed an Hour of Service. If there is a shift to the Plan Year, then an Employee who is credited with the required Hours of Service in both the initial computation period and the Plan Year which includes the anniversary of the date on which the Employee first performed an Hour of Service, shall be credited with two (2) Years of Service for purposes of eligibility to participate.

However, where eligibility is more than one (1) Year of Service, for purposes of eligibility for participation, the computation periods shall be measured from the date on which the Employee first performs an Hour of Service and anniversaries thereof.

A Year of Service for eligibility purposes is not credited until the end of a participation computation period.

The computation period shall be the Plan Year if not otherwise set forth herein.

Notwithstanding the foregoing, for any short Plan Year, the determination of whether an Employee has completed a Year of Service shall be made in accordance with Department of Labor regulation §2530.203-2(c).

Years of Service with any Affiliated Employer shall be recognized commencing with an Employee's first day of employment with the Affiliated Employer. Furthermore, Years of Service with any predecessor employer that maintained the Plan shall be recognized.

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

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

ARTICLE II ADMINISTRATION

2.1 POWERS AND RESPONSIBILITIES OF THE EMPLOYER

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

(b) **Appointment of Investment Manager.** The Employer may appoint, at its option, an Investment Manager (qualified under the Investment Company Act of 1940 as amended), investment adviser, or other agent to provide investment direction to the Trustee with respect to any or all of the Plan assets. Such appointment shall be given by the Employer in writing in a form acceptable to the Trustee and shall specifically identify the Plan assets with respect to which the Investment Manager or other agent shall have authority to direct the investment.

2.2 DESIGNATION OF ADMINISTRATIVE AUTHORITY

The Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

2.3 ALLOCATION AND DELEGATION OF RESPONSIBILITIES

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

2.4 POWERS AND DUTIES OF THE ADMINISTRATOR

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

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

- (a) the discretion to determine all questions relating to the eligibility of Employees to participate or remain a Participant hereunder and to receive benefits under the Plan;
- (b) the authority to review and settle all claims against the Plan, including claims where the settlement amount cannot be calculated or is not calculated in accordance with the Plan's contribution or allocation formula. This authority specifically permits the Administrator to settle disputed claims for benefits and any other disputed claims made against the Plan;
- (c) to compute, certify, and direct the Trustee with respect to the amount and the kind of benefits to which any Participant shall be entitled hereunder;
- (d) to authorize and direct the Trustee with respect to all discretionary or otherwise directed disbursements from the Trust Fund;
- (e) to maintain all necessary records for the administration of the Plan;
- (f) to interpret the provisions of the Plan and to make and publish such rules for regulation of the Plan as are consistent with the terms hereof;
- (g) to determine the size and type of any Contract to be purchased from any insurer, and to designate the insurer from which such Contract shall be purchased;
- (h) to compute and certify to the Employer and to the Trustee from time to time the sums of money necessary or desirable to be contributed to the Plan;
- (i) to consult with the Employer and the Trustee regarding the short and long-term liquidity needs of the Plan in order that the Trustee can exercise any investment discretion (if the Trustee has such discretion) in a manner designed to accomplish specific objectives;
- (j) to prepare and implement a procedure for notifying prospective Eligible Employees of their requirement to make Employee Mandatory Contributions to the Plan as a condition of eligibility;
- (k) to prepare and implement a procedure for notifying Participants and Beneficiaries of their rights, if any, to elect joint and survivor annuities and pre-retirement survivor annuities as required by the Plan, Code and Regulations thereunder;
- (l) to determine the validity of, and take appropriate action with respect to, any qualified domestic relations order received by it; and
- (m) to assist any Participant regarding the Participant's rights, benefits, or elections available under the Plan.

2.5 RECORDS AND REPORTS

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

2.6 APPOINTMENT OF ADVISERS

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

2.7 INFORMATION FROM EMPLOYER

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

2.8 PAYMENT OF EXPENSES

All reasonable expenses of administration may be paid out of the Plan assets unless paid by the Employer. Such expenses shall include any expenses incident to the functioning of the Administrator, or any person or persons retained or appointed by any named Fiduciary incident to the exercise of their duties under the Plan, including, but not limited to, fees of accountants, counsel, Investment Managers, agents (including nonfiduciary agents) appointed for the purpose of assisting the Administrator or the Trustee in carrying out the instructions of Participants as to the directed investment of their accounts (if permitted) and other specialists and their agents, and other costs of administering the Plan. Until paid, the expenses shall constitute a liability of the Trust Fund. In addition, unless specifically prohibited under statute, regulation or other guidance of general applicability, the Administrator may charge to the Account of an individual Participant a reasonable charge to offset the cost of making a distribution to the Participant, Beneficiary, or Alternate Payee. If liquid assets of the Plan are insufficient to cover the fees of the Trustee or the Administrator, then Plan assets shall be liquidated to the extent necessary for such fees. In the event any part of the Plan assets becomes subject to tax, all taxes incurred will be paid from the Plan assets. Until paid, the expenses shall constitute a liability of the Trust Fund.

2.9 MAJORITY ACTIONS

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

ARTICLE III ELIGIBILITY

3.1 CONDITIONS OF ELIGIBILITY

(a) **Eligibility.** Any Eligible Employee who has completed 1 Year of Service and has agreed to contribute the amounts required by Section 4.7 of the Plan shall be eligible to participate hereunder as of the date such Employee has satisfied such requirements. However, any Employee who was a Participant in the Plan prior to the Effective Date of the Restatement shall continue to participate in the Plan provided such Employee is an Eligible Employee.

3.2 EFFECTIVE DATE OF PARTICIPATION

(a) **Effective date of participation.** An Eligible Employee shall become a Participant effective as of the first day of the month (or if sooner, the first day of the Plan Year) coinciding with or next following the date on which such Employee met the eligibility requirements of Section 3.1, provided said Employee is still employed as of such date. If an Eligible Employee is not employed as of such date, the Eligible Employee's Effective Date of Participation shall be determined in accordance with Section 3.2(e).

(b) **Latest effective date of participation.** Notwithstanding any provision in the Plan to the contrary, an Eligible Employee who has satisfied the minimum age and service requirements of Code §410(a)(1)(A) (including the rule at Code §410(a)(1)(B)(i)) and who is otherwise entitled to participate, will become a Participant no later than the earlier of (1) six (6) months after such requirements are satisfied, or (2) the first day of the first Plan Year after such requirements are satisfied, unless the Employee separates from service before such participation date.

(c) **Ineligible to eligible classification.** If an Employee, who has satisfied the Plan's eligibility requirements and would otherwise have become a Participant of the Plan, shall go from a classification of an ineligible Employee to an Eligible Employee, such

Employee shall become a Participant of the Plan on the date such Employee becomes an Eligible Employee or, if later, the date that the Employee would have otherwise entered the Plan had the Employee always been an Eligible Employee.

(d) **Eligible to ineligible classification.** If an Employee who has satisfied the Plan's eligibility requirements and would otherwise become a Participant of the Plan shall go from a classification of an Eligible Employee to an ineligible class of Employees, such Employee shall become a Participant of the Plan on the date such Employee again becomes an Eligible Employee, or, if later, the date that the Employee would have otherwise entered the Plan had the Employee always been an Eligible Employee. However, if such Employee incurs five (5) consecutive 1-Year Breaks in Service, eligibility will be determined under the Break in Service rules set forth in Section 3.5(d).

(e) **Effective date of participation upon reemployment.** If an Eligible Employee is not employed on the Effective Date of Participation as described in the preceding provisions of this Section 3.2, but is reemployed before a 5-Year Break in Service, then such Eligible Employee shall become a Participant on the date of reemployment, or, if later, the date that the Employee would have otherwise entered the Plan had the Employee not terminated employment. If such Employee incurs five (5) consecutive 1-Year Breaks in Service, eligibility will be determined under the Break in Service rules set forth in Section 3.5(d).

3.3 DETERMINATION OF ELIGIBILITY

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

3.4 CESSATION OF ELIGIBILITY

In the event a Participant shall go from a classification of an Eligible Employee to an ineligible Employee, then such Participant shall continue to Vest for each Year of Service completed while an ineligible Employee, until such time as the Participant's Account is forfeited or distributed pursuant to the terms of the Plan. Additionally, the Participant's interest in the Plan shall continue to share in the earnings of the Trust Fund.

3.5 REHIRED EMPLOYEES AND BREAKS IN SERVICE

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

(b) **Rehired Eligible Employee who satisfied eligibility.** If any Eligible Employee had satisfied the Plan's eligibility requirements but, due to a severance of employment, did not become a Participant, then such Eligible Employee shall become a Participant as of the later of (1) the entry date on which he or she would have entered the Plan had there been no severance of employment, or (2) the date of his or her re-employment. Notwithstanding the preceding, if the rehired Eligible Employee's prior service is disregarded pursuant to Section 3.5(d) below, then the rehired Eligible Employee shall be treated as a new hire.

(c) **Rehired Eligible Employee who had not satisfied eligibility.** If any Eligible Employee who had not satisfied the Plan's eligibility requirements is rehired after a severance from employment, then such Eligible Employee shall become a Participant in the Plan in accordance with the eligibility requirements set forth in Section 3.1 and the entry date requirement set forth in Section 3.2. However, in applying any shift in an eligibility computation period, the Eligible Employee is not treated as a new hire unless prior service is disregarded in accordance with Section 3.5(d) below.

(d) **Rule of parity for eligibility and vesting.** In the case of a Former Employee who under the Plan does not have a nonforfeitable right to any interest in the Plan resulting from Employer contributions, Years of Service before a period of consecutive 1-Year Breaks in Service will not be taken into account if the number of consecutive 1-Year Breaks in Service equal or exceed the greater of (A) five (5) or (B) the aggregate number of pre-break Years of Service. Such aggregate number of Years of Service will not include any Years of Service disregarded under the preceding sentence by reason of a prior period of five (5) consecutive 1-Year Breaks in Service.

A Former Employee shall participate in the Plan as of the date of reemployment, or if later, as of the date that the Former Employee would otherwise enter the Plan pursuant to Section 3.1 and Section 3.2 taking into account all service not disregarded in this subsection.

3.6 ELECTION NOT TO PARTICIPATE

(a) **Irrevocable election not to participate.** Except as provided in the next paragraph, an Employee may, subject to the approval of the Employer, elect voluntarily not to participate in the Plan. Such election must be made prior to the time the Employee first becomes eligible to participate under any Qualified Plan maintained by the Employer. The election not to participate must be irrevocable and

communicated to the Employer in writing. "Qualified Plan" means, for purposes of this Section, a plan intended to be tax-qualified under Code §401(a).

(b) **Prior Plan document provision.** Notwithstanding anything in this Section to the contrary, if any prior Plan document of this Plan contained a provision permitting an Employee to make a revocable election not to participate and an Employee made such revocable election not to participate while that prior Plan document was in effect, then such Employee's waiver shall continue to be in effect.

(c) **Effect of election.** An Employee who elected not to participate under the Plan is treated as a nonbenefiting Employee for purposes of the minimum coverage requirements under Code §410(b) and, if applicable, such Employee is not a Participant for purposes of the ACP Test.

3.7 OMISSION OF ELIGIBLE EMPLOYEE; INCLUSION OF INELIGIBLE EMPLOYEE

If, in any Plan Year, any Employee who should be included as a Participant in the Plan is erroneously omitted and discovery of such omission is not made until after a contribution by the Employer for the year has been made and allocated, or any person who should not have been included as a Participant in the Plan is erroneously included, then the Employer shall apply the principles described by, and take corrective actions consistent with, the IRS Employee Plans Compliance Resolution System ("EPCRS") (see Section 8.12).

ARTICLE IV CONTRIBUTION AND ALLOCATION

(d) **Nonelective Contribution.** The Employer shall make contributions over such period of years as the Employer may determine on the following basis. On behalf of each Participant eligible to share in allocations, for each year of such Participant's participation in this Plan, the employer shall contribute 8% of such Participant's Compensation.

(e) The Employer shall not contribute on behalf of any Participant who is not entitled to share in the allocation of the Employer contribution as provided in Section 4.3(b) unless otherwise required under Section 4.3(c). The Employer shall not contribute on behalf of any Participant who fails to make the mandatory contributions required by Section 4.10 for the Plan Year.

(f) **Nonelective Contribution.** For each Plan Year, the Employer shall contribute 8% of the Compensation of each Participant eligible to share in allocations.

(g) **Qualified Nonelective Contribution.** On behalf of each Participant who is eligible to share in the Qualified Nonelective Contribution for the Plan Year, a discretionary Qualified Nonelective Contribution equal to a uniform percentage of each eligible individual's Compensation. Such Qualified Nonelective Contribution shall be allocated to the Qualified Nonelective Contribution Account. The Employer may limit such Qualified Nonelective Contributions only to Participants who are Nonhighly Compensated Employees. In addition, the Employer may condition such Qualified Nonelective Contributions only to Participants who have completed a Year of Service (or portion thereof) during the Plan Year and/or who are employed on the last day of the Plan Year.

(h) **Form of contribution.** All contributions by the Employer shall be made in cash or in such property as is acceptable to the Trustee. The Employer may make its contribution to the Plan in the form of property only if such contribution does not constitute a prohibited transaction under the Code.

(i) **Matching Contribution Formulas.** Notwithstanding any provision in the Plan to the contrary, to the extent that Compensation earned prior to a Participant's Effective Date of Participation is excluded in determining the amount to be contributed under any matching contribution formula provided by this Plan, then Employee Contributions made prior to such Effective Date of Participation shall also be disregarded.

(j) **Union Employees.** Regardless of any provision in this Plan to the contrary, Employees whose employment is governed by a collective bargaining agreement between the Employer and "employee representatives" under which retirement benefits were the subject of good faith bargaining shall be eligible to participate in this Plan to the extent of employment covered by such agreement provided the agreement provides for coverage in the Plan. The contributions and allocations under this Plan shall be those set forth in the collective bargaining agreement, which is hereby incorporated by reference. For this purpose, the term "employee representatives" does not include any organization more than half of whose members are employees who are owners, officers, or executives of the Employer. The provisions of this subsection only apply if no more than two percent (2%) of the Employees covered pursuant to the agreement are professionals as defined in Regulation §1.410(b)-9.

4.1 TIME OF PAYMENT OF EMPLOYER CONTRIBUTION

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

4.2 ALLOCATIONS

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

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

(1) **Nonelective Contributions.** The Employer shall allocate the contribution made on behalf of each Participant according to the formula described in Section 4.1 (a).

(2) **Entitlement to Nonelective Contribution.** Any Participant employed during the Plan Year shall be eligible to share in the Nonelective Contribution for the year.

(c) **Allocation of earnings.** As of each Valuation Date before the current valuation period allocation of Employer contributions, any earnings or losses (net appreciation or net depreciation) of the Trust Fund shall be allocated in the same proportion that each Participant's nonsegregated accounts bear to the total of all Participants' nonsegregated accounts as of such date. Earnings or losses with respect to a Participant's Directed Account shall be allocated in accordance with Section 4.8.

(d) **Incoming transfers.** Participants' transfers from other qualified plans deposited in the general Trust Fund shall share in any earnings and losses (net appreciation or net depreciation) of the Trust Fund in the same manner provided above. Each segregated account maintained on behalf of a Participant shall be credited or charged with its separate earnings and losses.

(e) **Incoming rollovers.** Participants' Rollover Contributions deposited in the general Trust Fund shall share in any earnings and losses (net appreciation or net depreciation) of the Trust Fund in the same manner provided above. Each segregated account maintained on behalf of a Participant shall be credited or charged with its separate earnings and losses.

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

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

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

Notwithstanding the above, for the first Plan Year that the Plan has Employee Contributions and this Plan is not a successor plan or is otherwise prohibited from using such provisions pursuant to Regulation §1.401(m)-2(c)(2), for purposes of the foregoing ACP Test, the prior year's ACP for the group of Nonhighly Compensated Employees who are Participants shall be deemed to be three percent (3%).

Notwithstanding the above, for the first Plan Year that the Plan has Employee Contributions and this Plan is not a successor plan or is otherwise prohibited from using such provisions pursuant to Regulation §1.401(m)-2(c)(2), for purposes of the foregoing ACP Test, the ACP for the group of Nonhighly Compensated Employees who are Participants shall be such first Plan Year's ACP of the group of Nonhighly Compensated Employees who are Participants.

(i) **Prior-year test upon this restatement.** Notwithstanding the above, if the prior year test method is used to calculate the ACP for the group of Nonhighly Compensated Employees who are Participants for the first Plan Year of this amendment and restatement, then the ACP for the group of Nonhighly Compensated Employees who are Participants for the preceding Plan Year shall be calculated pursuant to the provisions of the Plan then in effect.

(j) **ACP of Highly Compensated Employee in multiple plans.** For the purposes of this Section, if a Highly Compensated Employee is a Participant under two (2) or more plans which are maintained by the Employer or an Affiliated Employer to which Matching Contributions, nondeductible Employee contributions, or both, are made, then all such contributions on behalf of such

Highly Compensated Employee shall be aggregated for purposes of determining such Highly Compensated Employee's ACR. If the plans have different plan years, then all such contributions made during the Plan Year under all such arrangements shall be aggregated. Notwithstanding the foregoing, certain plans shall be treated as separate if mandatorily disaggregated under Regulations under Code §401(m).

(k) **ACP Testing method.** For the purpose of this Section, when calculating the ACP for the group of Nonhighly Compensated Employees who are Participants, the prior year testing method shall be used. Once the current year testing method has been elected, then the Employer may elect to use the prior year testing method for a Plan Year only if the Plan has used the current year testing method for each of the preceding 5 Plan Years (or if lesser, the number of Plan Years that the Plan has been in existence) or if, as a result of a merger or acquisition described in Code §410(b)(6)(C)(i), the Employer maintains both a plan using prior year testing method and a plan using current year testing method and the change is made within the transition period described in Code §410(b)(6)(C)(ii).

(l) **Otherwise excludable Employee and early participation rules.** Notwithstanding anything in this Section to the contrary, the provisions of this Section and Section 4.3 may be applied separately (or will be applied separately to the extent required by Regulations) to each plan within the meaning of Regulation §1.401(m)-1(b)(4). For purposes of applying this provision, the Administrator may use any effective date of participation that is permitted under Code §410(b) provided such date is applied on a consistent and uniform basis to all Participants. Alternatively, the provisions of Code §401(m)(5)(C) may be used to exclude from consideration all Nonhighly Compensated Employees who have not satisfied the greatest minimum age and service requirements of Code §410(a)(1)(A).

(m) **Timing of deposits and allocations.** For purposes of determining the ACP Test, only Contribution Percentage Amounts that are allocated within the Plan Year being evaluated shall be considered. An Employer contribution that is a Contribution Percentage Amount is considered allocated as of a date within the Plan Year if the allocation is not contingent on participation or performance of services after such date and the contribution is actually paid to the trust no later than 12 months after the Plan Year to which the contribution relates.

(n) **Targeted Matching Contributions.** Notwithstanding the preceding, a Matching Contribution with respect to the Participant's Employee Mandatory Contributions for a year is not taken into account in determining the ACP for Nonhighly Compensated Employees to the extent it exceeds the greatest of:

- (1) five percent (5%) of the Participant's 414(s) Compensation for the year;
- (2) the Participant's Employee Mandatory Contributions for the year; and
- (3) the product of two (2) times the Plan's "representative matching rate" and the Participant's Employee Mandatory Contributions for the year.

For purposes of this subsection, the Plan's "representative matching rate" is the lowest "matching rate" for any eligible Nonhighly Compensated Employee among a group of Nonhighly Compensated Employees that consists of half of all eligible Nonhighly Compensated Employees in the Plan for the Plan Year who make Employee Mandatory Contributions for the Plan Year (or, if greater, the lowest "matching rate" for all eligible Nonhighly Compensated Employees in the Plan who are employed by the Employer on the last day of the Plan Year and who make Employee Mandatory Contributions for the Plan Year).

For purposes of this subsection, the "matching rate" for an Employee generally is the Employer Contributions made for such Employee divided by the Employee's Employee Mandatory Contributions for the year. If the matching rate is not the same for all levels of Employee Mandatory Contributions for an Employee, then the Employee's "matching rate" is determined assuming that an Employee's Employee Mandatory Contributions are equal to six percent (6%) of 414(s) Compensation.

(o) **Targeted Qualified Nonelective Contributions.** Notwithstanding the preceding, Qualified Nonelective Contributions cannot be taken into account in determining the ACR for a Plan Year for a Nonhighly Compensated Employee to the extent such contributions exceed the product of that Nonhighly Compensated Employee's 414(s) Compensation and the greater of five percent (5%) or two times the Plan's "representative contribution rate." Any Qualified Nonelective Contribution taken into account in the ADP test under Regulation §1.401(k)-2(a)(6) (including determination of the representative contribution rate for purposes of Regulation §1.401(k)-2(a)(6)(iv)(B)), is not permitted to be taken into account for purposes of this paragraph (including the determination of the representative contribution rate under this Section). For purposes of this subsection:

- (1) The Plan's "representative contribution rate" is the lowest applicable contribution rate of any eligible Nonhighly Compensated Employee among a group of eligible Nonhighly Compensated Employees that consists of half of all eligible Nonhighly Compensated Employees for the Plan Year (or, if greater, the lowest "applicable contribution rate" of any eligible Nonhighly Compensated Employee in the group of all eligible Nonhighly Compensated Employees for the Plan Year and who is employed by the Employer on the last day of the Plan Year), and

Restrictions of Qualified Nonelective Contributions. Qualified Nonelective Contributions cannot be taken into account to determine the ACP to the extent such contributions are taken into account for purposes of satisfying any other ACP Test, any ADP Test, or the requirements of Regulation §1.401(k)-3, Regulation §1.401(m)-3 or Regulation §1.401(k)-4. Thus, for example, Qualified Nonelective Contributions that are made pursuant to Regulation §1.401(k)-3(b) cannot be taken into account under the ACP Test. Similarly, if a plan switches from the current year testing method to the prior year testing method pursuant to Regulation

§1.401(m)-2(c)(1), then Qualified Nonelective Contributions that are taken into account under the current year testing method for a year may not be taken into account under the prior year testing method for the next year.

4.3 RESERVED

4.4 MAXIMUM ANNUAL ADDITIONS

(a) **Maximum permissible amount.** Notwithstanding the foregoing, the maximum Annual Additions credited to a Participant's Accounts for any Limitation Year shall equal the lesser of:

- (1) \$40,000 adjusted annually as provided in Code §415(d) pursuant to the Regulations, or
- (2) one-hundred percent (100%) of the Participant's 415 Compensation for such Limitation Year.

The percentage limitation in paragraph (2) above shall not apply to: (1) any contribution for medical benefits (within the meaning of Code §419A(f)(2)) after separation from service which is otherwise treated as an annual addition, or (2) any amount otherwise treated as an annual addition under Code §415(l)(1).

For any short Limitation Year, the dollar limitation in paragraph (1) above shall be reduced by a fraction, the numerator of which is the number of full months in the short Limitation Year and the denominator of which is twelve (12).

(b) **Excess Annual Additions defined.** For purposes of this Article, the term "Excess Annual Additions" for any Participant for a Limitation Year means a Participant's Annual Additions under this Plan and such other plans of the Employer or Affiliated Employer that are in excess of the maximum permissible amount of this Section 4.4 for a Limitation Year. The Excess Annual Additions will be deemed to consist of the Annual Additions last allocated, except that Annual Additions attributable to a simplified employee pension will be deemed to have been allocated first, followed by Annual Additions to a welfare benefit fund or individual medical account, and then by Annual Additions to a plan subject to Code §412, regardless of the actual allocation date.

(c) **Annual Additions can cease when maximum permissible amount reached.** If the Employer contribution that would otherwise be contributed or allocated to the Participant's Accounts would cause the Annual Additions for the Limitation Year to exceed the maximum permissible amount, then the amount that would otherwise be contributed or allocated will be reduced so that the Annual Additions for the Limitation Year will equal the maximum permissible amount, and any such amounts which would have been allocated to such Participant may be allocated to other Participants.

(d) **Multiple Plans.** The following provisions apply if a Participant is covered by more than one qualified plan maintained by the Employer.

- (1) If a Participant participates in more than one defined contribution plan maintained by the Employer that have different Anniversary Dates, then the maximum permissible amount under this Plan shall equal the maximum permissible amount for the Limitation Year minus any Annual Additions previously credited to such Participant's Accounts under all such plans during the Plan's Limitation Year.
- (2) If a Participant participates in both a defined contribution plan subject to Code §412 and a defined contribution plan not subject to Code §412 maintained by the Employer which have the same Anniversary Date, then Annual Additions will be credited to the Participant's Accounts under the defined contribution plan subject to Code §412 prior to crediting Annual Additions to the Participant's Accounts under the defined contribution plan not subject to Code §412.
- (3) If a Participant participates in more than one defined contribution plan not subject to Code §412 maintained by the Employer which have the same Anniversary Date, then the maximum permissible amount under this Plan shall equal the product of (A) the maximum permissible amount for the Limitation Year minus any Annual Additions previously credited under subsections (1) or (2) above, multiplied by (B) a fraction (i) the numerator of which is the Annual Additions which would be

credited to such Participant's Accounts under this Plan without regard to the limitations of Code §415 and (ii) the denominator of which is such Annual Additions for all plans described in this subsection.

(e) **Aggregation of Plans.** For purposes of applying the limitations of Code §415, all defined contribution plans (without regard to whether a plan has been terminated) ever maintained by the Employer (or a "predecessor employer") under which the Participant receives Annual Additions are treated as one defined contribution plan. The "Employer" means the Employer that adopts this Plan and all members of a controlled group or an affiliated service group that includes the Employer (within the meaning of Code §414(b), Code §414(c), Code §414(m) or Code §414(o)), except that for purposes of this subsection, the determination shall be made by applying Code §415(h), and shall take into account tax-exempt organizations under Regulation §1.414(c)-5, as modified by Regulation §1.415(a)-1(f)(1). For purposes of this paragraph:

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

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

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

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

(h) **Correction of Excess Annual Additions.** Notwithstanding any provision of the Plan to the contrary, if Annual Additions exceed the limit on Annual Additions for any Participant, then the Plan may only correct such excess in accordance with the Employee Plans Compliance Resolution System ("EPCRS") (see Section 8.12).

(i) **Time when Annual Additions credited.** An Annual Addition is credited to the account of a Participant for a particular Limitation Year if it is allocated to the Participant's account under the Plan as of any date within that Limitation Year. However, an amount is not deemed allocated as of any date within a Limitation Year if such allocation is dependent upon participation in the Plan as of any date subsequent to such date.

For purposes of this subsection, Employer contributions are not deemed credited to a Participant's Account for a particular Limitation Year unless the contributions are actually made to the Plan no later than thirty (30) days after the end of the period described in Code §404(a)(6) applicable to the taxable year with or within which the particular Limitation Year ends. In the case of an Employer that is exempt from federal income tax (including a governmental employer), Employer contributions are treated as credited to a Participant's Account for a particular Limitation Year only if the contributions are actually made to the Plan no later than the 15th day of the tenth calendar month following the end of the calendar year or Fiscal Year with or within which the particular Limitation Year ends.

4.5 PLAN-TO-PLAN TRANSFERS (OTHER THAN ROLLOVERS) FROM DEFINED CONTRIBUTION QUALIFIED PLANS

(a) **Transfers into this Plan.** With the consent of the Administrator (such consent must be exercised in a nondiscriminatory manner and applied uniformly to all Participants), amounts may be transferred (within the meaning of Code §414(l)) to this Plan from other tax qualified plans under Code §401(a), provided that the plan from which such funds are transferred permits the transfer to be made and the transfer will not jeopardize the tax exempt status of the Plan or Trust or create adverse tax consequences for the Employer (e.g., the transfer conforms to the provisions of Regulation §1.411(d)-4). Prior to accepting any transfers to which this Section applies,

the Administrator may require satisfactory evidence that the amounts to be transferred meet the requirements of this Section. The transferred amounts shall be allocated to the Transfer Account of the Participant.

At the time of the transfer, the nonforfeitable percentage of the funds under the transferor plan shall apply, but thereafter shall increase (if applicable) for each Year of Service that the Participant completes after such transfer in accordance with the Vesting provisions of this Plan applicable to the type of Account represented by the transferred funds (e.g., transferred nonelective funds will be subject to the vesting schedule applicable to Nonelective Contributions under this Plan). If the vesting schedule applicable to a Transferred Account changes as a result of this paragraph, such change will be treated as an amendment to the vesting schedule for each affected Participant.

(b) **Accounting of transfers.** The Transfer Account of a Participant shall be held by the Trustee pursuant to the provisions of this Plan and may not be withdrawn by, or distributed to the Participant, in whole or in part, except as provided in paragraph (d) of this Section. The Trustee shall have no duty or responsibility to inquire as to the propriety of the amount, value or type of assets transferred, nor to conduct any due diligence with respect to such assets; provided, however, that such assets are otherwise eligible to be held by the Trustee under the terms of this Plan.

(c) **Restrictions on elective deferrals.** Except as permitted by regulations (including Regulation §1.411(d)-4), amounts attributable to elective deferrals (as defined in Regulation §1.401(k)-6) that are transferred from another qualified plan in a plan-to-plan transfer (other than a direct rollover) shall be subject to the distribution limitations provided for in Code §401(k)(2) and the Regulations.

(d) **Distribution of Transfer Account.** At Normal Retirement Date, or such other date when the Participant or the Participant's Beneficiary shall be entitled to receive benefits, the Transfer Account of a Participant shall be used to provide additional benefits to the Participant or the Participant's Beneficiary. Any distributions of amounts held in the Transfer Account shall be made in a manner which is consistent with and satisfies the provisions of Sections 6.5 and 6.6, including, but not limited to, all notice and consent requirements of Code §§417 and 411(a)(11) and the Regulations thereunder. Furthermore, the Transfer Account shall be considered as part of a Participant's benefit in determining whether an involuntary cash-out of benefits may be made without Participant consent.

(e) **Segregation.** The Administrator may direct that Employee transfers made after a Valuation Date be segregated into a separate account for each Participant until such time as the allocations pursuant to this Plan have been made, at which time they may remain segregated or be invested as part of the general Trust Fund or be directed by the Participant pursuant to Section 4.8.

(f) **Protected benefits.** Notwithstanding anything herein to the contrary, a transfer directly to this Plan from another qualified plan (or a transaction having the effect of such a transfer) may not result in the impermissible elimination or reduction of any "Section 411(d)(6) protected benefit" (as described in Section 7.1(e)).

(g) **Separate Accounts.** With respect to each Participant's Transfer Account, separate sub-accounts shall be maintained to the extent necessary to carry out the provisions of this Plan.

4.6 ROLLOVERS FROM OTHER PLANS

(a) **Acceptance of rollovers into the Plan.** With the consent of the Administrator (such consent must be exercised in a nondiscriminatory manner and applied uniformly to all Participants), the Plan may accept a rollover by Participants, excluding Participants who are no longer employed as an Employee, provided the rollover will not jeopardize the tax-exempt status of the Plan or create adverse tax consequences for the Employer. The rollover amounts shall be allocated to the Rollover Account of the Participant. The Rollover Account of a Participant shall be 100% Vested at all times and shall not be subject to Forfeiture for any reason. The Plan does not accept rollovers of after-tax employee contributions.

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

(c) **Distribution of rollovers.** The Administrator, at the election of the Participant, shall direct the Trustee to distribute all or a portion of the amount credited to the Participant's Rollover Account at any time. Furthermore, amounts in the Participant's Rollover Account shall be considered as part of a Participant's benefit in determining whether the \$5,000 threshold has been exceeded for purposes of the timing or form of payments under the Plan. Any distributions of amounts that are held in the Rollover Account shall be made in a manner which is consistent with and satisfies the provisions of Sections 6.5 and 6.6, including, but not limited to, all notice and consent requirements of Code §§417 and 411(a)(11) and the Regulations thereunder.

(d) **Limits on accepting rollovers.** Prior to accepting any rollovers to which this Section applies, the Administrator may (but need not) require the Employee to provide evidence that the amounts to be rolled over to this Plan meet the requirements of this Section. The Employer may instruct the Administrator, operationally and on a nondiscriminatory basis, to limit the source of rollovers that may be accepted by the Plan.

(e) **Rollovers maintained in a separate account.** The Administrator may direct that rollovers received after a Valuation Date be segregated into a separate account for each Participant until such time as the allocations pursuant to this Plan have been made, at

which time they may remain segregated or be invested as part of the general Trust Fund or be directed by the Participant pursuant to Section 4.8.

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

- (1) The term "rollover" means: (i) amounts transferred to this Plan directly from another "eligible retirement plan;"
- (ii) distributions received by an Employee from other "eligible retirement plans" which are eligible for tax-free rollover to an "eligible retirement plan" and which are transferred by the Employee to this Plan within sixty (60) days following receipt thereof; and
- (iii) any other amounts which are eligible to be rolled over to this Plan pursuant to the Code.
- (2) The term "eligible retirement plan" means an individual retirement account described in Code §408(a), an individual retirement annuity described in Code §408(b) (other than an endowment contract), a qualified trust (an employees' trust described in Code §401(a) which is exempt from tax under Code §501(a)), an annuity plan described in Code §403(a), an eligible deferred compensation plan described in Code §457(b) which is maintained by an eligible employer described in Code §457(c)(1)(A), and an annuity contract described in Code §403(b).

4.7 EMPLOYEE MANDATORY CONTRIBUTIONS

(a) **Employee Mandatory Contributions requirement.** As a condition for sharing in Employer Nonelective Contributions, each Participant shall agree to contribute 4% of Compensation to the Trustee. Such contribution shall be credited to the Participant's Employee Mandatory Contribution Account.

(b) **100% vesting.** The Employee Mandatory Contribution Account shall be 100% Vested at all times.

(c) **No Employee Mandatory Contribution distributions permitted prior to termination of employment.** Withdrawals from the Employee Mandatory Contribution Account are not permitted prior to termination of employment.

(d) **Suspension of Employee Mandatory Contributions after hardship distribution.** In the event a Participant has received a hardship distribution pursuant to Regulation §1.401(k)-1(d)(3)(iv)(E) from any other plan maintained by the Employer, then such Participant shall be barred from making any Employee Contributions to the Trust Fund for a period of six (6) months after receipt of the distribution.

(e) **Right to discontinue making Employee Mandatory Contributions.** A Participant may discontinue Employee Mandatory Contributions by notifying the Employer at least ten (10) days prior to the end of an applicable pay period in accordance with procedures established by the Employer.

(f) **Resumption of Employee Mandatory Contributions after voluntary discontinuance.** Any Participant who has elected to discontinue Employee Mandatory Contributions may resume making Employee Mandatory Contributions at any time pursuant to the procedures established by the Employer.

(g) **Remittance of Employee Mandatory Contributions.** Employee Mandatory Contributions must generally be paid to the Trustee within a reasonable period of time after being received by the Employer.

(h) **Employee Mandatory Contribution Account used for additional benefits.** At Normal Retirement, or such other date when the Participant or the Participant's Beneficiary shall be entitled to receive benefits, the fair market value of the Employee Mandatory Contribution Account shall be used to provide additional benefits to the Participant or the Participant's Beneficiary. Any distributions of amounts held in an Employee Mandatory Contribution Account shall be made in a manner which is consistent with and satisfies the provisions of Section 6.5, including, but not limited to, all notice and consent requirements of Code §§417 and 411(a)(11) and the Regulations thereunder.

4.8 PARTICIPANT DIRECTED INVESTMENTS

(a) **Directed investments allowed.** Participants may, subject to a procedure established by the Administrator (the Participant Direction Procedures) and applied in a uniform nondiscriminatory manner, direct the Trustee, in writing (or in such other form which is acceptable to the Trustee), to invest their entire Accounts in specific assets, specific funds or other investments permitted under the Plan and the Participant Direction Procedures. That portion of the interest of any Participant so directing will thereupon be considered a Participant's Directed Account.

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

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

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

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

(2) to the extent that the assets in the Participant's Directed Account are accounted for as segregated assets, the allocation of earnings, gains and losses from such assets shall be made on a separate and distinct basis.

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

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

ARTICLE V VALUATIONS

5.1 VALUATION OF THE TRUST FUND

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

5.2 METHOD OF VALUATION

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

ARTICLE VI DETERMINATION AND DISTRIBUTION OF BENEFITS

6.1 DETERMINATION OF BENEFITS UPON RETIREMENT

(a) **Normal Retirement.** Every Participant may terminate employment with the Employer and retire for the purposes hereof on the Participant's Normal Retirement Date. However, a Participant may postpone the termination of employment with the Employer to a later date, in which event the participation of such Participant in the Plan, including the right to receive allocations pursuant to Section 4.2, shall continue until such Participant's Late Retirement Date. Upon a Participant's Retirement Date or attainment of Normal Retirement Date without termination of employment with the Employer (subject to the provisions of Section 1.61), or as soon thereafter as is practicable, the Administrator shall direct the distribution, at the election of the Participant, of the Participant's interest in the Plan (or any portion thereof), in accordance with Section 6.5.

6.2 DETERMINATION OF BENEFITS UPON DEATH

(a) **Distribution upon death.** Upon the death of a Participant before the Participant's Retirement Date or other termination of employment, the Administrator shall direct, in accordance with the provisions of Sections 6.6 and 6.7, the distribution of all amounts credited to such Participant's Account to the Participant's Beneficiary.

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

(c) **Beneficiary designation.** Unless otherwise elected in the manner prescribed in Section 6.6, the Beneficiary of the death benefit shall be the Participant's surviving Spouse, who shall receive such benefit in the form of a Pre-Retirement Survivor Annuity pursuant to Section 6.6. Except, however, the Participant may designate a Beneficiary other than the Spouse if:

- (1) the Participant and the Participant's Spouse have validly waived the Pre-Retirement Survivor Annuity in the manner prescribed in Section 6.6, and the Spouse has waived the right to be the Participant's Beneficiary, or
- (2) the Participant is legally separated or has been abandoned (within the meaning of local law) and the Participant has a court order to such effect (and there is no qualified domestic relations order as defined in Code §414(p) which provides otherwise), or
- (3) the Participant has no Spouse, or
- (4) the Spouse cannot be located.

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

(d) **Beneficiary if no beneficiary elected by Participant.** In the event no valid designation of Beneficiary exists with respect to all or a portion of the death benefit, or if the Beneficiary of such death benefit is not alive at the time of the Participant's death and no contingent Beneficiary has been designated, then to the extent that such death benefit is not automatically payable to the surviving Spouse in accordance with the other provisions of this Section, such death benefit will be paid in the following order of priority to:

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

If the Beneficiary does not predecease the Participant, but dies prior to distribution of the death benefit, the death benefit will be paid to the Beneficiary's designated Beneficiary (or there is no designated Beneficiary, to the Beneficiary's estate).

(e) **Divorce revokes spousal beneficiary designation.** Notwithstanding anything in this Section to the contrary, if a Participant has designated the Spouse as a Beneficiary, then a divorce decree that relates to such Spouse shall revoke the Participant's designation of the Spouse as a Beneficiary unless the decree or a qualified domestic relations order (within the meaning of Code §414(p)) provides otherwise or a subsequent beneficiary designation is made.

(f) **Death Benefits for Qualified Military Service.** In the case of a death occurring on or after January 1, 2007, if a Participant dies while performing Qualified Military Service, the Participant's Beneficiary is entitled to any additional benefits (including any ancillary life insurance or other survivor benefits that would have been provided under the Plan) as if the Participant had resumed employment and then terminated employment on account of death. Moreover, the Plan will credit the Participant's Qualified Military Service as service for vesting purposes as though the Participant had resumed employment under USERRA immediately prior to the Participant's death.

(g) **Simultaneous Death of Participant and Beneficiary.** If a Participant and his or her Beneficiary should die simultaneously, or under circumstances that render it difficult or impossible to determine who predeceased the other, then unless the Participant's Beneficiary designation otherwise specifies, the Administrator will presume conclusively that the Beneficiary predeceased the Participant.

(h) **Slayer statute.** The Administrator may apply slayer statutes, or similar rules which prohibit inheritance by a person whom he or she stands to inherit, under applicable state laws without regard to federal pre-emption of such state laws.

6.3 DISABILITY RETIREMENT BENEFITS

(a) **Payment of Disability Benefits.** In the event of a Participant's Disability, the Participant's entire interest in the Plan will be distributable and may be distributed in accordance with the provisions of Sections 6.5 and 6.7.

6.4 DETERMINATION OF BENEFITS UPON TERMINATION

(a) **Payment on termination of employment.** If a Participant's employment with the Employer is terminated for any reason other than death, Disability or attainment of the Participant's Retirement Date, then such Participant shall be entitled to such benefits as are provided hereinafter pursuant to this Section 6.4.

Distribution of the funds due to a Terminated Participant shall be made on the occurrence of an event which would result in a distributable event had the Terminated Participant remained in the employ of the Employer (upon the Participant's death, Disability or Normal Retirement). However, at the election of the Participant, the Administrator shall direct the distribution of the entire Vested portion of the Terminated Participant's Account be payable to such Terminated Participant as soon as administratively feasible after termination of employment. Any distribution under this paragraph shall be made in a manner which is consistent with and satisfies the provisions of Section 6.5, including, but not limited to, all notice and consent requirements of Code §§417 and 411(a)(11) and the Regulations thereunder.

(b) **Full vesting.** A Participant shall be fully Vested immediately upon entry into the Plan.

(c) **Vesting of employer contributions upon amendment.** The computation of a Participant's nonforfeitable percentage of the Participant's Account attributable to Employer contributions shall not be reduced as the result of any direct or indirect amendment to this Plan (including this restatement of the Plan).

In the event that the Plan is amended to change the vesting schedule of the Participant's Account (or any portion of such Account), or if the Plan is amended in any way that directly or indirectly affects the computation of the Participant's nonforfeitable percentage of the Participant's Account, then each Participant with an Hour of Service after such change and who has at least three (3) Years of Service as of the expiration date of the election period may elect to have such Participant's nonforfeitable percentage computed under the Plan without regard to such amendment or change. The Participant's election period shall commence on the date the amendment is adopted or deemed to be made and shall end sixty (60) days after the latest of:

- (1) the adoption date of the amendment,
- (2) the effective date of the amendment, or
- (3) the date the Participant receives written notice of the amendment from the Employer or Administrator.

Such election, if made, shall apply only to the portion of the Account Balance that is credited after the effective date of the change in the vesting schedule. If such a Participant fails to make such election, then such Participant shall be subject to the new vesting schedule with respect to contributions made after such change in vesting is effective. Existing Account balances shall vest in accordance with the greater of the vested percentage determined under the pre-amendment schedule (based on the Participant's service credit at the time of such determination) or the vested percentage (for the same duration of service) determined under the post-amendment schedule.

Notwithstanding any provision of the two preceding paragraphs to the contrary, if the post-amendment vesting schedule is more liberal at each point on the schedule than the pre-amendment schedule, then all Participants with an Hour of Service after the effective date of the change in vesting shall vest in accordance with the new schedule.

6.5 DISTRIBUTION OF BENEFITS

(a) The Administrator, pursuant to the election of the Participant, shall direct the Trustee to distribute to a Participant or such Participant's Beneficiary the amount (if any) to which the Participant or Beneficiary has become entitled under the Plan in accordance with this Section.

(1) Unless the Participant elects otherwise as provided below, a Participant who is married on the Annuity Starting Date and who does not die before the Annuity Starting Date shall receive the value of all such Participant's benefits in the form of a joint and survivor annuity. The joint and survivor annuity is an annuity that commences immediately and shall be equal in value to a single life annuity. Such joint and survivor benefits following the Participant's death shall continue to the Spouse during the Spouse's lifetime at a rate equal to fifty percent (50%) of the rate at which such benefits were payable to the Participant. This joint and fifty percent (50%) survivor annuity shall be considered the designated qualified joint and survivor annuity and automatic form of payment for the purposes of this Plan. Notwithstanding any provision of the Plan to the contrary, effective for Plan Years beginning on or after January 1, 2007, the Participant may, without spousal consent, elect to receive a smaller annuity benefit with continuation of payments to the Spouse at a rate of seventy-five percent (75%) (which annuity shall be the qualified optional joint and survivor annuity) or one-hundred percent (100%) of the rate payable to a Participant during the Participant's lifetime, which alternative joint and survivor annuities shall be equal in value to, and available at the same time as, the automatic joint and fifty percent (50%) survivor annuity described in the previous sentence. Whenever a Participant has elected the qualified optional joint and survivor annuity described in the previous sentence, then any reference in this Plan to the qualified joint and survivor annuity shall also be a reference to the qualified optional joint and survivor annuity. An unmarried Participant shall receive the value of such Participant's benefit in the form of a life annuity. Such unmarried Participant, however, may elect in writing to waive the life annuity. The election must comply with the provisions of this Section as if it were an election to waive the joint and survivor annuity by a married Participant, but without the spousal consent requirement. The Participant may elect to

have any annuity provided for in this Section distributed upon the attainment of the earliest date on which, under the Plan, the Participant could elect to receive retirement benefits.

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

(3) The election period to waive the joint and survivor annuity shall be the 180 day period (90 day period for Plan Years beginning before January 1, 2007) ending on the Annuity Starting Date.

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

(5) With regard to the election, the Administrator shall, in compliance with Regulation §1.417(a)(3)-1, provide to the Participant no less than thirty (30) days and no more than 180 days (90 days for Plan Years beginning before January 1, 2007) before the Annuity Starting Date a written (or in such other form as permitted by the Internal Revenue Service) explanation of:

- (i) the terms and conditions of the qualified joint and survivor annuity and, effective for Plan Years beginning on or after January 1, 2007 the qualified optional joint and survivor annuity that is payable in lieu of the qualified joint and survivor annuity,
- (ii) the Participant's right to make, and the effect of, an election to waive the joint and survivor annuity,
- (iii) the right of the Participant's Spouse to consent to any election to waive the joint and survivor annuity, and
- (iv) the right of the Participant to revoke such election, and the effect of such revocation.

(6) Notwithstanding the above, if the Participant elects (with spousal consent, if applicable) to waive the requirement that the explanation be provided at least thirty (30) days before the Annuity Starting Date, the election period shall be extended to the thirtieth (30th) day after the date on which such explanation is provided to the Participant, unless the thirty (30) day period is waived pursuant to the following provisions.

Any distribution provided for in this Section 6.5 may commence less than thirty (30) days after the notice required by Code §417(a)(3) is given provided the following requirements are satisfied:

- (i) the Administrator clearly informs the Participant that the Participant has a right to a period of thirty (30) days after receiving the notice to consider whether to waive the joint and survivor annuity and to elect (with spousal consent) to a form of distribution other than a joint and survivor annuity;
- (ii) the Participant is permitted to revoke an affirmative distribution election at least until the Annuity Starting Date, or, if later, at any time prior to the expiration of the seven (7) day period that begins the day after the explanation of the joint and survivor annuity is provided to the Participant;
- (iii) the Annuity Starting Date is after the date that the explanation of the joint and survivor annuity is provided to the Participant. However, the Annuity Starting Date may be before the date that any affirmative distribution election is made by the Participant and before the date that the distribution is permitted to commence under (iv) below; and
- (iv) distribution in accordance with the affirmative distribution election does not commence before the expiration of the seven (7) day period that begins the day after the explanation of the joint and survivor annuity is provided to the Participant.

(7) Effective for Plan Years beginning on or after January 1, 2007, all the requirements described by this Section 6.5 that apply to the qualified joint and survivor annuity shall also apply to the qualified optional joint and survivor annuity (as described in Section 6.5(a)(1)).

(b) In the event a married Participant duly elects pursuant to Section 6.5(a)(1) above not to receive benefits in the form of a joint and survivor annuity, or if such Participant is not married, in the form of a life annuity, the Administrator, pursuant to the election of the Participant, shall direct the distribution of such benefits to a Participant or Beneficiary in one or more of the following methods:

(1) One lump-sum payment in cash or in property allocated to the Participant's Account.

(2) Payments over a period certain in monthly, quarterly, semiannual, or annual cash installments. In order to provide such installment payments, the Administrator may (A) segregate the aggregate amount thereof in a separate, federally insured savings account, certificate of deposit in a bank or savings and loan association, money market certificate or other liquid short-term security or (B) purchase a nontransferable annuity Contract for a term certain (with no life contingencies) providing for such payment. The period over which such payment is to be made shall not extend beyond the Participant's life expectancy (or the life expectancy of the Participant and the Participant's designated Beneficiary). Once payments have begun, a Participant may elect to accelerate the payments (reduce the term and increase payments).

(c) Any distribution to a Participant shall require such Participant's written consent (or in such other form as permitted by the Internal Revenue Service) if such distribution commences during the time the benefit is "immediately distributable." In addition, the Spouse of a Participant must consent in writing (or in such other form as permitted by the Internal Revenue Service) to a distribution only if the value of the Participant's Account exceeds \$5,000. A benefit is "immediately distributable" if any part of the benefit could be distributed to the Participant (or surviving Spouse) before the Participant attains (or would have attained if not deceased) the later of the Participant's Normal Retirement Age or age 62. Any consent required by this paragraph must be obtained not more than 180 days (90 days for Plan Years beginning before January 1, 2007) before commencement of the distribution.

If the value of the Participant's Total Vested Benefit does not exceed \$5,000, then distribution may only be paid as a lump-sum payment. This distribution does not require the Participant's Spouse's written consent. In the case of a Participant who has commenced receiving benefits in the form of periodic payments, no distribution may be made under the preceding sentence after the Annuity Starting Date unless the Participant and the Participant's Spouse consent in writing (or in such form as permitted by the Internal Revenue Service) to such distribution.

(d) The following rules will apply to the consent requirements set forth in this Section:

(1) No consent shall be valid unless the Participant has received a general description of the material features and an explanation of the relative values of the optional forms of benefit available under the Plan that would satisfy the notice requirements of Code §417 and Regulation §1.417(a)(3)-1 with respect to the Participant's Pre-Retirement Survivor Annuity Account.

(2) The Participant must be informed of the right to defer receipt of the distribution, and for Plan Years beginning on or after January 1, 2007, a description of the consequences of failing to defer any distribution. If a Participant fails to consent, it shall be deemed an election to defer the commencement of payment of any benefit. However, any election to defer the receipt of benefits shall not apply with respect to distributions which are required under Section 6.8.

(3) Notice of the rights specified under this paragraph shall be provided no less than thirty (30) days and no more than 180 days (90 days for Plan Years beginning before January 1, 2007) before the Annuity Starting Date. Notwithstanding the above, the Annuity Starting Date may be a date prior to the date the explanation is provided to the Participant if the distribution does not commence until at least thirty (30) days after such explanation is provided, subject to the waiver of the thirty (30) day period as provided for in Section 6.5(a)(6).

(4) Written consent (or such other form as permitted by the Internal Revenue Service) of the Participant to the distribution must not be made before the Participant receives the notice and must not be made more than 180 days (90 days for Plan Years beginning before January 1, 2007) before the Annuity Starting Date.

(5) No consent shall be valid if a significant detriment is imposed under the Plan on any Participant who does not consent to the distribution.

Any such distribution may be made less than thirty (30) days, subject to Section 6.5(a)(6), after the notice required under Regulation §1.411(a)-11(c) is given, provided that: (1) the Administrator clearly informs the Participant that the Participant has a right to a period of at least thirty (30) days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option), and (2) the Participant, after receiving the notice, affirmatively elects a distribution.

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

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

6.6 DISTRIBUTION OF BENEFITS UPON DEATH

(a) Unless otherwise elected as provided below, a Vested Participant who dies before the Annuity Starting Date and who has a surviving Spouse shall have the Pre-Retirement Survivor Annuity paid to the surviving Spouse. The Participant's Spouse may direct

that payment of the Pre-Retirement Survivor Annuity commence within a reasonable period after the Participant's death. If the Spouse does not so direct, payment of such benefit will commence at the time the Participant would have attained the later of Normal Retirement Age or age 62. However, the Spouse may elect a later commencement date. Any distribution to the Participant's Spouse shall be subject to the rules specified in Section 6.8.

(b) Any election to waive the Pre-Retirement Survivor Annuity before the Participant's death must be made by the Participant in writing (or in such other form as permitted by the Internal Revenue Service) during the election period and shall require the Spouse's irrevocable consent in the same manner provided for in Section 6.5(a)(2). Further, the Spouse's consent must acknowledge the specific non-Spouse Beneficiary. Notwithstanding the foregoing, the non-Spouse Beneficiary need not be acknowledged, provided the consent of the Spouse acknowledges that the Spouse has the right to limit consent only to a specific Beneficiary and that the Spouse voluntarily elects to relinquish such right. If the Participant does not waive the Pre-Retirement Survivor Annuity before the Participant's death in accordance with the provisions of this paragraph, then the Participant's surviving Spouse may do so after the Participant's death.

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

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

- (1) The period beginning with the first day of the Plan Year in which the Participant attains age thirty-two (32) and ending with the close of the Plan Year preceding the Plan Year in which the Participant attains age thirty-five (35);
- (2) A reasonable period after the individual becomes a Participant;
- (3) A reasonable period ending after the Plan no longer fully subsidizes the cost of the Pre-Retirement Survivor Annuity with respect to the Participant;
- (4) A reasonable period ending after Code §401(a)(11) applies to the Participant; or
- (5) A reasonable period after separation from service in the case of a Participant who separates before attaining age thirty-five (35). For this purpose, the Administrator must provide the explanation beginning one (1) year before the separation from service and ending one (1) year after such separation. If such a Participant thereafter returns to employment with the Employer, the applicable period for such Participant shall be redetermined.

For purposes of applying this Section 6.6(d), a reasonable period ending after the enumerated events described in paragraphs (2), (3) and (4) is the end of the two (2) year period beginning one (1) year prior to the date the applicable event occurs, and ending one (1) year after that date.

(e) If the present value of the Pre-Retirement Survivor Annuity Account derived from Employer and Employee contributions does not exceed \$5,000, the Administrator shall direct the immediate lump-sum distribution of such amount to the Participant's Spouse as soon as practicable. No distribution may be made under the preceding sentence after periodic payments have commenced unless the Spouse consents in writing (or in such other form as permitted by the Internal Revenue Service) to such distribution. If the value of the Pre-Retirement Survivor Annuity Account exceeds \$5,000, then an immediate distribution of such amount may be made to the surviving Spouse, provided such surviving Spouse consents in writing (or in such other form as permitted by the Internal Revenue Service) to such distribution. Any consent required under this paragraph must be obtained not more than 180 days (90 days for Plan Years beginning before January 1, 2007) before commencement of the distribution and shall be made in a manner consistent with Section 6.5(a)(2).

(f) To the extent the death benefit is not paid in the form of a Pre-Retirement Survivor Annuity, it shall be paid to the Participant's Beneficiary by any of the following methods, as elected by the Participant (or if no election has been made prior to the Participant's death, by the Participant's Beneficiary), subject to the rules specified in Section 6.8:

- (1) One lump-sum payment in cash or in property allocated to the Participant's Account.
- (2) Payment in monthly, quarterly, semi-annual, or annual cash installments over a period to be determined by the Participant or the Participant's Beneficiary. After periodic installments commence, the Beneficiary shall have the right to direct the Trustee to reduce the period over which such periodic installments shall be made, and the Trustee shall adjust the cash amount of such periodic installments accordingly. Once payments have begun, a Participant may elect to accelerate the payments (reduce the term and increase payments).

In the event the death benefit payable pursuant to Section 6.2 is payable in installments, then, upon the death of the Participant, the Administrator may direct the Trustee to segregate the death benefit into a separate account, and the Trustee shall invest such segregated account separately, and the funds accumulated in such account shall be used for the payment of the installments.

(g) Notwithstanding any provision in the Plan to the contrary, distributions upon the death of a Participant shall comply with the requirements of Section 6.8.

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

6.7 LATEST TIME OF DISTRIBUTION

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

Notwithstanding the foregoing, the failure of a Participant and, if applicable, the Participant's Spouse to consent to a distribution that is immediately distributable (within the meaning of Section 6.5), shall be deemed to be an election to defer the commencement of payment of any benefit sufficient to satisfy this Section.

6.8 REQUIRED MINIMUM DISTRIBUTIONS

(a) General Rules

(1) **Precedence.** Subject to the joint and survivor annuity requirements set forth in Plan Section 6.5, the requirements of this Section shall apply to any distribution of a Participant's interest in the Plan and take precedence over any inconsistent provisions of the Plan.

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

(b) Time and manner of distribution

(1) **Required beginning date.** The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's required beginning date.

(2) **Death of Participant before distributions begin.** If the Participant dies before distributions begin, the Participant's entire death benefit will be distributed, or begin to be distributed, as follows:

(i) If the Participant or Beneficiary elects, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or, if the Participant's surviving Spouse is the Participant's designated beneficiary, by December 31 of the calendar year in which the Participant would have attained age 70 1/2, if later. Alternatively, the Participant or Beneficiary may elect to have distribution of the Participant's death benefit be completed by the December 31 of the calendar year containing the fifth anniversary of the Participant's death. In the absence of any election (including the failure to commence required minimum distributions described by this Section by the December 31 of the calendar year immediately following the calendar year in which the Participant died), distribution of the Participant's death benefit shall be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(ii) If there is no beneficiary as of September 30 of the year following the year of the Participant's death, the distribution of the Participant's death benefit will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(iii) If the Participant's surviving Spouse is the Participant's sole designated beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, this Section 6.8(b), other than this paragraph, will apply as if the surviving Spouse were the Participant. Thus, in all such cases, the time at which distributions must commence (or be completed by) shall be determined solely by reference to the year that the Participant died, and not the year in which the Participant would have attained age 70 1/2.

For purposes of this Section 6.8(b), unless a surviving Spouse is electing to commence benefits based upon the date that the Participant would have attained age 70 1/2, distributions are considered to begin on the Participant's required beginning date. If

the surviving Spouse election applies, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 6.8(b). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving Spouse before the date distributions are required to begin to the surviving Spouse under Section 6.8(b)), the date distributions are considered to begin is the date distributions actually commence.

(3) **Forms of distribution.** Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with Sections 6.8(c) and 6.8(d). If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code §401(a)(9) and the Regulations thereunder. All distributions under this Section shall be made in a manner which is consistent with and satisfies the provisions of Sections 6.5 and 6.6, including, but not limited to, all notice and consent requirements of Code §§417 and 411(a)(11) and the Regulations thereunder.

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

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

- (i) the quotient obtained by dividing the Participant's Account balance by the distribution period in the Uniform Lifetime Table set forth in Regulation §1.401(a)(9)-9, using the Participant's age as of the Participant's birthday in the distribution calendar year; or
- (ii) if the Participant's sole designated beneficiary for the distribution calendar year is the Participant's Spouse and the Spouse is more than 10 years younger than the Participant, the quotient obtained by dividing the Participant's Account balance by the number in the Joint and Last Survivor Table set forth in Regulation §1.401(a)(9)-9, using the Participant's and Spouse's attained ages as of the Participant's and Spouse's birthdays in the distribution calendar year.

(2) **Lifetime required minimum distributions continue through year of Participant's death.** Required minimum distributions will be determined under this Section 6.8(c) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death.

(d) **Required minimum distributions after Participant's death**

(1) **Death on or after date distributions begin.**

(i) **Participant survived by designated beneficiary.** If the Participant dies on or after the date distributions begin and there is a designated beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated beneficiary, determined as follows:

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

(B) If the Participant's surviving Spouse is the Participant's sole designated beneficiary, the remaining life expectancy of the surviving Spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving Spouse's age as of the Spouse's birthday in that year. For distribution calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

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

(ii) **No designated beneficiary.** If the Participant dies on or after the date distributions begin and there is no designated beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(2) **Death before date distributions begin.**

(i) **Participant survived by designated beneficiary.** Except as provided in Section 6.8(b)(3), if the Participant dies before the date distributions begin and there is a designated beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's

Account balance by the remaining life expectancy of the Participant's designated beneficiary, determined as provided in Section 6.8(d)(1).

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

(iii) **Death of surviving Spouse before distributions to surviving Spouse are required to begin.** If the Participant dies before the date distributions begin, the Participant's surviving Spouse is the Participant's sole designated beneficiary, and the surviving Spouse dies before distributions are required to begin to the surviving Spouse under Section 6.8(b)(2), this Section 6.8(d)(2) will apply as if the surviving Spouse were the Participant.

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

(1) "Designated beneficiary" means the individual who is designated as the Beneficiary under the Plan and is the designated beneficiary under Code §401(a)(9) and Regulation §1.401(a)(9)-4, 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 6.8(b). The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's "required beginning date." The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's "required beginning date" occurs, will be made on or before December 31 of that distribution calendar year.

(3) "Life expectancy" means the life expectancy as computed by use of the Single Life Table in Regulation §1.401(a)(9)-9, Q&A-1.

(4) "Participant's account balance" means the "Participant's account balance" as of the last Valuation Date in the calendar year immediately preceding the Distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or Forfeitures allocated to the account balance as of dates in the valuation calendar year after the Valuation Date and decreased by distributions made in the valuation calendar year after the Valuation Date. For this purpose, the Administrator may exclude contributions that are allocated to the account balance as of dates in the valuation calendar year after the Valuation Date, but that are not actually made during the valuation calendar year. The account balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the Distribution calendar year if distributed or transferred in the valuation calendar year.

(5) "Required beginning date" means, with respect to any Participant, April 1 of the calendar year following the later of the calendar year in which the Participant attains age 70 1/2 or the calendar year in which the Participant retires, except that benefit distributions to a 5-percent owner must commence by April 1 of the calendar year following the calendar year in which the Participant attains age 70 1/2.

(6) "5-percent owner" means a Participant who is a 5-percent owner as defined in Code §416 at any time during the Plan Year ending with or within the calendar year in which such owner attains age 70 1/2. Once distributions have begun to a 5-percent owner under this Section they must continue to be distributed, even if the Participant ceases to be a 5-percent owner in a subsequent year.

(f) **Transition rules**

(1) **Waiver of 2009 Required Distributions.** Notwithstanding the preceding provisions of this Section 6.8, the following provisions shall apply for 2009:

(i) **Suspension of RMDs unless otherwise elected by Participant.** A Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code §401(a)(9)(H) ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are equal to the 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.

(2) **Rules for plans in existence before 1997.** Any required minimum distribution rights conferred on Participants in order to comply with (or as a means of complying with) the changes to Code §401(a)(9) made by the Small Business Jobs Protection Act of 1996 that were still in effect immediately prior to this restatement shall be preserved.

(g) Statutory (TEFRA) Transition Rules

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

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

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

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

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

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

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

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

(4) If a designation is revoked, any subsequent distribution must satisfy the requirements of Code §401(a)(9) and the Regulations thereunder. If a designation is revoked subsequent to the date distributions are required to begin, the Plan must distribute by the end of the calendar year following the calendar year in which the revocation occurs the total amount not yet distributed which would have been required to have been distributed to satisfy Code §401(a)(9) and the Regulations thereunder, but for the Section 242(b)(2) election. For calendar years beginning after December 31, 1988, such distributions must meet the minimum distribution incidental benefit requirements. Any changes in the designation will be considered to be a revocation of the designation. However, the mere substitution or addition of another Beneficiary (one not named in the designation) under the designation will not be considered to be a revocation of the designation, so long as such substitution or addition does not alter the period over which distributions are to be made under the designation, directly or indirectly (for example, by altering the relevant measuring life).

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

6.9 DISTRIBUTION FOR MINOR OR INCOMPETENT INDIVIDUAL

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

6.10 LOCATION OF PARTICIPANT OR BENEFICIARY UNKNOWN

In the event that all, or any portion, of the distribution payable to a Participant or Beneficiary hereunder shall, at the later of the Participant's attainment of age 62 or Normal Retirement Age, remain unpaid solely by reason of the inability of the Administrator to ascertain the whereabouts of such Participant or Beneficiary, the amount so distributable may, in the sole discretion of the Administrator, either be treated as a Forfeiture pursuant to the Plan or be paid directly to an individual retirement account described in Code §408(a) or an individual retirement annuity described in Code §408(b). In addition, if the Plan provides for mandatory distributions and the amount to be distributed to a Participant or Beneficiary does not exceed \$1,000, then the amount distributable may, in the sole discretion of the Administrator, either be treated as a Forfeiture, or be paid directly to an individual retirement account described in Code §408(a) or an individual retirement annuity described in Code §408(b) at the time it is determined that the whereabouts of the Participant or the Participant's Beneficiary cannot be ascertained. In the event a Participant or Beneficiary is located subsequent to the Forfeiture, such benefit shall be restored, first from Forfeitures, if any, and then from an additional Employer contribution if necessary. Upon Plan termination, the portion of the distributable amount that is an eligible rollover distribution as defined in Plan Section 6.13 may be paid directly to an individual retirement account described in Code §408(a) or an individual retirement annuity described in Code §408(b).

(consistent with the requirements of Section 7.2). However, regardless of the preceding, a benefit that is lost by reason of escheat under applicable state law is not treated as a Forfeiture for purposes of this Section nor as an impermissible forfeiture under the Code.

6.11 IN-SERVICE DISTRIBUTION OF EMPLOYER CONTRIBUTIONS

(a) **General Rule.** At such time as a Participant shall have attained Normal Retirement Age, the Administrator, at the election of the Participant who is currently employed by the Employer, shall direct the Trustee to distribute all or a portion of the Participant's Account attributable to Employer contributions. The Plan may make partial distributions pursuant to this Section even if distributions on account of termination of employment may be made only as a lump sum distribution.

In the event that the Administrator makes such a distribution, the Participant shall continue to be eligible to participate in the Plan on the same basis as any other Employee. Any distribution made pursuant to this Section shall be made in a manner consistent with Section 6.5, including, but not limited to, all notice and consent requirements of Code §§417 and 411(a)(11) and the Regulations thereunder.

(b) **Amounts attributable to Qualified Nonelective Contributions.** Notwithstanding anything in this Section to the contrary, in-service distributions from a Participant's Qualified Nonelective Contribution Account shall not be permitted prior to the Participant attaining age 59 1/2 or one of the other events described in Section 1.61.

(c) **Procedures to implement in-service distributions.** The Employer and the Administrator may adopt a procedure to implement the in-service withdrawal provisions, applied on a uniform and consistent basis to all Participants. For example, when more than one Account is available for distribution, a procedure may be implemented setting forth the order in which Accounts are accessed to make up such withdrawal, or it may provide Participants with the ability to request that the amount withdrawn come from particular accounts.

6.12 QUALIFIED DOMESTIC RELATIONS ORDER DISTRIBUTION

All benefits provided to a Participant in this Plan shall be subject to the rights afforded to any Alternate Payee under a qualified domestic relations order. Furthermore, a distribution to an Alternate Payee shall be permitted if such distribution is authorized by a qualified domestic relations order, even if the affected Participant has not separated from service and has not reached the earliest retirement age. For the purposes of this Section, the terms "qualified domestic relations order" and "earliest retirement age" shall have the meaning set forth under Code §414(p).

Effective April 6, 2007, a domestic relations order that otherwise satisfies the requirements for a qualified domestic relations order ("QDRO") will not fail to be a QDRO: (i) solely because the order is issued after, or revises, another domestic relations order or QDRO; or (ii) solely because the order is issued after the Annuity Starting Date or after the Participant's death.

6.13 DIRECT ROLLOVER

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

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

(1) **Eligible rollover distribution.** An "eligible rollover distribution" means any distribution described in Code §402(c)(4) and generally includes any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's Designated Beneficiary, or for a specified period of ten (10) years or more; any distribution to the extent such distribution is required under Code §401(a)(9); the portion of any other distribution(s) that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); and any other distribution reasonably expected to total less than \$200 during a year.

Notwithstanding the above, the following distributions, if made in 2009, will also be treated as eligible rollover distributions for 2009 only:

(i) the amount of any required minimum distribution as determined in accordance with Section 6.8.

(2) **Eligible retirement plan.** An "eligible retirement plan" is an individual retirement account described in Code §408(a), an individual retirement annuity described in Code §408(b), (other than an endowment contract), a qualified trust (an employees' trust) described in Code §401(a) which is exempt from tax under Code §501(a) and which agrees to separately account for amounts transferred into such plan from this Plan, an annuity plan described in Code §403(a), an eligible deferred compensation plan described in Code §457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality thereof which agrees to separately account for amounts transferred into such plan from this Plan, and an annuity contract described in Code §403(b) that accepts the distributee's eligible rollover distribution. The definition of eligible retirement plan

shall also apply in the case of a distribution to a surviving Spouse, or to a Spouse or former Spouse who is an Alternate Payee. Effective for distributions after December 31, 2006, in the case of a "distributee" who is a non-Spouse designated beneficiary, (1) the direct rollover may be made only to a traditional or Roth individual retirement account that is established on behalf of the designated non-Spouse beneficiary for the purpose of receiving that distribution and that will be treated as an inherited IRA pursuant to the provisions of Code §402(c)(11), and (2) the determination of any required minimum distribution required under Code §401(a)(9) that is ineligible for rollover shall be made in accordance with IRS Notice 2007-7, Q&A 17 and 18.

Roth IRA rollover. For distributions made after December 31, 2007, a Participant may elect to roll over directly an eligible rollover distribution to a Roth IRA described in Code §408A(b).

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

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

(c) **Non-Spouse Beneficiary Rollover.** For distributions after December 31, 2006, a non-Spouse Beneficiary who is a "designated beneficiary" under Code §401(a)(9)(E) and the Regulations thereunder, by a direct trustee-to-trustee transfer ("direct rollover"), may roll over all or any portion of his or her distribution to an individual retirement account the beneficiary establishes for purposes of receiving the distribution. In order to be able to roll over the distribution, the distribution otherwise must be an "eligible rollover distribution."

(1) **Certain requirements not applicable.** Any distribution made prior to January 1, 2010 is not subject to the "direct rollover" requirements of Code §401(a)(31) (including Code §401(a)(31)(B)), the notice requirements of Code §402(f) or the mandatory withholding requirements of Code §3405(c).

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

(d) **Participant Notice.** A Participant entitled to an eligible rollover distribution must receive a written explanation of his/her right to a direct rollover, the tax consequences of not making a direct rollover, and, if applicable, any available special income tax elections. The notice must be provided no less than thirty (30) days and no more than 180 days (90 days for Plan Years beginning before January 1, 2007) before such distribution. The direct rollover notice must be provided to all Participants, unless the total amount the Participant will receive as a distribution during the calendar year is expected to be less than \$200.

6.14 CORRECTIVE DISTRIBUTIONS

Nothing in this Article shall preclude the Administrator from making a distribution to a Participant, to the extent such distribution is made to correct a qualification defect in accordance with Section 8.12.

ARTICLE VII AMENDMENT, TERMINATION AND MERGERS

7.1 AMENDMENT

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

(b) **Permissible amendments without affecting reliance.** The Employer may make the modifications described below without affecting reliance on the terms of the Plan. An Employer that amends the Plan for any other reason may not rely on the advisory letter that the terms of the Plan meet the qualification requirements of the Code. Permitted changes include: adding options permitted by the Plan; adding or deleting provisions that are optional under the volume submitter specimen plan; changing effective dates within the parameters of the volume submitter specimen plan; adding a list of benefits that must be preserved as protected benefits within the meaning of Code §411(d)(6) and the Regulations thereunder; amending provisions dealing with the administration of the Trust; a change to the name of the Plan, Employer, Trustee, Custodian, Administrator or any other fiduciary; the Plan Year; the Limitation Year (subject to the provisions of Section 1.43; amendments to conform to the requirements of Act Section 402(a) (relating to named fiduciaries), Act Section 503 (relating to claims procedures), or DOL Field Assistance Bulletin 2008-01 (relating to the duty to collect delinquent contributions); amendments to adjust the limitations under Code §§ 415, 402(g), 401(a)(17) and 414(q)(1)(B) to reflect annual cost-of-living increases; and any sample or model amendment published by the IRS (or other required good-faith amendments) which specifically provide that their adoption will not cause the plan to be treated as an individually designed plan.

(c) **Sponsoring practitioner amendments.** The Employer (and every Participating Employer) expressly delegates authority to the sponsoring organization of this Volume Submitter Plan (i.e., the "volume submitter practitioner") the right to amend the Plan by submitting a copy of the amendment to each Employer (and Participating Employer) who has adopted this Volume Submitter Plan, after first having received a ruling or favorable determination from the Internal Revenue Service that the Volume Submitter Plan as amended qualifies under Code §401(a) (unless a ruling or determination is not required by the IRS). However, the volume submitter practitioner shall cease to have the authority to amend on behalf of an Employer that adopts an impermissible plan type or

impermissible plan provision (as described in Section 24.03 of IRS Revenue Procedure 2011-49 and any subsequent guidance). The volume submitter practitioner will maintain a record of the Employers that have adopted the Plan, and the practitioner will make reasonable and diligent efforts to ensure that adopting Employers adopt new documents when necessary. This subsection supersedes other provisions of the Plan to the extent those other provisions are inconsistent with this subsection.

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

(e) **Anti-cutback restrictions.** Except as permitted by Regulations (including Regulations §§1.411(d)-3 and 1.411(d)-4) or other IRS guidance, no Plan amendment (including this Restatement) or transaction having the effect of a Plan amendment (such as a merger, plan transfer or similar transaction) shall be effective if it eliminates or reduces any Section 411(d)(6) protected benefit or adds or modifies conditions relating to Section 411(d)(6) protected benefits which results in a further restriction on such benefits unless such "Section 411(d)(6) protected benefits" are preserved in operation with respect to benefits accrued as of the later of the adoption date or effective date of the amendment. The term "Section 411(d)(6) protected benefits" means benefits described in Code §411(d)(6)(A), early retirement benefits and retirement-type subsidies, and optional forms of benefit. The preceding sentence applies even if the amendment adds a restriction or condition that is permitted under the vesting rules of Code §411(a)(3) through §411(a)(11). Notwithstanding the preceding provisions of this paragraph, a Participant's Account Balance may be reduced to the extent permitted under Code §412(d)(2) or to the extent permitted under Regulation §§1.411(d)-3 and 1.411(d)-4. An amendment which has the effect of decreasing a Participant's Account balance with respect to benefits attributable to service before the amendment shall be treated as reducing an accrued benefit. The preceding shall not apply to a Plan amendment that eliminates or restricts the ability of a Participant to receive payment of his or her Account under a particular optional form of benefit if the amendment provides a single-sum distribution form that is otherwise identical to the optional form of benefit being eliminated or restricted. For this purpose, a single-sum distribution form is otherwise identical only if the single-sum distribution form is identical in all respects to the eliminated or restricted optional form of benefit (or would be identical except that it provides greater rights to the Participant) except with respect to the timing of payments after commencement.

7.2 TERMINATION

(a) **Termination of Plan.** The Employer shall have the right at any time to terminate the Plan by delivering to the Trustee and Administrator written notice of such termination. Upon any full or partial termination, all amounts credited to the affected Participants' Accounts shall become 100% Vested as provided in Section 6.4 and shall not thereafter be subject to forfeiture.

(b) **Distribution of assets.** Upon the full termination of the Plan, the Employer shall direct the distribution of the assets of the Plan to Participants in a manner which is consistent with the provisions of Section 6.5 except that no Participant or spousal consent is required. Distributions to a Participant shall be made in cash or in property allocated to the Participant's Account or through the purchase of irrevocable nontransferable deferred commitments from an insurer. Except as permitted by Regulations, the termination of the Plan shall not result in the reduction of Section 411(d)(6) protected benefits in accordance with Section 7.1(c). For purposes of determining whether the Employer maintains an alternative defined contribution plan (described in Regulation §1.401(k)-1(d)(4)(i)) that would prevent the Employer from distributing Qualified Nonelective Contributions from the Plan, an alternative defined contribution plan does not include an employee stock ownership plan defined in Code §4975(e)(7) or Code §409(a), a simplified employee pension as defined in Code §408(k), a SIMPLE IRA plan as defined in Code §408(p), a plan or contract that satisfies the requirements of Code §403(b), or a plan that is described in Code §457(b) or (f).

(c) **Abandoned plan.** If the Employer, in accordance with DOL guidance, abandons the Plan, then the Trustee or other party permitted to take action as a qualified terminal administrator, may terminate the Plan in accordance with applicable IRS regulations and other guidance.

7.3 MERGER, CONSOLIDATION OR TRANSFER OF ASSETS

This Plan may be merged or consolidated with, or its assets and/or liabilities may be transferred to any other plan and trust, only if the benefits which would be received by a Participant of this Plan, in the event of a termination of the Plan immediately after such transfer, merger or consolidation, are at least equal to the benefits the Participant would have received if the Plan had terminated immediately before the transfer, merger or consolidation, and such transfer, merger or consolidation does not otherwise result in the elimination or reduction of any Section 411(d)(6) protected benefits in accordance with Section 7.1(e).

ARTICLE VIII MISCELLANEOUS

8.1 PARTICIPANT'S RIGHTS

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

8.2 ALIENATION OF BENEFITS

(a) **General rule.** Subject to the exceptions provided below, and as otherwise permitted by the Code, no benefit which shall be payable to any person (including a Participant or the Participant's Beneficiary) shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge, and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, or charge the same shall be void; and no such benefit shall in any manner be liable for, or subject to, the debts, contracts, liabilities, engagements, or torts of any such person, nor shall it be subject to attachment or legal process for or against such person, and the same shall not be recognized, except to such extent as may be required by law.

(b) **Exception for QDRO.** Subsection (a) shall not apply to a qualified domestic relations order defined in Code §414(p), and those other domestic relations orders permitted to be so treated by the Administrator under the provisions of the Retirement Equity Act of 1984. The Administrator shall establish a written procedure to determine the qualified status of domestic relations orders and to administer distributions under such qualified orders. Further, to the extent provided under a qualified domestic relations order, a former Spouse of a Participant shall be treated as the Spouse or surviving Spouse for all purposes under the Plan.

(c) **Exception for certain debts to Plan.** Subsection (a) shall not apply to an offset to a Participant's accrued benefit against an amount that the Participant is ordered or required to pay the Plan with respect to a judgment, order, or decree issued, or a settlement entered into in accordance with Code §§401(a)(13)(C) and (D).

With respect to distributions from the Participant's Pre-Retirement Survivor Annuity Account, if the Participant has a Spouse at the time at which the offset is to be made:

(1) either such Spouse has consented in writing to such offset and such consent is witnessed by a notary public or representative of the Plan (or it is established to the satisfaction of a Plan representative that such consent may not be obtained by reason of circumstances described in Code §417(a)(2)(B)), or an election to waive the right of the Spouse to either a qualified joint and survivor annuity or a qualified Pre-Retirement Survivor Annuity is in effect in accordance with the requirements of Code §417(a),

(2) such Spouse is ordered or required in such judgment, order, decree or settlement to pay an amount to the Plan in connection with a violation of fiduciary duties, or

(3) in such judgment, order, decree or settlement, such Spouse retains the right to receive the survivor annuity under a qualified joint and survivor annuity provided pursuant to Code §401(a)(11)(A)(i) and under a qualified Pre-Retirement Survivor Annuity provided pursuant to Code §401(a)(11)(A)(ii).

8.3 PLAN COMMUNICATIONS, INTERPRETATION AND CONSTRUCTION

(a) **Applicable laws.** This Plan shall be construed and enforced according to the Code and the laws of the Commonwealth of Pennsylvania, other than its laws respecting choice of law, to the extent not preempted by federal law.

(b) **Single subsections.** This Plan may contain single subsections. The existence of such single subsections shall not constitute scrivener's errors.

(c) **Separate Accounts.** Unless otherwise specified by a particular provision, the term "separate account" does not require a separate fund, only a notational entry in a recordkeeping system.

(d) **Headings.** The headings and subheadings of this Plan have been inserted for convenience of reference and are to be ignored in any construction of the provisions hereof.

(e) **Masculine and feminine.** Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply.

(f) **Singular and plural.** Whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

(g) **Tense.** Whenever any words are used herein in the past or present tense, they shall be construed as though they were also used in the other form in all cases where they would so apply.

(h) **Administrator's discretion.** The Administrator has total and complete discretion to interpret and construe the Plan and to determine all questions arising in the administration, interpretation and application of the Plan. Any determination the Administrator makes under the Plan is final and binding upon any affected person. The Administrator must exercise all of its Plan powers and discretion, and perform all of its duties in a uniform and nondiscriminatory manner.

(i) **Communications.** All Participant or Beneficiary notices, designations, elections, consents or waivers must be made in a form the Administrator (or, as applicable, the Trustee or Insurer) specifies or otherwise approves. Any person entitled to notice under the Plan may waive the notice or shorten the notice period unless such actions are contrary to applicable law.

(j) **Evidence.** Anyone, including the Employer, required to give data, statements or other information relevant under the terms of the Plan ("evidence") may do so by certificate, affidavit, document or other form which the person to act in reliance may consider pertinent, reliable and genuine, and to have been signed, made or presented by the proper party or parties. The Administrator, Trustee and Insurer are protected fully in acting and relying upon any evidence described under the immediately preceding sentence.

(k) **Plan terms binding.** The Plan is binding upon all parties, including but not limited to, the Employer, Trustee, Insurer Administrator, Participants and Beneficiaries.

(l) **Parties to litigation.** Except as otherwise provided by applicable law, a Participant or a Beneficiary is not a necessary party or required to receive notice of process in any court proceeding involving the Plan, the Trust or any Fiduciary. Any final judgment (not subject to further appeal) entered in any such proceeding will be binding upon all parties, including the Employer, the Administrator, Trustee, Insurer, Participants and Beneficiaries.

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

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

(o) **Uniformity.** All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. In the event of any conflict between the terms of this Plan and any Contract purchased hereunder, the Plan provisions shall control.

8.4 LEGAL ACTION

In the event any claim, suit, or proceeding is brought regarding the Trust and/or Plan established hereunder to which the Trustee, the Employer or the Administrator may be a party, and such claim, suit, or proceeding is resolved in favor of the Trustee, the Employer or the Administrator, they shall be entitled to be reimbursed from the Trust Fund for any and all costs, attorney's fees, and other expenses pertaining thereto incurred by them for which they shall have become liable.

8.5 PROHIBITION AGAINST DIVERSION OF FUNDS

(a) **General rule.** Except as provided below and otherwise specifically permitted by law, it shall be impossible by operation of the Plan or of the Trust, by termination of either, by power of revocation or amendment, by the happening of any contingency, by collateral arrangement or by any other means, for any part of the corpus or income of any Trust Fund maintained pursuant to the Plan or any funds contributed thereto to be used for, or diverted to, purposes other than the exclusive benefit of Participants or their Beneficiaries.

(b) **Mistake of fact.** In the event the Employer shall make an excessive contribution under a mistake of fact, the Employer may demand repayment of such excessive contribution at any time within one (1) year following the time of payment and the Trustee shall return such amount to the Employer within the one (1) year period. Earnings of the Plan attributable to the contributions may not be returned to the Employer but any losses attributable thereto must reduce the amount so returned.

8.6 EMPLOYER'S AND TRUSTEE'S PROTECTIVE CLAUSE

The Employer, Administrator and Trustee, and their successors, shall not be responsible for the validity of any Contract issued hereunder or for the failure on the part of any insurer to make payments provided by any such Contract, or for the action of any person which may delay payment or render a Contract null and void or unenforceable in whole or in part.

8.7 INSURER'S PROTECTIVE CLAUSE

Except as otherwise agreed upon in writing between the Employer and the insurer, an insurer which issues any Contracts hereunder shall not have any responsibility for the validity of this Plan or for the tax or legal aspects of this Plan. The insurer shall be protected and held harmless in acting in accordance with any written direction of the Trustee, and shall have no duty to see to the application of any funds paid to the Trustee, nor be required to question any actions directed by the Trustee. Regardless of any provision of this Plan, the insurer shall not be required to take or permit any action or allow any benefit or privilege contrary to the terms of any Contract which it issues hereunder, or the rules of the insurer.

8.8 RECEIPT AND RELEASE FOR PAYMENTS

Any payment to any Participant, the Participant's legal representative, Beneficiary, or to any guardian or committee appointed for such Participant or Beneficiary in accordance with the provisions of the Plan, shall, to the extent thereof, be in full satisfaction of all claims hereunder against the Trustee and the Employer.

8.9 ACTION BY THE EMPLOYER

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by its legally constituted authority.

8.10 APPROVAL BY INTERNAL REVENUE SERVICE

Notwithstanding anything herein to the contrary, if, pursuant to an application for qualification filed by or on behalf of the Plan by the time prescribed by law for filing the Employer's return for the taxable year in which the Plan is adopted, or such later date that the Secretary of the Treasury may prescribe, the Commissioner of Internal Revenue Service or the Commissioner's delegate should determine that the Plan does not initially qualify as a tax-exempt plan under Code §§401 and 501, and such determination is not contested, or if contested, is finally upheld, then if the Plan is a new plan, it shall be void ab initio and all amounts contributed to the Plan by the Employer, less expenses paid, shall be returned within one (1) year after the date the initial qualification is denied, and the Plan shall terminate, and the Trustee shall be discharged from all further obligations. If the disqualification relates to an amended plan, then the Plan shall operate as if it had not been amended.

8.11 ELECTRONIC MEDIA

The Administrator may use any electronic medium to give or receive any Plan notice, communicate any Plan policy, conduct any written Plan communication, satisfy any Plan filing or other compliance requirement and conduct any other Plan transaction to the extent permissible under applicable law. A Participant or a Participant's Spouse, to the extent authorized by the Administrator, may use any electronic medium to make or provide any Beneficiary designation, election, notice, consent or waiver under the Plan, to the extent permissible under applicable law. Any reference in this Plan to a "form," a "notice," an "election," a "consent," a "waiver," a "designation," a "policy" or to any other Plan-related communication includes an electronic version thereof as permitted under applicable law. Notwithstanding the foregoing, any Participant or Beneficiary notices and consent that are required pursuant to the Code must satisfy Regulation §1.401(a)-21.

8.12 PLAN CORRECTION

The Administrator in conjunction with the Employer may undertake such correction of Plan errors as the Administrator deems necessary, including correction to preserve tax qualification of the Plan under Code §401(a) or to correct a fiduciary breach. Without limiting the Administrator's authority under the prior sentence, the Administrator, as it determines to be reasonable and appropriate, may undertake correction of Plan document, operational, demographic and employer eligibility failures under a method described in the Plan or under the IRS Employee Plans Compliance Resolution System ("EPCRS") or any successor program to EPCRS. The Administrator, as it determines to be reasonable and appropriate, also may undertake or assist the appropriate Fiduciary or Plan official in undertaking correction of a fiduciary breach.

IN WITNESS WHEREOF, this Plan has been executed this _____ day of _____, 20____.

SIGNATURE(S)

Signed and delivered
in the presence of:

Montgomery Township

DATE

EMPLOYER

WITNESS NAME

WITNESS SIGNATURE

MONTGOMERY TOWNSHIP 401(A) MONEY PURCHASE PENSION PLAN
SUMMARY OF PLAN PROVISIONS

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MONTGOMERY TOWNSHIP 401(A) MONEY PURCHASE PENSION PLAN

SUMMARY OF PLAN PROVISIONS

INTRODUCTION TO YOUR PLAN

What kind of Plan is this?

Montgomery Township 401(a) Money Purchase Pension Plan (the "Plan") has been adopted to provide you with additional income for retirement as well as the requirement that you save amounts from your earnings toward retirement. This Plan is a type of qualified retirement plan commonly referred to as a money purchase thrift plan.

Types of Contributions. The following types of contributions may be made under this Plan:

- rollover contributions
- employee mandatory contributions
- employer matching contributions
- employer pension contributions

What information does this Summary provide?

This Summary contains information regarding when you may become eligible to participate in the Plan, your Plan benefits, your distribution options, and many other features of the Plan. You should take the time to read this Summary to get a better understanding of your rights and obligations in the Plan.

In this summary, your Employer has addressed the most common questions you may have regarding the Plan. If this Summary does not answer all of your questions, please contact the Administrator or other plan representative. The Administrator is responsible for responding to questions and making determinations related to the administration, interpretation, and application of the Plan. The name and address of the Administrator can be found at the end of this Summary in the Article entitled "General Information About the Plan."

This Summary describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language and is designed to comply with applicable legal requirements. If the non-technical language in this Summary and the technical, legal language of the Plan document conflict, the Plan document always governs. If you wish to receive a copy of the legal Plan document, please contact the Administrator.

The Plan and your rights under the Plan are subject to federal laws, such as the Internal Revenue Code, as well as some state laws. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (IRS). Your Employer may also amend or terminate this Plan. If the provisions of the Plan that are described in this Summary change, your Employer will notify you.

ARTICLE I PARTICIPATION IN THE PLAN

How do I participate in the Plan?

Provided you are not an Excluded Employee, you may begin participating under the Plan once you have satisfied the eligibility requirements and reached your Entry Date. The following describes the eligibility requirements and Entry Dates that apply. You should contact the Administrator if you have questions about the timing of your Plan participation.

Excluded Employees. If you are a member of a class of employees identified below, you are an Excluded Employee and you are not entitled to participate in the Plan. The Excluded Employees are:

- union employees whose employment is governed by a collective bargaining agreement under which retirement benefits were the subject of good faith bargaining, unless the collective bargaining agreement requires the employee to be included within the Plan
- certain nonresident aliens who have no earned income from sources within the United States

Eligibility Conditions. You will be eligible to participate when you have completed 1 Year of Service and has agreed to contribute the amounts required by Section 4.7 of the Plan. However, you will actually enter the Plan once you reach the Entry Date as described below.

Entry Date. Your Entry Date will be the first day of the month coinciding with or next following the date you satisfy the eligibility requirements.

How is my service determined for purposes of Plan eligibility?

Year of Service. You will have completed a Year of Service if at the end of the 12-month period beginning on your date of hire you have been credited with at least 1,000 Hours of Service. If you have not been credited with 1,000 Hours of Service by the end of that period, you will have completed a Year of Service at the end of any following Plan Year during which you were credited with 1,000 Hours of Service. The Plan's "eligibility computation period" is the 12-month period for determining if a Year of Service has been completed. However, for the components of the Plan where eligibility is more than one Year of Service, if you have not been credited with 1,000 Hours of Service by the end of the 12-month period ending on the first anniversary of your first Hour of Service, you will have completed a Year of Service at the end of any following twelve month period, based on your date of hire and anniversaries thereof, during which you were credited with 1,000 Hours of Service.

Hour of Service. You will be credited with your actual Hours of Service for:

- (a) each hour for which you are directly or indirectly compensated by the Employer for the performance of duties during the Plan Year;
- (b) each hour for which you are directly or indirectly compensated by the Employer for reasons other than the performance of duties (such as vacation, holidays, sickness, disability, lay-off, military duty, jury duty or leave of absence during the Plan Year); and
- (c) each hour for back pay awarded or agreed to by the Employer.

You will not be credited for the same Hours of Service both under (a) or (b), as the case may be, and under (c).

What service is counted for purposes of Plan eligibility?

Service with the Employer. In determining whether you satisfy the minimum service requirements to participate under the Plan, all service you perform for the Employer will generally be counted. However there are some exceptions to this general rule.

Break in Service rules. If you terminate employment and are rehired, you may lose credit for prior service under the Plan's Break in Service rules.

For eligibility purposes, you will have a Break in Service if you complete 500 or fewer Hours of Service during the computation period used to determine whether you have a Year of Service. However, if you are absent from work for certain leaves of absence such as a maternity or paternity leave, you may be credited with enough Hours of Service to prevent a Break in Service.

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. If you think you may be affected by these rules, ask the Administrator for further details.

What happens if I'm a Participant, terminate employment and then I'm rehired?

If you are no longer a Participant because you terminated employment, and you are rehired, then you will be able to participate in the Plan on your date of rehire provided your prior service had not been disregarded under the Break in Service rules and you are otherwise eligible to participate in the Plan.

ARTICLE II EMPLOYEE CONTRIBUTIONS

What are employee mandatory contributions?

Mandatory contributions. In order to become a participant in the Plan, you must agree to contribute 4% of your compensation to the Plan.

You will always be 100% vested (your ownership rights) in any required amounts you elect to contribute to the Plan.

You may wish to stop making required contributions while still employed with us. You may do so by notifying us at least 10 days before the end of a pay period that you want to suspend your savings deposits.

If you stop making required contributions, you may start again at any time in accordance with the procedures we have established.

In the event you take certain hardship distributions from any plan maintained by your employer, you may be required to suspend making mandatory contributions for six months.

Withdrawal of mandatory contributions. You may not withdraw required contributions prior to your termination of employment.

What are rollover contributions?

What are rollover contributions?

Rollover contributions. At the discretion of the Administrator, once you become a Participant (for so long as you remain employed), you may be permitted to deposit into the Plan distributions you have received from other plans and certain IRAs. Such a deposit is called a "rollover" and may result in tax savings to you. You may ask the administrator or trustee of the other plan or IRA to directly transfer (a "direct rollover") to this Plan all or a portion of any amount that you are entitled to receive as a distribution from such plan. Alternatively, you may elect to deposit any amount eligible to be rolled over within 60 days of your receipt of the distribution. You should consult qualified counsel to determine if a rollover is in your best interest.

Rollover account. Your rollover will be accounted for in a "rollover account." You will always be 100% vested in your "rollover account" (see the Article in this Summary entitled "Vesting"). This means that you will always be entitled to all amounts in your rollover account. Rollover contributions will be affected by any investment gains or losses.

Rollover account. Your rollover(s) (if any) will be accounted for in a "rollover account." You will always be 100% vested in your "rollover account" (see the Article in this Summary entitled "Vesting"). This means that you will always be entitled to all amounts in your rollover account.

ARTICLE III EMPLOYER CONTRIBUTIONS

This Plan is a type of qualified retirement plan commonly referred to as a Money Purchase Thrift Pension Plan. To be a participant under the Plan, you must elect to reduce your compensation by a specific percentage and have that amount contributed to the Plan on an after-tax basis. This means that your after-tax contributions will not be taxed again when you withdraw those amounts from the Plan. However, any earnings attributable to your after-tax contributions that are withdrawn from the Plan will be taxable to you. You are not taxed on the amounts we contribute to the Plan on your behalf generally until you withdraw those amounts from the Plan. This Article describes the types of contributions that may be made to the Plan and how these monies will be allocated to your account to provide for your retirement benefit.

What is the Employer pension contribution and how is it allocated?

Employer contribution. Each year that you are eligible to share in contributions, your Employer will contribute an amount equal to 8% of your compensation.

What are qualified nonelective contributions?

Qualified nonelective contribution. Your employer may make additional contributions that are called "qualified nonelective contributions," which are usually made for the purpose of enabling certain nondiscrimination tests to be met. Such contributions are 100% vested, and are subject to restrictions on when such amounts may be distributed.

ARTICLE IV COMPENSATION AND ACCOUNT BALANCE

What compensation is used to determine my Plan benefits?

Definition of compensation. For the purposes of the Plan, compensation has a special meaning. Compensation is generally defined as your total compensation that is subject to income tax and paid to you by your Employer during the Plan Year. If you are a self-employed individual, your compensation will be equal to your earned income. The following describes the adjustments to compensation.

Adjustments to compensation. The following adjustments to compensation will be made:

- salary deferrals to any other plan or arrangement (such as a cafeteria plan) will be excluded
- compensation paid prior to your becoming a Participant will be excluded

- compensation paid after you terminate is generally excluded for Plan purposes. However, the following amounts will be included in compensation even though they are paid after you terminate employment, provided these amounts would otherwise have been considered compensation as described above:

- compensation paid after you terminate employment for services performed during your regular working hours, or for services outside your regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments that would have been made to you had you continued employment, provided such amounts are paid within 2 1/2 months after you terminate employment, or if later, the last day of the Plan Year in which you terminate employment

- compensation paid for unused accrued bona fide sick, vacation or other leave, if such amounts would have been included in compensation if paid prior to your termination of employment and you would have been able to use the leave if employment had continued, provided such amounts are paid within 2 1/2 months after you terminate employment, or if later, the last day of the Plan Year in which you terminate employment

- nonqualified unfunded deferred compensation if the payment is includible in gross income and would have been paid to you had you continued employment, provided such amounts are paid within 2 1/2 months after you terminate employment, or if later, the last day of the Plan Year in which you terminate employment

Is there a limit on the amount of compensation which can be considered?

The Plan, by law, cannot recognize annual compensation in excess of a certain dollar limit. The limit for the Plan Year beginning in 2016 is \$265,000. After 2016, the dollar limit may increase for cost-of-living adjustments.

Is there a limit on how much can be contributed to my account each year?

Generally, the law imposes a maximum limit on the amount of contributions that may be made to your account and any other amounts allocated to any of your accounts during the Plan Year, excluding earnings. Beginning in 2016, this total cannot exceed the lesser of \$53,000 or 100% of your annual compensation. After 2016, the dollar limit may increase for cost-of-living adjustments.

How is the money in the Plan invested?

The Trustee of the Plan has been designated to hold the assets of the Plan for the benefit of Plan Participants and their beneficiaries in accordance with the terms of this Plan. The trust fund established by the Plan's Trustee will be the funding medium used for the accumulation of assets from which Plan benefits will be distributed.

The instructions must be followed in giving investment directions. If you fail to do so, then your investment directions need not be followed. You are not required to direct investments. If you choose not to direct investments, then the Trustee is responsible for investing your accounts in a prudent manner.

Earnings or losses. When you direct investments, your accounts are segregated for purposes of determining the earnings or losses on these investments. Your account does not share in the investment performance of other Participants who have directed their own investments. You should remember that the amount of your benefits under the Plan will depend in part upon your choice of investments. Gains as well as losses can occur and your Employer, the Administrator, and the Trustee will not provide investment advice or guarantee the performance of any investment you choose.

Participant Statements. Periodically, you will receive a benefit statement that provides information on your account balance and your investment returns. It is your responsibility to notify the Administrator of any errors you see on any statements within 30 days after the statement is provided or made available to you.

Will Plan expenses be deducted from my account balance?

Expenses allocated to all accounts. The Plan permits the payment of Plan expenses to be made from the Plan's assets. If expenses are paid using the Plan's assets, then the expenses will generally be allocated among the accounts of all Participants in the Plan. These expenses will be allocated either proportionately based on the value of the account balances or as an equal dollar amount based on the number of Participants in the Plan. The method of allocating the expenses depends on the nature of the expense itself. For example, certain administrative (or recordkeeping) expenses would typically be allocated proportionately to each Participant. If the Plan pays \$1,000 in expenses and there are 100 Participants, your account balance would be charged \$10 (\$1,000/100) of the expense.

Expenses allocated to individual accounts. There are certain other expenses that may be paid just from your account. These are expenses that are specifically incurred by, or attributable to, you. For example, if you are married and get divorced, the Plan may incur additional expenses if a court mandates that a portion of your account be paid to your ex-spouse. These additional expenses may be paid directly from your account (and not the accounts of other Participants) because they are directly attributable to you under the Plan. The Administrator will inform you when there will be a charge (or charges) directly to your account.

Your Employer may, from time to time, change the manner in which expenses are allocated.

ARTICLE V VESTING

What is my vested interest in my account?

In order to reward employees who remain employed with the Employer for a long period of time, the law permits a "vesting schedule" to be applied to certain contributions that your Employer makes to the Plan. This means that you will not be entitled ("vested") in all of the contributions until you have been employed with the Employer for a specified period of time.

100% vested contributions. You are always 100% vested (which means that you are entitled to all of the amounts) in your accounts attributable to the following contributions:

- rollover contributions
- matching contributions
- pension contributions

ARTICLE VI DISTRIBUTIONS PRIOR TO TERMINATION

Can I withdraw money from my account while working?

In-service distributions. You may be entitled to receive an in-service distribution. However, this distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement. This distribution is made at your election and will be made in accordance with the forms of distributions available under the Plan.

Conditions. Generally you may receive a distribution from the Plan prior to your termination of employment provided you satisfy any of the following condition(s):

- you have reached Normal Retirement Age

Restrictions on In-service Distributions of qualified nonelective contributions. The law restricts in-service distributions from Employer contributions which are used to satisfy special rules for plans with employee contributions. Ask the Administrator if you need more details.

Annuity waiver. If you wish to receive an in-service distribution from the Plan in a single payment from your account, you (and your spouse, if you are married) must first waive the annuity form of payment. (See the Article entitled "Benefits and Distributions Upon Termination of Employment" for a further explanation of how benefits are paid from the Plan.)

ARTICLE VII BENEFITS AND DISTRIBUTIONS UPON TERMINATION OF EMPLOYMENT

When can I get money out of the Plan?

This Plan is designed to provide you with retirement benefits. However, distributions are permitted if you die or become disabled. In addition, certain payments are permitted when you terminate employment for any other reason. The rules under which you can receive a distribution are described in this Article. The rules regarding the payment of death benefits to your beneficiary are described in the Article entitled "Benefits and Distributions Upon Death."

You may receive a distribution of the vested portion of some or all of your accounts in the Plan for the following reasons:

- termination of employment for reasons other than death, disability or retirement
- normal retirement
- disability

You may also receive distributions while you are still employed with the Employer. (See the Article entitled "Distributions Prior to Termination" for a further explanation.)

When may I withdraw my mandatory contributions?

You may withdraw the balance of your mandatory contributions and any gains from your mandatory contribution account at the same time you are entitled to a distribution of the Employer contributions to your account.

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution.

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. There may also be benefits for employees who die or become disabled while on active duty. Employees who receive wage continuation payments while in the military may benefit from recent changes in the law. Ask the Administrator for further details.

What happens if I terminate employment before death, disability or retirement?

You may elect to have your vested account balance distributed to you as soon as administratively feasible following your termination of employment. (See the question entitled "How will my benefits be paid to me?" for additional information.)

What happens if I terminate employment at Normal Retirement Date?

Normal Retirement Date. You will attain your Normal Retirement Age when you reach your 55 birthday. Your Normal Retirement Date is the first day of the month coinciding with or next following your Normal Retirement Age.

Payment of benefits. You will become 100% vested in all of your accounts under the Plan once you reach your Normal Retirement Age. However, the actual payment of benefits generally will not begin until you have terminated employment and reached your Normal Retirement Date. In such event, a distribution will be made, at your election, as soon as administratively feasible. If you remain employed past your Normal Retirement Date, you may generally defer the receipt of benefits until you actually terminate employment. In such event, benefit payments will begin as soon as feasible at your request, but not later than age 70 1/2. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

What happens if I terminate employment due to disability?

Definition of disability. Under the Plan, disability is defined as a physical or mental condition resulting from bodily injury, disease, or mental disorder which renders you incapable of continuing any gainful occupation and which constitutes total disability under the federal Social Security Act.

Payment of benefits. If you become disabled while a Participant, you will become entitled to receive 100% of your account balance. Payment of your disability benefits will be made to you as if you had retired. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

How will my benefits be paid to me?

Annuity Distribution. If you are married on the date your benefits are to begin, you will automatically receive a joint and 50% survivor annuity, unless you elect an alternative form of payment. This means that you will receive payments for your life, and after your death, your surviving spouse will receive a monthly benefit for the remainder of his or her life equal to 50% of the benefit you were receiving at the time of your death. You may elect a joint and 75%, or 100% survivor annuity instead of the standard joint and 50% survivor annuity. You should consult an advisor before making such election.

If you are not married on the date your benefits are to begin, you will automatically receive a life annuity, unless you elect an alternative form of payment. This means you will receive payments for as long as you live. However, if your vested account balance does not exceed \$5,000, then your vested account balance may only be distributed to you in a single lump-sum payment. In determining whether your vested account balance exceeds the \$5,000 dollar threshold, "rollovers" (and any earnings allocable to "rollover" contributions) will be taken into account.

Consent requirements. You must consent to receive any distribution of your vested account balance before it may be made. In addition, if your vested account balance exceeds \$5,000 and you want the distribution to be in a form other than an annuity, you (and your spouse, if

you are married) must first waive the annuity form of payment. In determining whether your vested account balance exceeds the \$5,000 dollar threshold, "rollovers" (and any earnings allocable to "rollover" contributions) will be taken into account.

Medium of payment. Benefits under the Plan will generally be paid to you in cash or in property.

May I elect another form of benefit?

Waiver of annuity. If your vested benefit in the Plan exceeds \$5,000, then when you are about to receive any distribution, the Administrator will explain the joint and survivor annuity or the life annuity to you in greater detail. You will be given the option of waiving the joint and survivor annuity or the life annuity form of payment during the 180-day period before the annuity is to begin. IF YOU ARE MARRIED, YOUR SPOUSE MUST IRREVOCABLY CONSENT IN WRITING TO THE WAIVER IN THE PRESENCE OF A NOTARY OR A PLAN REPRESENTATIVE. You may revoke any waiver. The Administrator will provide you with forms to make these elections. Since your spouse participates in these elections, you must immediately inform the Administrator of any change in your marital status.

Other form of distribution. If your vested account balance exceeds \$5,000 and you and your spouse elect not to take a joint and survivor annuity, or if you are not married when your benefits are scheduled to begin and have elected not to take a life annuity, you may elect to receive a distribution of your vested account balance in an alternative form of payment. This payment may be made in one of the following methods:

- a single lump-sum payment
- installments over a period of not more than your assumed life expectancy (or the assumed life expectancies of you and your beneficiary)

Delaying distributions. You may delay the distribution of your vested account balance. However, if you elect to delay the distribution of your vested account balance, there are rules that require that certain minimum distributions be made from the Plan. Distributions are required to begin not later than the April 1st following the later of the end of the year in which you reach age 70 1/2 or retire. You should see the Administrator if you think you may be affected by these rules.

ARTICLE VIII BENEFITS AND DISTRIBUTIONS UPON DEATH

What happens if I die while working for the Employer?

If you die while still employed by the Employer, then 100% of your account balance will be used to provide your beneficiary with a death benefit.

Who is the beneficiary of my death benefit?

Married Participant. If you are married at the time of your death, your spouse will be the beneficiary of the entire death benefit unless an election is made to change the beneficiary. IF YOU WISH TO DESIGNATE A BENEFICIARY OTHER THAN YOUR SPOUSE, YOUR SPOUSE MUST IRREVOCABLY CONSENT TO WAIVE ANY RIGHT TO THE DEATH BENEFIT. YOUR SPOUSE'S CONSENT MUST BE IN WRITING, BE WITNESSED BY A NOTARY OR A PLAN REPRESENTATIVE AND ACKNOWLEDGE THE SPECIFIC NONSPOUSE BENEFICIARY.

If you are married and you change your designation, then your spouse must again consent to the change. In addition, you may elect a beneficiary other than your spouse without your spouse's consent if your spouse cannot be located.

Unmarried Participant. If you are not married, you may designate a beneficiary on a form to be supplied to you by the Administrator.

No beneficiary designation. At the time of your death, if you have not designated a beneficiary or your beneficiary is also not alive, the death benefit will be paid in the following order of priority to:

- (a) your surviving spouse
- (b) your children, including adopted children in equal shares (and if a child is not living, that child's share will be distributed to that child's heirs)
- (c) your surviving parents, in equal shares
- (d) your estate

How will the death benefit be paid to my beneficiary?

If you waive the annuity form of distribution or you are not married, then your beneficiary may elect an alternative form of payment. This payment may be made in:

- a single lump-sum payment
- installments over a period of not more than the assumed life expectancy of your beneficiary

When must the last payment be made to my beneficiary?

The law generally restricts the ability of a retirement plan to be used as a method of retaining money for purposes of your death estate. Thus, there are rules that are designed to ensure that death benefits are distributable to beneficiaries within certain time periods.

Regardless of the method of distribution selected, if your designated beneficiary is a person (rather than your estate or some trusts) then minimum distributions of your death benefit will begin by the end of the year following the year of your death ("1-year rule") and must be paid over a period not extending beyond your beneficiary's life expectancy. If your spouse is the beneficiary, then under the "1-year rule," the start of payments will be delayed until the year in which you would have attained age 70 1/2 unless your spouse elects to begin distributions over his or her life expectancy before then. However, instead of the "1-year rule" your beneficiary may elect to have the entire death benefit paid by the end of the fifth year following the year of your death (the "5-year rule"). Generally, if your beneficiary is not a person, your entire death benefit must be paid under the "5-year rule."

Since your spouse has certain rights to the death benefit, you should immediately report any change in your marital status to the Administrator.

What happens if I'm a Participant, terminate employment and die before receiving all my benefits?

If you terminate employment with the Employer and subsequently die, your beneficiary will be entitled to your remaining interest in the Plan at the time of your death.

ARTICLE IX TAX TREATMENT OF DISTRIBUTIONS

What are my tax consequences when I receive a distribution from the Plan?

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution. Certain distributions made to you when you are under age 59 1/2 could be subject to an additional 10% tax. You will not be taxed on your after-tax voluntary contributions to the Plan when they are distributed from the Plan. You will, however, be taxed on income attributable to those contributions.

Can I elect a rollover to reduce or defer tax on my distribution?

Rollover or Direct Transfer. You may reduce, or defer entirely, the tax due on your distribution through use of one of the following methods:

(a) **60-day rollover.** The rollover of all or a portion of the distribution to an Individual Retirement Account or Annuity (IRA) or another employer retirement plan willing to accept the rollover. This will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, **MUST** be made within strict time frames (normally, within 60 days after you receive your distribution). Under certain circumstances all or a portion of a distribution may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. For this reason, if you wish to roll over all or a portion of your distribution amount, the direct transfer option described in paragraph (b) below would be the better choice.

(b) **Direct rollover.** For most distributions, you may request that a direct transfer (sometimes referred to as a direct rollover) of all or a portion of a distribution be made to either an Individual Retirement Account or Annuity (IRA) or another employer retirement plan willing to accept the transfer. A direct transfer will result in no tax being due until you withdraw funds from the IRA or other employer plan. Like the rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct transfer. If you elect to actually receive the distribution rather than request a direct transfer, then in most cases 20% of the distribution amount will be withheld for federal income tax purposes. If you decide to directly transfer all or a portion of a distribution, you (and your spouse, if you are married) must first waive the annuity form of payment. (See the question entitled "How will my benefits be paid to me?" for a further explanation of this waiver requirement.)

Tax Notice. WHENEVER YOU RECEIVE A DISTRIBUTION THAT IS AN ELIGIBLE ROLLOVER DISTRIBUTION, THE ADMINISTRATOR WILL DELIVER TO YOU A MORE DETAILED EXPLANATION OF THESE OPTIONS. HOWEVER, THE RULES WHICH DETERMINE WHETHER YOU QUALIFY FOR FAVORABLE TAX TREATMENT ARE VERY COMPLEX. YOU SHOULD CONSULT WITH QUALIFIED TAX COUNSEL BEFORE MAKING A CHOICE.

ARTICLE X PROTECTED BENEFITS

Are my benefits protected?

As a general rule, your interest in your account, including your "vested interest," may not be alienated. This means that your interest may not be sold, used as collateral for a loan, given away or otherwise transferred. In addition, your creditors (other than the IRS) may not attach, garnish or otherwise interfere with your benefits under the Plan.

Are there any exceptions to the general rule?

There are some exceptions to this general rule. The Administrator must honor a "qualified domestic relations order." A "qualified domestic relations order" is defined as a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, child or other dependent. If a qualified domestic relations order is received by the Administrator, all or a portion of your benefits may be used to satisfy that obligation. The Administrator will determine the validity of any domestic relations order received. You and your beneficiaries can obtain from the Administrator, without charge, a copy of the procedure used by the Administrator to determine whether a qualified domestic relations order is valid.

Another exception applies if you are involved with the Plan's operation. If you are found liable for any action that adversely affects the Plan, the Administrator can offset your benefits by the amount that you are ordered or required by a court to pay the Plan. All or a portion of your benefits may be used to satisfy any such obligation to the Plan. The last exception applies to federal tax levies and judgments. The federal government is able to use your interest in the Plan to enforce a federal tax levy and to collect a judgment resulting from an unpaid tax assessment.

Can the Plan be amended?

Your Employer has the right to amend the Plan at any time. In no event, however, will any amendment authorize or permit any part of the Plan assets to be used for purposes other than the exclusive benefit of Participants or their beneficiaries. Additionally, no amendment will cause any reduction in the amount credited to your account.

What happens if the Plan is discontinued or terminated?

Although your Employer intends to maintain the Plan indefinitely, your Employer reserves the right to terminate the Plan at any time. Upon termination, no further contributions will be made to the Plan and all amounts credited to your accounts will continue to be 100% vested. Your Employer will direct the distribution of your accounts in a manner permitted by the Plan as soon as practicable. (See the question entitled "How will my benefits be paid to me?" for a further explanation.) You will be notified if the Plan is terminated.

ARTICLE XI GENERAL INFORMATION ABOUT THE PLAN

There is certain general information which you may need to know about the Plan. This information has been summarized for you in this Article.

Plan Name

The full name of the Plan is Montgomery Township 401(a) Money Purchase Pension Plan.

Plan Number

Your Employer has assigned Plan Number 002 to your Plan.

Plan Effective Dates

This Plan was originally effective on January 1, 1986. The amended and restated provisions of the Plan become effective on January 1, 2016. However, this restatement was made to conform the Plan to new tax laws and some provisions may be retroactively effective.

Other Plan Information

Valuations of the Plan assets are generally made annually on the last day of the Plan Year and may include any other date or dates deemed necessary or appropriate by the Administrator for the valuation of the Participants' Accounts during the Plan Year. Certain distributions are based on the Anniversary Date of the Plan. This date is the last day of the Plan Year.

The Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year begins on January 1st and ends on December 31st.

The Plan and Trust will be governed by the laws of Pennsylvania (to the extent not governed by federal law).

Service of legal process may be made upon your Employer. Service of legal process may also be made upon the Trustee or Administrator.

Employer Information

Your Employer's name, address and identification number are:

Montgomery Township
1001 Stump Road
Montgomeryville, Pennsylvania 19446
23-6005687

Administrator Information

The Administrator is responsible for the day-to-day administration and operation of the Plan. For example, the Administrator maintains the Plan records, including your account information, provides you with the forms you need to complete for Plan participation, and directs the payment of your account at the appropriate time. The Administrator will also allow you to review the formal Plan document and certain other materials related to the Plan. If you have any questions about the Plan or your participation, you should contact the Administrator. The Administrator may designate other parties to perform some duties of the Administrator.

The Administrator has the complete power, in its sole discretion, to determine all questions arising in connection with the administration, interpretation, and application of the Plan (and any related documents and underlying policies). Any such determination by the Administrator is conclusive and binding upon all persons.

Your Administrator's name and contact information are:

Montgomery Township
1001 Stump Road
Montgomeryville, Pennsylvania 19446
215-393-6900

Plan Trustee Information and Plan Funding Medium

All money that is contributed to the Plan is held in a trust fund. The Trustee is responsible for the safekeeping of the trust fund. The trust fund established by the Plan's Trustee(s) will be the funding medium used for the accumulation of assets from which benefits will be distributed. While all the Plan assets are held in a trust fund, the Administrator separately accounts for each Participant's interest in the Plan.

The Plan's Trustee is:

Mid Atlantic Trust Company
1251 Waterfront Place
Pittsburgh, Pennsylvania 15222

Special Trustee. The Plan Administrator is referred to as the Special Trustee. The sole responsibility of the Special Trustee is to collect contributions owed to the Plan. No other Trustee has the responsibility to collect contributions owed to the Plan.

- [] **Distribution following termination.** Distribution of account upon termination of employment, including preparation of required notices and elections, distribution check or transfer of funds by direct rollover, as appropriate, and tax reporting forms.
Amount: \$ _____
- [] **Limitation on small account distributions.** Notwithstanding the foregoing charge, the Plan will not charge any fee for processing a distribution if the Participant's vested account balance, before the imposition of any administrative charge, does not exceed
\$ _____
- [] **Installment distribution.** Installment distributions, including preparation of periodic required notices and elections, distribution checks and additional calculation of distribution amounts if necessary, and tax reporting forms.
Amount: \$ _____
- [] **Administrative processing fee to eliminate certain small account distributions.** If the Participant's account is distributable (for example, upon termination of employment) and the distribution process fee equals or exceeds the Participant's account balance, the Plan will charge the processing fee against the vested account balance, resulting in the elimination of the account balance without any distribution to the Participant.

- [] **Participant loan.** Participant loan application fee (includes processing and document preparation) and annual maintenance fee.

Amount of application fee: \$ _____

Amount of annual maintenance fee: \$ _____

- [] **QDRO.** Qualified domestic relations order ("QDRO") review and processing, including notices to parties and preparation of QDRO distribution check. In addition to the amount indicated below, the Plan will charge the Participant's account for actual legal expenses and costs if the Plan consults with legal counsel regarding the qualified status of the order.

Amount: \$ _____

- [] **In-service distribution.** In-service distribution, including application processing and preparation of required notices, elections and distribution check.

Amount: \$ _____

- [] **RMD.** Required minimum distributions, including annual calculation of required minimum distribution and preparation of required notices, elections and distribution check.

Amount: \$ _____

- [] **Participant direction of investment: brokerage account option.** Annual fee for use of brokerage account option. *Note:* This fee is in addition to any costs associated with the Participant's investment decisions, which automatically will be charged against a Participant's account (e.g., broker's fees, other transactional charges, valuation or appraisal fees).

Amount: \$ _____

- [] **Benefit calculation.** Calculation of benefits, including determination of substantially equal payments.

Amount: \$ _____

- [] **Terminated employee.** After you terminate employment, your Employer reserves the right to charge your account for your pro rata share of the Plan's administration expenses, regardless of whether your Employer pays some of these expenses on behalf of current employees.

[] **Other (describe)** _____

[] **Other (describe)** _____

[] **Other (describe)** _____

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Consider Authorization to Execute an Adoption Agreement for the ICMA-RC 401 Money Purchase Plan & Trust for the DROP Police Pension Plan.

MEETING DATE: April 25, 2016

ITEM NUMBER: #11

MEETING/AGENDA:

ACTION: NONE

REASON FOR CONSIDERATION: Operational: XX Policy: Discussion: Information:

INITIATED BY: Ami Tarburton, Finance Director, Treasurer
Ann M. Shade, Director of Admin & HR

BOARD LIAISON: Jeffrey W. McDonnell
Liaison to the Pension Plans

BACKGROUND:

The Township uses the International City/County Management Association Retirement Corporation (ICMA-RC) to hold the funds for and manage the Deferred Retirement Option Plan (DROP) account for the Police Pension Plan. ICMA-RC have advised us that action is required to readopt the plan agreement in order to ensure that our 401 plan with ICMA-RC continues to be operated in accordance with IRS regulations. The IRS has a six-year review schedule for recertification of these types of 401 plan documents. In the past ICMA-RC has utilized a negative election adoption process to conduct the recertification process however this year, per instructions from the IRS, each plan sponsor is required to execute a new adoption agreement, as presented, by April 30, 2016.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

None.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

None.

RECOMMENDATION:

It is recommended that the Board of Supervisors authorize execution of the ICMA Retirement Corporation Governmental Money Purchase Plan & Trust Adoption Agreement.

MOTION/RESOLUTION:

BE IT RESOLVED by the Board of Supervisors of Montgomery Township that we hereby authorize execution of the ICMA Retirement Corporation Governmental Money Purchase Plan & Trust Adoption Agreement.

MOTION: _____

SECOND: _____

ROLL CALL:

Robert J. Birch	Aye	Opposed	Abstain	Absent
Candyce Fluehr Chimera	Aye	Opposed	Abstain	Absent
Michael J. Fox	Aye	Opposed	Abstain	Absent
Jeffrey W. McDonnell	Aye	Opposed	Abstain	Absent
Joseph P. Walsh	Aye	Opposed	Abstain	Absent

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

Ami Tarburton, Finance Director, Treasurer

ICMA RETIREMENT CORPORATION

GOVERNMENTAL MONEY PURCHASE PLAN & TRUST ADOPTION AGREEMENT



**ICMA RETIREMENT CORPORATION
GOVERNMENTAL MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT**

Plan Number 106223

The Employer hereby establishes a Money Purchase Plan and Trust to be known as MONTGOMERY TOWNSHIP DROP
(the "Plan") in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust.

This Plan is an amendment and restatement of an existing defined contribution money purchase plan.

☒ Yes ☐ No

If yes, please specify the name of the defined contribution money purchase plan which this Plan hereby amends and restates:

MONTGOMERY TOWNSHIP DROP

I. Employer: MONTGOMERY TOWNSHIP DROP

II. Effective Dates

- ☒ 1. **Effective Date of Restatement.** If this document is a restatement of an existing plan, the effective date of the Plan shall be January 1, 2007 unless an alternate effective date is hereby specified: _____

(Note: An alternate effective date can be no earlier than January 1, 2007.)

- ☐ 2. **Effective Date of New Plan.** If this is a new Plan, the effective date of the Plan shall be the first day of the Plan Year during which the Employer adopts the Plan, unless an alternate Effective Date is hereby specified:

3. **Special Effective Dates.** Please note here any elections in the Adoption Agreement with an effective date that is different from that noted in 1. or 2. above.

(Note provision and effective date.)

III. Plan Year will mean:

- ☒ The twelve (12) consecutive month period which coincides with the limitation year. (See Section 5.03(f) of the Plan.)
- ☐ The twelve (12) consecutive month period commencing on _____ and each anniversary thereof.

IV. Normal Retirement Age shall be age 65.0 (not to exceed age 65).

Important Note to Employers: Normal Retirement Age is significant for determining the earliest date at which the Plan may allow for in-service distributions. Normal Retirement Age also defines the latest date at which a Participant must have a fully vested right to his/her Account. There are IRS rules that limit the age that may be specified as the Plan's Normal Retirement Age. The Normal Retirement Age cannot be earlier than what is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed. An age under 55 is presumed not to satisfy this requirement, unless the Commissioner of Internal Revenue determines that the facts and circumstances show otherwise.

Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good

Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good faith, reasonable determination will generally be given deference. A special rule, however, applies in the case of a plan where substantially all of the participants in the plan are qualified public safety employees within the meaning of section 72(t)(10)(B) of the Code, in which case an age of 50 or later is deemed not to be earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed.

V. ELIGIBILITY REQUIREMENTS

1. The following group or groups of Employees are eligible to participate in the Plan:

- ☐ All Employees
- ☐ All Full Time Employees
- ☐ Salaried Employees
- ☐ Non union Employees
- ☐ Management Employees
- ☐ Public Safety Employees
- ☐ General Employees
- ☒ Other Employees (Specify the group(s) of eligible employees below. Do not specify employees by name. Specific positions are acceptable.) police DROP participants

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other material in effect in the state or locality of the Employer. The eligibility requirements cannot be such that an Employee becomes eligible only in the Plan Year in which the Employee terminates employment. **Note:** As stated in Sections 4.07 and 4.08, the Plan may, however, provide that Final Pay Contributions or Accrued Leave Contributions are the only contributions made under the Plan.

2. The Employer hereby waives or reduces the requirement of a twelve (12) month Period of Service for participation. The required Period of Service shall be (write N/A if an Employee is eligible to participate upon employment) N/A.

If this waiver or reduction is elected, it shall apply to all Employees within the Covered Employment Classification.

3. A minimum age requirement is hereby specified for eligibility to participate. The minimum age requirement is N/A (not to exceed age 21. Write N/A if no minimum age is declared.)

VI. CONTRIBUTION PROVISIONS

1. **The Employer shall contribute as follows:** (Choose all that apply, but at least one of Options A or B. If Option A is not selected, Employer must pick up Participant Contributions under Option B.)

Fixed Employer Contributions With or Without Mandatory Participant Contributions. (If Option B is chosen, please complete section C.)

- ☐ A. Employer Contributions. The Employer shall contribute on behalf of each Participant _____% of Earnings or \$ _____ for the Plan Year (subject to the limitations of Article V of the Plan).

Mandatory Participant Contributions

- ☐ are required ☐ are not required

to be eligible for this Employer Contribution.

- ☐ B. Mandatory Participant Contributions for Plan Participation.

Required Mandatory Contributions. A Participant is required to contribute (subject to the limitations of Article V of the Plan) the specified amounts designated in items (i) through (iii) of the Contribution Schedule below:

- ☐ Yes ☐ No

Employee Opt-In Mandatory Contributions. Each Employee eligible to participate in the Plan shall be given the opportunity to irrevocably elect to participate in the Mandatory Participant Contribution portion of the Plan by electing to contribute the specified amounts designated in items (i) through (iii) of the Contribution Schedule below for each Plan Year (subject to the limitations of Article V of the Plan):

☐ Yes ☐ No

Contribution Schedule.

- (i) _____ % of Earnings,
(ii) \$ _____, or
(iii) a whole percentage of Earnings between the range of _____ (insert range of percentages between 1% and 20% inclusive (e.g., 3%, 6%, or 20%; 5% to 7%)), as designated by the Employee in accordance with guidelines and procedures established by the Employer for the Plan Year as a condition of participation in the Plan. A Participant must pick a single percentage and shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

Employer "Pick up". The Employer hereby elects to "pick up" the Mandatory Participant Contributions¹ (pick up is required if Option A is not selected).

☒ Yes ☐ No (*"Yes" is the default provision under the Plan if no selection is made.*)

- ☐ C. **Election Window** (Complete if Option B is selected):
Newly eligible Employees shall be provided an election window of _____ days (no more than 60 calendar days) from the date of initial eligibility during which they may make the election to participate in the Mandatory Participant Contribution portion of the Plan. Participation in the Mandatory Participant Contribution portion of the Plan shall begin the first of the month following the end of the election window.

An Employee's election is irrevocable and shall remain in force until the Employee terminates employment or ceases to be eligible to participate in the Plan. In the event of re-employment to an eligible position, the Employee's original election will resume. In no event does the Employee have the option of receiving the pick-up contribution amount directly.

2. The Employer may also elect to contribute as follows:

- ☐ A. **Fixed Employer Match of Voluntary After-Tax Participant Contributions.** The Employer shall contribute on behalf of each Participant _____ % of Earnings for the Plan Year (subject to the limitations of Article V of the Plan) for each Plan Year that such Participant has contributed _____ % of Earnings or \$ _____. Under this option, there is a single, fixed rate of Employer contributions, but a Participant may decline to make the required Participant contributions in any Plan Year, in which case no Employer contribution will be made on the Participant's behalf in that Plan Year.
- ☐ B. **Variable Employer Match of Voluntary After-Tax Participant Contributions.** The Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Article V of the Plan):
_____ % of the Voluntary Participant Contributions made by the Participant for the Plan Year (not including Participant contributions exceeding _____ % of Earnings or \$ _____);

¹ Neither an IRS advisory letter nor a determination letter issued to an adopting Employer is a ruling by the Internal Revenue Service that Participant contributions that are "picked up" by the Employer are not includable in the Participant's gross income for federal income tax purposes. Pick-up contributions are not mandated to receive private letter rulings; however, if an adopting employer wishes to receive a ruling on pick-up contributions they may request one in accordance with Revenue Procedure 2012-4 (or subsequent guidance).

PLUS _____% of the contributions made by the Participant for the Plan Year in excess of those included in the above paragraph (but not including Voluntary Participant Contributions exceeding in the aggregate _____% of Earnings or \$ _____).

Employer Matching Contributions on behalf of a Participant for a Plan Year shall not exceed \$ _____ or _____% of Earnings, whichever is _____ more or _____ less.

3. Each Participant may make a voluntary (unmatched), after tax contribution, subject to the limitations of Section 4.05 and Article V of the Plan:

☐ Yes ☐ No (*"No" is the default provision under the Plan if no selection is made.*)

4. Employer contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

BI-WEEKLY

5. Participant contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

BI-WEEKLY

6. In the case of a Participant performing qualified military service (as defined in Code section 414(u)) with respect to the Employer:

- A. Plan contributions will be made based on differential wage payments:

☐ Yes ☒ No (*"Yes" is the default provision under the Plan if no selection is made.*)

If yes is selected, this is effective beginning January 1, 2009 unless another later effective date is filled in here:

- B. Participants who die or become disabled will receive Plan contributions with respect to such service:

☐ Yes ☒ No (*"No" is the default provision under the Plan if no selection is made.*)

If yes is selected, this is effective for participants who died or became disabled while performing qualified military service on or after January 1, 2007, unless another later effective date is filled in here:

VII. EARNINGS

Earnings, as defined under Section 2.09 of the Plan, shall include:

1. Overtime
☐ Yes ☒ No
2. Bonuses
☐ Yes ☒ No
3. Other Pay (specifically describe any other types of pay to be included below)

VIII. ROLLOVER PROVISIONS

1. The Employer will permit rollover contributions in accordance with Section 4.12 of the Plan:
☒ Yes ☐ No (*"Yes" is the default provision under the Plan if no selection is made.*)
2. Direct rollovers by non-spouse beneficiaries are effective for distributions after 2006 unless the Plan delayed making them available. If the Plan delayed making such rollovers available, check the box below and indicate the later effective date in the space provided.
☐ Effective Date is _____
(*Note: Plans must offer direct rollovers by non-spouse beneficiaries no later than plan years beginning after December 31, 2009.*)

IX. LIMITATION ON ALLOCATIONS

If the Employer maintains or ever maintained another qualified plan in which any Participant in this Plan is (or was) a participant or could possibly become a participant, the Employer hereby agrees to limit contributions to all such plans as provided herein, if necessary in order to avoid excess contributions (as described in Section 5.02 of the Plan).

1. If the Participant is covered under another qualified defined contribution plan maintained by the Employer, the provisions of Section 5.02(a) through (e) of the Plan will apply unless another method has been indicated below.
☐ Other Method. (Provide the method under which the plans will limit total Annual Additions to the Maximum Permissible Amount, and will properly reduce any excess amounts, in a manner that precludes Employer discretion.)
2. The Limitation Year is the following 12 consecutive month period: _____
3. Unless the Employer elects a delayed effective date below, Article 5 of the Plan will apply to limitations years beginning on or after July 1, 2007. _____
(*The effective date listed cannot be later than 90 days after the close of the first regular legislative session of the legislative body with authority to amend the plan that begins on or after July 1, 2007.*)

X. VESTING PROVISIONS

The Employer hereby specifies the following vesting schedule, subject to (1) the minimum vesting requirements and (2) the concurrence of the Plan Administrator. (For the blanks below, enter the applicable percent – from 0 to 100 (with no entry after the year in which 100% is entered), in ascending order.)

Period of Service Completed	Percent Vested
Zero	100 %
One	100 %
Two	100 %
Three	100 %
Four	100 %
Five	100 %
Six	100 %
Seven	100 %
Eight	100 %
Nine	100 %
Ten	100 %

XI. WITHDRAWALS AND LOANS

1. In-service distributions are permitted under the Plan after a participant attains (select one of the below options):

- ☐ Normal Retirement Age
☒ Age 70½ (*"70½" is the default provision under the Plan if no selection is made.*)
☐ Alternate age (after Normal Retirement Age): _____
☐ Not permitted at any age

2. A Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services for more than 30 days.

- ☒ Yes ☐ No (*"Yes" is the default provision under the plan if no selection is made.*)

3. Tax-free distributions of up to \$3,000 for the direct payment of qualifying insurance premiums for eligible retired public safety officers are available under the Plan.

- ☐ Yes ☒ No (*"No" is the default provision under the Plan if no selection is made.*)

4. In-service distributions of the Rollover Account are permitted under the Plan, as provided in Section 9.07.

- ☐ Yes ☒ No (*"No" is the default provision under the Plan if no selection is made.*)

5. Loans are permitted under the Plan, as provided in Article XIII of the Plan:

- ☐ Yes ☒ No (*"No" is the default provision under the Plan if no selection is made.*)

XII. SPOUSAL PROTECTION

The Plan will provide the following level of spousal protection (select one):

- ☐ 1. Participant Directed Election. The normal form of payment of benefits under the Plan is a lump sum. The Participant can name any person(s) as the Beneficiary of the Plan, with no spousal consent required.
- ☒ 2. Beneficiary Spousal Consent Election (Article XII). The normal form of payment of benefits under the Plan is a lump sum. Upon death, the surviving spouse is the Beneficiary, unless he or she consents to the Participant's naming another Beneficiary. (***"Beneficiary Spousal Consent Election" is the default provision under the Plan if no selection is made.***)
- ☐ 3. QJSA Election (Article XVII). The normal form of payment of benefits under the Plan is a 50% qualified joint and survivor annuity with the spouse (or life annuity, if single). In the event of the Participant's death prior to commencing payments, the spouse will receive an annuity for his or her lifetime. (If C is selected, the spousal consent requirements in Article XII also will apply.)

XIII. FINAL PAY CONTRIBUTIONS

The Plan will provide for Final Pay Contributions if either 1 or 2 below is selected.

The following group of Employees shall be eligible for Final Pay Contributions:

- ☐ All Eligible Employees
- ☐ Other: _____ N/A

Final Pay shall be defined as (select one):

- ☐ A. Accrued unpaid vacation
- ☐ B. Accrued unpaid sick leave
- ☐ C. Accrued unpaid vacation and sick leave
- ☐ D. Other (*insert definition of Final Pay – must be leave that Employee would have been able to use if employment had continued and must be bona fide vacation and/or sick leave*):

- ☐ 1. **Employer Final Pay Contribution.** The Employer shall contribute on behalf of each Participant _____ % of Final Pay to the Plan (subject to the limitations of Article V of the Plan).
- ☐ 2. **Employee Designated Final Pay Contribution.** Each Employee eligible to participate in the Plan shall be given the opportunity at enrollment to irrevocably elect to contribute ____ % (insert fixed percentage of final pay to be contributed) or up to _____ % (insert maximum percentage of final pay to be contributed) of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XIV. ACCRUED LEAVE CONTRIBUTIONS

The Plan will provide for accrued unpaid leave contributions annually if either 1 or 2 is selected below.

The following group of Employees shall be eligible for Accrued Leave Contributions:

- ☐ All Eligible Employees
- ☐ Other: _____ N/A

Accrued Leave shall be defined as (select one):

- ☐ A. Accrued unpaid vacation
- ☐ B. Accrued unpaid sick leave
- ☐ C. Accrued unpaid vacation and sick leave
- ☐ D. Other (insert definition of accrued leave that is bona fide vacation and/or sick leave):

- ☐ 1. **Employer Accrued Leave Contribution.** The Employer shall contribute as follows (choose one of the following options):

- ☐ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant the unused Accrued Leave in excess of _____ (insert number of hours/days/weeks (circle one)) to the Plan (subject to the limitations of Article V of the Plan).
- ☐ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant _____% of unused Accrued Leave to the Plan (subject to the limitations of Article V of the Plan).

- ☐ 2. **Employee Designated Accrued Leave Contribution.**

Each eligible Participant shall be given the opportunity at enrollment to irrevocably elect to contribute _____% (insert fixed percentage of accrued unpaid leave to be contributed) or up to _____% (insert maximum percentage of accrued unpaid leave to be contributed) of Accrued Leave to the Plan (subject to the limitations of Article V of the Plan). Once elected, an Employee's election shall remain in force and may not be revised or revoked.

- XV. The Employer hereby attests that it is a unit of state or local government or an agency or instrumentality of one or more units of state or local government.

- XVI. The Employer understands that this Adoption Agreement is to be used with only the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust. This ICMA Retirement Corporation Governmental Money Purchase Plan and Trust is a restatement of a previous plan, which was submitted to the Internal Revenue Service for approval on April 2, 2012, and received approval on March 31, 2014.

The Plan Administrator hereby agrees to inform the Employer of any amendments to the Plan made pursuant to Section 14.05 of the Plan or of the discontinuance or abandonment of the Plan. The Employer understands that an amendment(s) made pursuant to Section 14.05 of the Plan will become effective within 30 days of notice of the amendment(s) unless the Employer notifies the Plan Administrator, in writing, that it disapproves of the amendment(s). If the Employer so disapproves, the Plan Administrator will be under no obligation to act as Administrator under the Plan.

- XVII. The Employer hereby appoints the ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST.

The Employer hereby agrees to the provisions of the Plan and Trust.

XVIII. The Employer hereby acknowledges it understands that failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

XIX. An adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under section 401 of the Internal Revenue Code to the extent provided in applicable IRS revenue procedures and other official guidance.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this 25th day of April, 2016.

EMPLOYER

ICMA RETIREMENT CORPORATION
777 North Capitol St., NE Suite 600
Washington, DC 20002
800-326-7272

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Attest: _____

Attest: _____



ICMA RETIREMENT CORPORATION
777 NORTH CAPITOL STREET, NE | WASHINGTON, DC 20002-4240
800-669-7400
WWW.ICMARC.ORG
BRC000-214-21268-201405-W1303

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Presentation of 1st Quarter 2016 Budget Report

MEETING DATE: April 25, 2016

ITEM NUMBER: #12

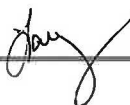
MEETING/AGENDA:

ACTION

NONE

REASON FOR CONSIDERATION: Operational: Policy: Discussion: xx Information:

INITIATED BY: Ami Tarburton
Finance Director



BOARD LIAISON: Robert J. Birch, Supervisor
Liaison – Finance Committee

BACKGROUND:

The Finance Department has completed the 1st Quarter 2016 Budget Report. Please see the attached documentation.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

None.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

None.

RECOMMENDATION:

Accept the 1st Quarter budget report.

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.



**MONTGOMERY TOWNSHIP
BOARD OF SUPERVISORS**

1001 STUMP ROAD
MONTGOMERYVILLE, PA 18936-9605

Telephone: 215-393-6900 • Fax: 215-855-6656

www.montgomerytwp.org

**ROBERT J. BIRCH
CANDYCE FLUEHR CHIMERA
MICHAEL J. FOX
JEFFREY W. McDONNELL
JOSEPH P. WALSH**

**LAWRENCE J. GREGAN
TOWNSHIP MANAGER**

To: Distribution
From: Ami Tarburton, Finance Director
Date: April 18, 2016
Subject: Budget Status as of March 31, 2016

This memo will summarize the Year-to-Date operating results through March 31, 2016 and identify the significant activities in fund balance, revenues and expenditures. This summary was prepared based on the financial records enclosed in this packet.

- **Exhibit A - Statement of Changes in the General Fund Balance.** This statement helps us monitor our annual General Fund budget as well as our current General Fund balance.
- **Exhibit B - Capital Reserve Fund Analysis.** This report shows balances held in Capital Reserve for both designated and undesignated purposes.
- **Exhibit C - Chart Comparing General Fund Cash Balances 2015 – 2016.** This report shows our general Fund Cash position during the year as compared to the prior year and assists us in projecting cash flow needs for investment purposes.
- **Exhibit D - Local Enabling Tax Revenue comparison graph for 2015-2016** detailing each of the tax revenue streams for the General Fund.
- **Exhibit E – Earned Income Tax Revenue comparison for 2011-2015 and projection for 2016.**
- **Additional Reports included – Tax Collector's Monthly Report, Business Tax Office Monthly Report.**

Budget Status Report
1st Quarter 2016

General Fund 01 - Fund Balance

During the 1st Quarter of 2016, the Township received \$5M or 39% of 2016 General Fund Budgeted Revenues, which was 11% more than the \$4.5M in revenues received during the 1st Quarter 2015 and is solidly ahead of the 2016 budget. General Fund Expenditures during the 1st Quarter 2016 were \$2.3M which was 5% higher than the \$2.2M in Expenditures during the 1st Quarter 2015. This increase is mostly attributable to increased legal expenses, along with the costs associated with maintaining the Township's superior road conditions throughout the January Winter Storm. Overall, expenditures in each department are consistent with the 2016 budgeted expenditures.

At the end of the 1st Quarter 2016 the General Fund Balance was \$7.3M, an increase of 40% above the 1st Quarter 2015 fund balance of \$5.2M. This increase is due to the fact that the 2015 General Fund surplus transfer of \$1.7M was approved and completed in April of 2016. The various Revenue and Expenditure details are discussed in more detail below.

General Fund – 01
Revenues and Expenditures

- Tax Revenues - These revenues represent 84% of all budgeted General Fund revenues.
 - Real Estate Tax revenues as of March 31st are up 10% (\$18.1K) as compared to same period prior year. The end of April will be a more telling indicator of the revenues for the year as April 30th is the end of the discount period for Real Estate Taxes.
 - Earned Income Tax (EIT) revenues for March are up 7.6% (\$102K) from same period prior year and are in line with the 2016 budget.
 - Mercantile Tax revenues are up 14.9% (\$255K) and Business Privilege revenues are up 6.3% (\$41K) from March 2015. The due date for these taxes was March 15th. About 95% of the anticipated taxes have been received and revenues are currently in line with budget. As of March 31st, we have processed tax returns for 856 of our 1344 registered businesses, and to date we have processed 920 returns (~70%).
 - LST revenues are up 20% from March 2015. The first due date of the 2015 fiscal year is April 30th.

Budget Status Report 1st Quarter 2016

- Permits and License Fees – This collective group of revenues is reporting 1.6% (\$5.4K) above the prior year and is within 3% of budget for the year. Permit activities tend to increase entering the late spring/early summer months.
- Other Revenue Sources - This includes fines, interest, grants, etc. These revenues make up only 7% of the total budgeted revenues. They are 30% (\$17.6K) above prior year revenues for March but 15% below the anticipated budget for this period of time. This is related mainly to the timing of receipts.

- Expenditures

Overall expenditures for the 1st quarter are 5.8% (\$128.5K) above prior year. As discussed earlier, this increase is mostly a result of increased legal expenses and the costs associated with maintaining the Township roads throughout the January Winter Storm. Total General Fund expenditures are 5% under the budgeted expenditures for the 1st Quarter of 2016.

FUNDS 04 – 99

Fire Fund - 04

Revenues and Expenditures

Expenditures through the 1st Quarter 2016 for the Fire Fund were \$200K or 20% of budget. Revenues through the 1st Quarter 2016 were \$264K or 27% of Budget. The 1st Quarter revenues include the transfer of 25% of the \$310,000 EIT allocation to the Fire Fund and 25% of the Local Services Tax receipts budgeted to equal ~\$125K to the Fire Fund for 2016. In summary, the Fire Fund is performing on target with the budget.

Park and Recreation Fund - 05

Revenues and Expenditures

Expenditures through the 1st Quarter for the Park Fund were \$84K or 15% of budget. Revenues through the 1st Quarter 2016 are \$53K or 11% of budget. The largest revenue source for Fund 05 is real estate tax millage. With the discount period ending April 30, the 2nd quarter should be more telling of performance to budget. In summary, no significant budget variances have been identified at this time.

Budget Status Report
1st Quarter 2016

Basin Maintenance Fund - 06
Revenues and Expenditures

Expenditures through the 1st Quarter for the Basin Maintenance Fund were \$14K or 17% of budget. The current Township policy is that detention basins will remain the responsibility of the contractor or a Home Owner's Association. Therefore, the only revenue to this fund will be interest and the fund balance will continue to be drawn down for maintenance of existing Township basins. This fund may be impacted in the future by the new Storm water Management regulations.

Street Light Fund - 07
Revenues and Expenditures

Expenditures through the 1st Quarter for the Street Light Fund were \$37K or 26% of budget. Revenues to this fund are derived from the annual street light assessments billed with the real estate tax bill. Revenues through the 1st Quarter 2016 are \$14K or 10% of budget.

Recreation Fund – 08
Revenues and Expenditures

Expenditures for the 1st quarter total \$559K which includes \$377K of unbudgeted construction costs which will be moved from expenditures and added to the value of the asset. Otherwise, expenditures are on target with 2016 budgeted amounts. 1st Quarter revenues total \$299K, or 35% of budget. The majority of Kids U revenue has been received in the 1st quarter, however expenses will not be incurred until this summer. Revenues include 25% of the Earned Income Tax, Park, and Capital Reserve budgeted transfers in the amount of \$51K for the quarter.

Capital Projects Fund - 19
Revenues and Expenditures

The Township uses this fund to account for major capital projects. The 1st quarter activity relates to the county emergency radios. Revenues were \$67K, received from FDMT and VMSC for their portion of the capital expense. Expenditures were \$107K for year 1 of 5.

Budget Status Report
1st Quarter 2016

Debt Service Fund - 23
Revenues and Expenditures

Expenditures through the 1st Quarter for the Debt Service Fund were \$69K or 13% of budget. Revenues for debt service payments are derived from interest earnings and the Debt Service portion of the Real Estate Tax (.24 mills) and totaled \$67K or 13% of budget. Both revenues and expenditures are on target with the budget at this time. Debt service payments are scheduled at various times throughout the year on a monthly, semi-annual or annual basis. Payments for the 2015 Community/Recreation Center bond issue are included in this fund.

Capital Reserve Fund - 30
Revenues and Expenditures

Expenditures through the 1st Quarter for the Capital Reserve Fund were \$119K or 8% of the 2016 Budget. A report on expenditure and revenues for the individual reserve accounts in Fund 30 has been included in Exhibit B to this report.

Park Development Fund – 31
Revenues and Expenditures

There are no expenditures budgeted from this fund for 2016. Revenues are received from developers for new residential units per the Land Development Agreement. Revenues are \$8K for the 1st quarter, including \$7.2K from contributions.

Liquid Fuels Fund - 35
Revenues and Expenditures

The revenues of this fund are received from the State as part of the State Liquid Fuels Program. The annual Liquid Fuels Fund allocation was received in March in the amount of \$658K for 2016. The major expenditures from this fund are for Liquid Fuels Fund eligible expenditures associated with the annual street resurfacing and curb/sidewalk replacement program. There were no expenditures from the Liquid Fuel Fund during the 1st Quarter 2016. The bulk of expenditures will take place between May and August when the Department of Public Works performs the annual Curb/Sidewalk repair/replacement work and street resurfacing work which will minimal this year.

Fire Relief Fund - 50
Revenues and Expenditures

The State Fire Relief allocation for 2016 will be received in September. These funds, estimated at \$200K for 2016, are by law distributed to the FDMT Relief

Budget Status Report
1st Quarter 2016

Association and are used by the Relief Association to make safety related expenditures on behalf of the Fire Department of Montgomery Township Volunteers.

Police Donation Fund - 92
Revenues and Expenditures

This fund accounts for private contributions made by residents and businesses to the Police Department and is used to fund programs and expenditures not otherwise budgeted in the Police operating or capital budgets. There were contributions of \$225 in the 1st Quarter. No expenditures have been incurred in this fund during the 1st Quarter of 2016.

Environmental Fund - 93
Revenues and Expenditures

Revenues from this fund are primarily received from the Northern Montgomery County Recycling Commission (NMCRC), representing the Township's share of the DEP Recycling Performance Grant. Receipts from the Commission have not been received yet for this year.

Replacement Tree Fund - 94
Revenues and Expenditures

Expenditures through the 1st Quarter 2016 for the Replacement Tree Fund were \$2.3K or 4% of budget. The bulk of the expenses for this fund are for Arbor Day which will be celebrated this year on April 23rd. Revenues to this fund come from Developer contributions and interest earnings and total \$37K for the 1st Quarter of this year.

Autumn Festival Fund - 95
Revenues and Expenditures

There were no expenditures and commitments for the 1st Quarter. The Festival is scheduled to be held on October 1st this year. Therefore expenditures will be incurred mostly during the 2nd and 3rd Quarters of 2016. Revenues to the fund are from contributions solicited from residents and businesses in the Township and the Township has provided for a \$7K contribution from the General Fund in the 2016 Budget.

Budget Status Report
1st Quarter 2016

Restoration Fund - 96
Revenues and Expenditures

This fund accounts for the use of developer contributions for the Knapp Farm House restoration. The Montgomery Township Historical Society manages the restoration projects with expenses being reimbursed from this fund. The original contribution made in 2004 was for \$400K of which \$23.6K remains for future projects.

Cc:	R. J. Birch	L. J. Gregan
	C. Fluehr Chimera	D. Rivas
	M. J. Fox	S. Bendig
	J. W. McDonnell	K. A. Costello
	J. P. Walsh	R. Lesniak
	A. Shade	V. Zidek
	B. Shoupe	

**MONTGOMERY TOWNSHIP
STATEMENT OF CHANGES IN FUND BALANCE
GENERAL FUND
AS OF MARCH 31, 2016**

March							DOLLAR	PERCENT
	2016 BUDGET (1)	2016 ACTUAL (2)	% of TOTAL (3)	2015 BUDGET (4)	2015 ACTUAL (5)	% of TOTAL (6)	VARIANCE 2015-2016 ACTUAL (2 - 5)	VARIANCE 2015-2016 ACTUAL (2 - 5)
REVENUES								
Taxes								
Real Estate Tax	1,636,100	200,559	4.0%	1,626,100	182,439	4.0%	18,120	9.9%
Earned Income Tax	5,190,000	1,446,004	28.9%	4,790,000	1,343,700	29.7%	102,305	7.6%
Real Estate Transfer Tax	700,000	125,119	2.5%	700,000	113,377	2.5%	11,742	10.4%
Mercantile Tax	2,050,000	1,970,910	39.4%	1,980,000	1,715,591	37.9%	255,318	14.9%
Local Services Tax	548,000	138,502	2.8%	548,000	115,249	2.5%	23,253	20.2%
Amusement Tax	73,000	14,100	0.3%	77,000	10,725	0.2%	3,375	31.5%
Business Privilege Tax	780,000	694,063	13.9%	760,000	652,980	14.4%	41,083	6.3%
Total Taxes	10,977,100	4,589,257	91.7%	10,481,100	4,134,060	91.4%	455,197	11.0%
Permits and Licenses								
Building Permits	579,000	141,057	2.8%	579,000	137,571	3.0%	3,486	2.5%
Cable TV	570,000	149,703	3.0%	540,000	145,440	3.2%	4,263	2.9%
All Others	80,500	46,208	0.9%	83,750	48,543	1.1%	(2,335)	-4.8%
Total Permits and Licenses	1,229,500	336,969	6.7%	1,202,750	331,554	7.3%	5,415	1.6%
Other Sources								
Fines	175,000	43,361	0.9%	175,000	37,184	0.8%	6,176	16.6%
Interest	40,000	7,842	0.2%	18,300	5,139	0.1%	2,703	52.6%
Grants	520,500	1,080	0.0%	503,000	-	0.0%	1,080	#DIV/0!
Department Services	75,750	23,696	0.5%	75,750	16,046	0.4%	7,650	47.7%
Other Financing Sources	76,000	-	0.0%	76,000	-	0.0%	0	#DIV/0!
	887,250	75,978	1.5%	848,050	58,369	1.3%	17,609	30.2%
TOTAL REVENUES	13,093,850	5,002,203	100.0%	12,531,900	4,523,983	100.0%	478,220	10.6%
EXPENSES								
Administration								
Finance	1,391,850	286,435	12.3%	1,342,250	225,500	10.2%	60,935	27.0%
Police	897,550	182,357	7.8%	1,115,900	182,498	8.3%	(141)	-0.1%
Code	6,563,300	1,225,342	52.5%	6,306,150	1,199,724	54.4%	25,618	2.1%
Public Works	870,350	183,959	7.9%	855,015	161,180	7.3%	22,779	14.1%
Other Financing Uses	2,024,050	457,125	19.6%	2,107,535	437,768	19.8%	19,356	4.4%
	-	-	0.0%	-	-	0.0%	0	
TOTAL EXPENSES	11,747,100	2,335,218	100.0%	11,726,850	2,206,670	100.0%	128,547	5.8%
NET REVENUES/(EXPENSES)	1,346,750	2,666,986		805,050	2,317,313		349,673	15.1%
INCOMING TRANSFERS	311,350	72,845		579,800	52,266		20,580	
OUTGOING TRANSFERS	(1,658,100)	(407,645)		(1,384,850)	(402,099)		(5,546)	1.4%
{DEFICIT}/SURPLUS	-	2,332,186		-	1,967,480		364,706	18.5%
BEGINNING FUND BALANCE	5,319,963	4,943,910		3,250,627	3,250,627		1,693,282	52.1%
ENDING FUND BALANCE	5,319,963	7,276,096		4,055,677	5,218,107		2,057,989	39.4%

**MONTGOMERY TOWNSHIP
STATEMENT OF CHANGES IN FUND BALANCE
GENERAL FUND
AS OF MARCH 31, 2016**

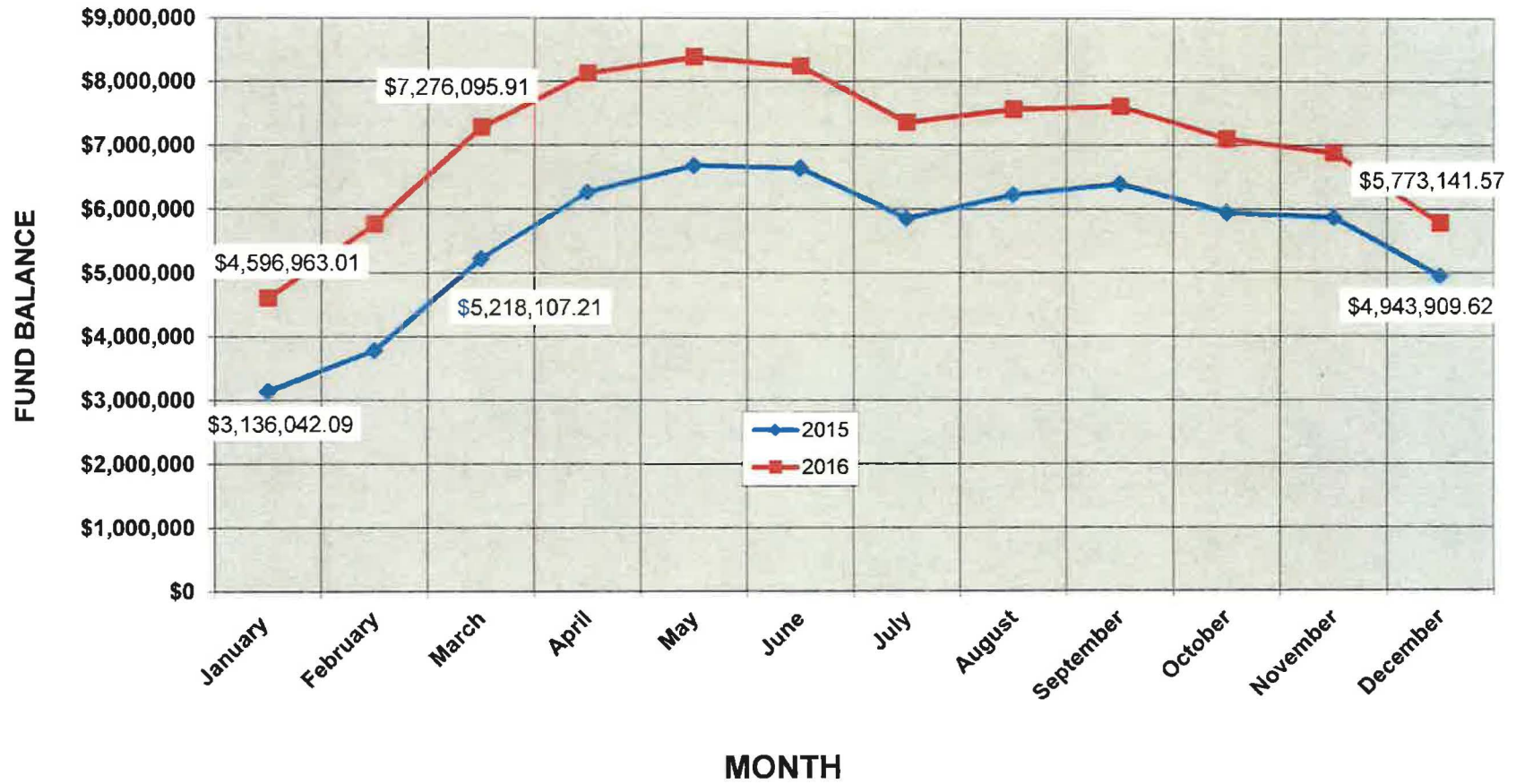
March				DOLLAR	PERCENT
	March 2016 Monthly Budget	2016 YTD BUDGET (1)	2016 ACTUAL (2)	VARIANCE Monthly Budget to Actual	VARIANCE Monthly Budget to Actual
REVENUES					
Taxes					
Real Estate Tax	181,540	1,636,100	200,559	19,019	1.2%
Earned Income Tax	1,464,923	5,190,000	1,446,004	(18,919)	-0.4%
Real Estate Transfer Tax	89,224	700,000	125,119	35,895	5.1%
Mercantile Tax	1,858,551	2,050,000	1,970,910	112,358	5.5%
Local Services Tax	162,875	548,000	138,502	(24,374)	-4.4%
Amusement Tax	11,903	73,000	14,100	2,197	3.0%
Business Privilege Tax	622,808	780,000	694,063	71,255	9.1%
Total Taxes	4,391,824	10,977,100	4,589,257	197,433	1.8%
Permits and Licenses					
Building Permits	163,778	579,000	141,057	(22,721)	-3.9%
Cable TV	155,867	570,000	149,703	(6,164)	-1.1%
All Others	36,440	80,500	46,208	9,768	12.1%
Total Permits and Licenses	356,085	1,229,500	336,969	(19,117)	-1.6%
Other Sources					
Fines	48,390	175,000	43,361	(5,029)	-2.9%
Interest	3,795	40,000	7,842	4,047	10.1%
Grants	10,989	520,500	1,080	(9,909)	-1.9%
Department Services	16,047	75,750	23,696	7,649	10.1%
Other Financing Sources	4,415	76,000	-	(4,415)	-5.8%
Total Other Sources	83,635	887,250	75,978	(7,657)	-0.9%
TOTAL REVENUES	4,831,544	13,093,850	5,002,203	170,659	1.3%
EXPENSES					
Administration	251,464	1,391,850	286,435	34,971	2.5%
Finance	174,164	897,550	182,357	8,193	0.9%
Police	1,220,011	6,563,300	1,225,342	5,331	0.1%
Code	132,533	870,350	183,959	51,426	5.9%
Public Works	331,606	2,024,050	457,125	125,519	6.2%
Other Financing Uses	-	-	-	-	-
TOTAL EXPENSES	2,109,777	11,747,100	2,335,218	225,440	1.9%
NET REVENUES/(EXPENSES)	2,721,767	1,346,750	2,666,986	(54,781)	-2.1%

Montgomery Township Capital Reserve Fund (30) 2016 Actual 1st Quarter Activity							
	DETAIL	REVENUES	EXPENDITURES	INCOMING TRANSFERS	OUTGOING TRANSFERS	BALANCE BEGINNING 01/01/16	BALANCE ENDING 03/31/16
DESIGNATED RESERVES							
16 Year Road Plan, curbing, sidewalk				50,000.00		2,256,133.49	2,306,133.49
Road Paving Paving Materials							
Extra curb, sidewalk and aprons	20,000.00						
Non Liquid Fuel Curb & Sidewalk & Apron	379,100.00						
	<u>399,100.00</u>						
10 Year Equipment Plan				94,500.00	72,845.39	1,352,168.42	1,373,823.03
Transfer to General Fund	311,350.00						
Curb and sidewalk - Public Safety			6,255.64			99,500.00	93,244.36
Spring Valley & Upper State Crosswalk	25,000.00						
North Wales Road Sidewalk	65,000.00						
Park Equipment Plan				17,737.50		375,482.28	393,219.78
Transfer to Park Fund	47,000.00						
Fire Equipment Plan				12,998.75	6,777.77	705,172.70	711,393.68
Capital Replacement Trfr to Fire Fund	13,500.00						
Basin Equipment Plan						202,350.00	202,350.00
Township Building Parking Lot						50,000.00	50,000.00
Roof Replacement (10th of 10 yr Plan)	317,200.00			5,625.00		245,500.00	251,125.00
HVAC System Upgrades for Township Building				3,750.00		160,000.00	163,750.00
Operating Contingency						0.00	0.00
NPDES Permit			710.40			85,790.87	85,080.47
Yr. 12 Requirements NPDES permit	12,500.00						
TMDL Design	<u>35,000.00</u>						
	<u>47,500.00</u>						
Storm Water Pipe Replacement Reserve						150,000.00	150,000.00
Drainage Projects						238,912.00	238,912.00
Storm Pipe Winter Drive							
Knapp Lane Rd Expansion						261,300.00	261,300.00
Five Points Project						79,001.45	79,001.45
Engineering and Construction/Oversite	15,000.00		2,709.89				
Route 202 /Route 309						82,500.00	82,500.00
Rt 202 - 71 ITS							
County Line Road Improvements						87,322.25	87,322.25
County Line and Doylestown Rd Oversit	10,000.00						
Route 63 ITS						8,562.50	8,562.50
Oversight and Design	7,500.00						
Capital Improvements from Developers						123,825.00	123,825.00
Open Space			6,095.89			1,319,431.82	1,313,335.93
Zehr							
Park Capital Plan						100,000.00	91,706.88
Community/Recreation Center					3,575.00	0.00	(3,575.00)
Police Radios						131,200.00	131,200.00
Technology Improvements						100,000.00	100,000.00
Recreation Center IT							
Subtotal Designated Reserves		0.00	15,771.82	184,611.25	83,198.16	8,214,152.78	8,294,210.82

UNDESIGNATED RESERVES	DETAIL	REVENUES	EXPENDITURES	INCOMING TRANSFERS	OUTGOING TRANSFERS	BALANCE BEGINNING 1/1/16	BALANCE ENDING 3/31/16
INTEREST/G/L		32,439.15					
ADMINISTRATION		59,143.74					
4 drawer fireproof cabinet	2,600.00						
Digital Signage for Admin Building Lobby	10,000.00						
Office 2013 365 Licenses (20)	2,000.00						
	<u>14,600.00</u>						
FINANCE							
VPN Upgrade and Consulting	4,000.00		667.56				
Exchange 2014 additional user licenses	3,000.00						
Wireless Mesh connection to DPW	15,000.00						
Windows Server 2012 license (DR)	4,000.00		3,986.65				
	<u>26,000.00</u>						
POLICE							
Patrol Rifles (2)	1,900.00						
Safety Town	4,500.00						
Chairs Admin (4)	1,100.00		1,000.00				
Lobby Chair Row	1,000.00		778.13				
Filing Cabinets Comm Center	3,500.00		3,437.70				
Evidence Room Cameras	3,700.00						
	<u>15,800.00</u>						
FIRE							
Tankless hot water heaters (Batt 1 & 2)	6,500.00						
Hose Replacement (grant funding)	13,000.00						
	<u>19,500.00</u>						
PLANNING		88.00	1,903.00				
Lateral filing cabinets, pan holder, chairs	3,000.00						
	<u>3,000.00</u>						
PUBLIC WORKS							
	<u>0.00</u>						
PARK AND RECREATION							
Tables and Benches	3,000.00						
Spring Valley Court Rebuild	92,200.00		8,293.12				
	<u>95,200.00</u>						
Subtotal Undesignated Expenditures		91,670.89	20,066.16	0.00	0.00	1,011,256.57	1,082,861.40
Total All Reserves		91,670.89	35,837.98	184,611.25	83,198.16	9,225,409.45	9,382,655.45

General Ledger Balance 9,382,655.45
Difference 0.00

GENERAL FUND CASH BALANCE
2015 ACTUAL VS 2016 PROJECTION
AS OF MARCH 31, 2016



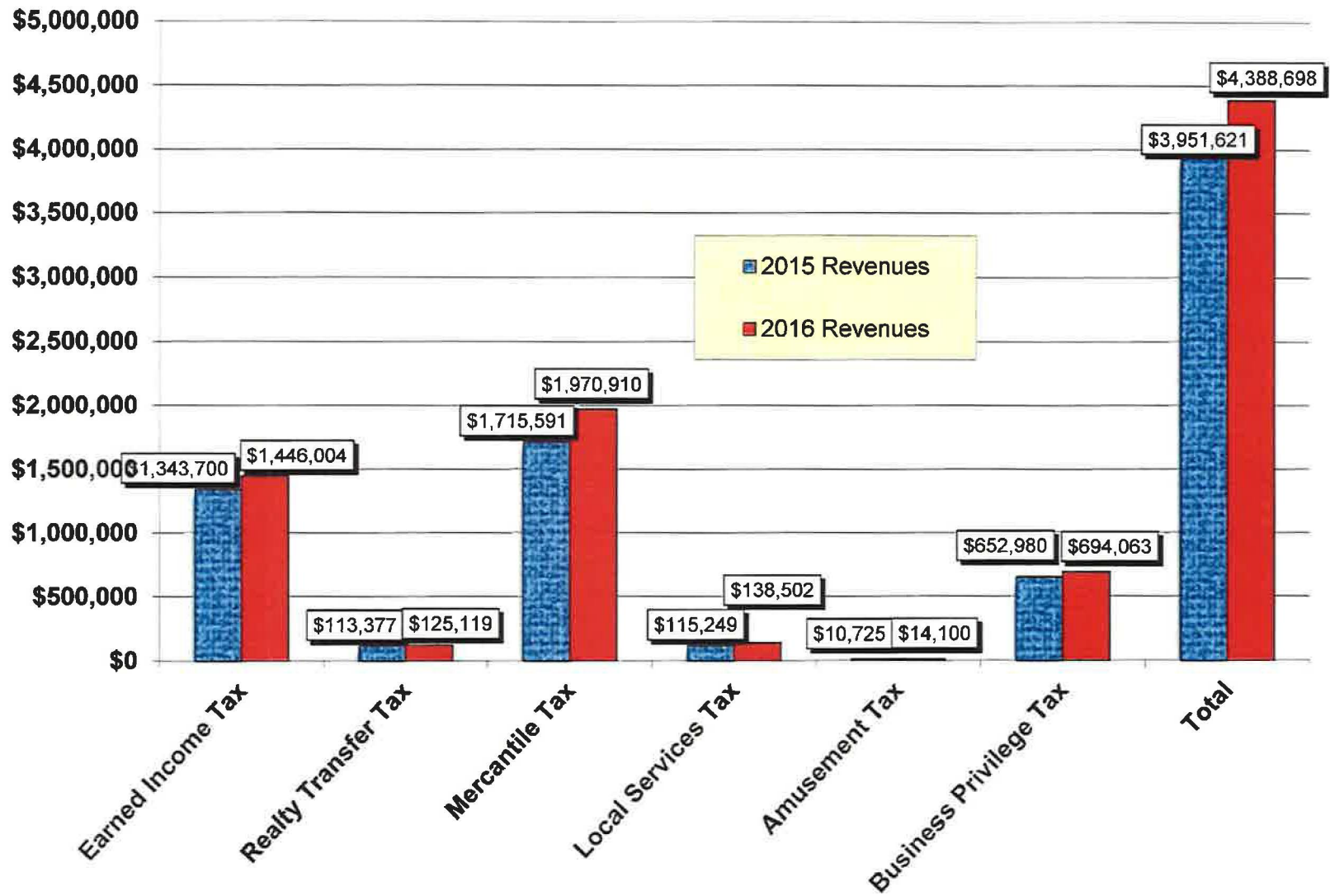
Cash Balance - General Fund 2015

	Beginning Bal	Revenues	Expenditures	Ending Balance
January	\$3,250,627.26	\$385,891.83	\$500,477.00	\$3,136,042.09
February	\$3,136,042.09	\$1,627,718.69	\$987,041.30	\$3,776,719.48
March	\$3,776,719.48	\$2,562,638.32	\$1,121,250.59	\$5,218,107.21
April	\$5,218,107.21	\$2,003,376.62	\$962,394.08	\$6,259,089.75
May	\$6,259,089.75	\$1,439,357.11	\$1,018,845.54	\$6,679,601.32
June	\$6,679,601.32	\$890,470.18	\$929,896.76	\$6,640,174.74
July	\$6,640,174.74	\$495,602.27	\$1,278,643.54	\$5,857,133.47
August	\$5,857,133.47	\$1,398,771.35	\$1,037,806.17	\$6,218,098.65
September	\$6,218,098.65	\$1,084,628.24	\$916,092.10	\$6,386,634.79
October	\$6,386,634.79	\$459,497.20	\$897,591.51	\$5,948,540.48
November	\$5,948,540.48	\$1,065,465.67	\$1,146,655.47	\$5,867,350.68
December (prior to surplus balance transfer)	\$5,867,350.68	\$1,049,601.10	\$1,973,042.16	\$4,943,909.62
	FINAL	\$14,463,018.58	\$12,769,736.22	
	FINAL BUDGET	\$13,111,700.00	\$13,111,700.00	
	OVER/(UNDER)	\$1,351,318.58	(\$341,963.78)	
	OVER/(UNDER)	10.31%	-2.61%	

General Fund Cash Balance Projection 2016

January	\$4,943,909.62	\$290,311.37	\$637,257.98	\$4,596,963.01
February	\$4,596,963.01	\$2,081,247.95	\$922,812.77	\$5,755,398.19
March	\$5,755,398.19	\$2,703,489.37	\$1,182,791.65	\$7,276,095.91
April	\$7,276,095.91	\$1,856,850.57	\$1,010,285.95	\$8,122,660.53
May	\$8,122,660.53	\$1,334,083.19	\$1,069,546.62	\$8,387,197.09
June	\$8,387,197.09	\$825,341.60	\$976,171.46	\$8,236,367.23
July	\$8,236,367.23	\$459,354.15	\$1,342,273.02	\$7,353,448.36
August	\$7,353,448.36	\$1,296,465.85	\$1,089,450.79	\$7,560,463.41
September	\$7,560,463.41	\$1,005,299.03	\$961,679.83	\$7,604,082.60
October	\$7,604,082.60	\$425,889.78	\$942,258.60	\$7,087,713.79
November	\$7,087,713.79	\$987,538.00	\$1,203,716.79	\$6,871,535.00
December	\$6,871,535.00	\$972,833.75	\$2,071,227.18	\$5,773,141.57
	PROJECTED	\$14,238,704.60	\$13,409,472.65	
	BUDGET	\$13,405,200.00	\$13,405,200.00	
	OVER/(UNDER)	\$833,504.60	\$4,272.65	
	OVER/(UNDER)	6.22%	0.03%	

**Local Enabling Tax Revenue
Comparison 2015 - 2016
As of March 31, 2016**



EIT Revenues - All Funds 2011-2016

	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Projection	
January	\$ 158,257.14	\$ 197,259.13	\$ 535,759.55	\$ 249,949.20	\$ 138,265.04	\$ 138,457.99	A
February	\$ 410,595.47	\$ 538,222.66	\$ 397,017.02	\$ 813,824.55	\$ 906,222.69	\$ 954,271.37	A
March	\$ 464,181.56	\$ 307,230.24	\$ 666,263.64	\$ 292,691.28	\$ 401,711.77	\$ 455,774.99	A
April	\$ 383,464.33	\$ 496,591.48	\$ 381,095.99	\$ 315,738.21	\$ 272,582.32	\$ 272,582.32	E
May	\$ 534,941.46	\$ 476,145.96	\$ 320,503.58	\$ 380,377.66	\$ 1,031,984.60	\$ 1,031,984.60	E
June	\$ 353,990.62	\$ 301,908.59	\$ 653,590.27	\$ 708,867.46	\$ 378,503.55	\$ 378,503.55	E
July	\$ 166,301.55	\$ 356,442.04	\$ 390,585.66	\$ 318,251.22	\$ 188,684.52	\$ 188,684.52	E
August	\$ 386,899.05	\$ 359,978.62	\$ 297,611.83	\$ 564,576.40	\$ 752,386.09	\$ 752,386.09	E
September	\$ 487,611.63	\$ 241,508.20	\$ 443,941.20	\$ 533,453.92	\$ 456,139.99	\$ 456,139.99	E
October	\$ 110,403.82	\$ 390,398.27	\$ 240,987.76	\$ 172,392.63	\$ 127,735.05	\$ 127,735.05	E
November	\$ 488,346.94	\$ 352,140.12	\$ 604,921.93	\$ 680,190.01	\$ 628,963.75	\$ 628,963.75	E
December	\$ 340,772.63	\$ 426,915.26	\$ 414,332.39	\$ 479,479.59	\$ 569,028.17	\$ 569,028.17	E
Subtotal collections	\$ 4,285,766.20	\$ 4,444,740.57	\$ 5,346,610.82	\$ 5,509,792.13	\$ 5,852,207.54	\$ 5,954,512.39	
		3.71%	20.29%	3.05%	6.21%	1.75%	

Tax Collector's Monthly Report to Taxing Districts
For the Month of MAR 2016
Montgomery Township

	Real Estate	Interim 2015	Interim 2016	Street Light	
A. Collections					
1. Balance Collectable - Beginning of Month	2,959,940.59	\$ 2,165.65	\$ 14.90	\$ 136,090.00	
2A. Additions: During the Month (*)			\$ 7,988.86		
2B. Deductions: Credits During the Month - (from line 17)	\$ 7,889.13		\$ -		
3. Total Collectable	\$ 2,952,051.46	\$ 2,165.65	\$ 8,003.76	\$ 136,090.00	
4. Less: Face Collections for the Month	\$ 365,335.05	\$ 1,786.74	\$ 14.90	\$ 12,300.00	
5. Less: Deletions from the List (*)					
6. Less: Exonerations (*)					
7. Less: Liens/Non-Lienable Installments (*)					
8. Balance Collectable - End of Month	\$ 2,586,716.41	\$ 378.91	\$ 7,988.86	\$ 123,790.00	
B. Reconciliation of Cash Collected					
9. Face Amount of Collections - (must agree with line 4)	\$ 365,335.05	\$ 1,786.74	\$ 14.90	\$ 12,300.00	
10. Plus: Penalties		\$ 31.03	\$ -		
11. Less: Discounts	\$ 7,306.77	\$ -	\$ 0.30	\$ 246.00	
12. Total Cash Collected per Column	\$ 358,028.28	\$ 1,817.77	\$ 14.60	\$ 12,054.00	
13. Total Cash Collected - (12A + 12B + 12C + 12D)					\$ 371,914.65

(*) ATTACH ANY SUPPORTING DOCUMENTATION REQUIRED BY YOUR TAXING DISTRICT

C. Payment of Taxes

14. Amount Remitted During the Month (*)

Date	Transaction #	Amount	TOTAL ALL TAXES
04/05/16		371,914.65	
		Total	\$ 371,914.65

15. Amount Paid with this Report Applicable to this Reporting Month

Transaction #

16. Total Remitted This Month

\$	371,914.65
----	------------

17. List, Other Credit Adjustments (*)

Parcel #	Name	Amount
See attached		7,889.13
	Total \$	7,889.13

18. Interest Earnings (if applicable) \$ _____

TAXING DISTRICT USE (OPTIONAL)

Carryover from Previous Month

Amount Collected This Month

Less Amount Paid this Month

Ending Balance	\$	-
----------------	----	---

Tax Collector

Date _____

I verify this is a complete and accurate reporting of the balance collectable, taxes collected and remitted for the month.

Received by (taxing district): _____

Title: _____ Date: _____

I acknowledge the receipt of this report.

**BUSINESS TAX OFFICE
MONTHLY REPORT
Mar-16**

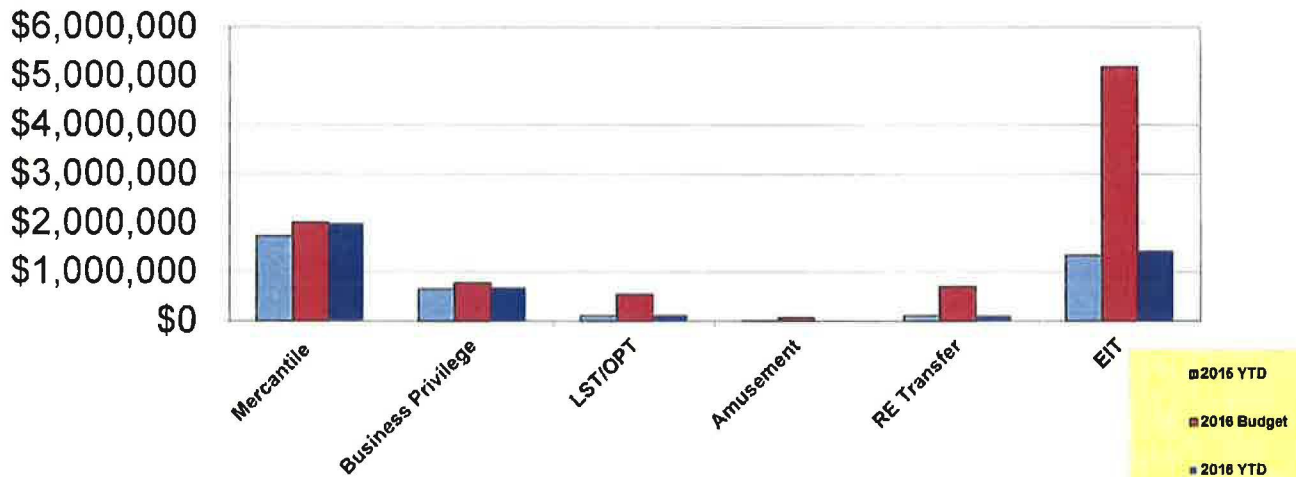
NEW BUSINESSES ADDED TO TAX ROLLS

NAME

E&M Insurance, LLC
Pocono Turf Supply Company
The National Association of Distinguished Counsel, LTD

ACT 511 TAXES

	Mercantile	Business Privilege	LST/OPT	Amusement	RE Transfer	EIT	TOTALS
2015 YTD	\$1,737,441	\$652,980	\$115,249	\$10,725	\$113,377	\$1,343,700	\$3,973,471
2016 Budget	\$2,015,000	\$780,000	\$548,000	\$73,000	\$700,000	\$5,190,000	\$9,306,000
2016 YTD	\$2,004,351	\$694,063	\$138,502	\$14,100	\$125,119	\$1,446,004	\$4,422,139
Current Month	\$1,389,968	\$540,079	\$16,378	\$4,137	\$47,450	\$353,275	\$2,351,287
% of Budget	99.47%	88.98%	25.27%	19.32%	17.87%	27.86%	47.52%



REAL ESTATE DEED REGISTRATIONS

The Township ceased preregistration of Real Estate Deed Transfers in December 2008. The following information is based on Deed Transfer information provided by the Recorder of Deeds Office along with the monthly Real Estate Transfer Tax.

<u>TYPE</u>	<u># OF UNITS</u>	<u>AVG. PRICE</u>
NEW	5	\$479,456
RESALE	25	\$301,894
DEED CHGS	8	N/A
COMMERCIAL	0	\$0
INDUSTRIAL	0	\$0
LAND	1	\$0
SHERIFF	0	\$0
TRANSFER TAXES PAID		\$47,450.29

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

April 15, 2016

SUBJECT: Consider Approval of acceptance of Stormwater Basins into the Basin Naturalization Program

MEETING DATE: April 25, 2016

ITEM NUMBER: #13

MEETING/AGENDA:

ACTION: NONE

REASON FOR CONSIDERATION: Operational: Policy: Discussion: xx Information:

INITIATED BY: Bruce Shoupe

BOARD LIAISON: Michael J. Fox

Director of Planning & Zoning

Liaison to Shade Tree Commission

BACKGROUND: In 2009, Montgomery Township initiated a program of naturalizing stormwater basins owned and maintained by the Township. The Shade Tree Commission has researched the benefits of naturalizing these basins and has identified additional basins to be entered into the Basin Naturalization Program.

The following basins have had assessments completed by Boucher & James and inspections completed by DVIT and are now ready to be formerly entered into the Basin Naturalization Program:

1. #34 – Line Street and Addison Lane
2. #25 – Upper State Road and Summer Ridge Rd
3. #18 – Longleat Drive and Preston Drive (Westgate)
4. #5 – Bethlehem Pike at Victoria Court
5. #4 – Veronica Lane
6. #27 – Heather Lea

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

Previous approvals have been granted to naturalize basins in 2011, 2012, 2013, and 2015.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

None

RECOMMENDATION:

The members of the Shade Tree Commission would like the Board of Supervisors to approve the acceptance of these basins into the program.

MOTION/RESOLUTION:

Resolution attached

MOTION: _____

SECOND: _____

ROLL CALL:

Robert J. Birch	Aye	Opposed	Abstain	Absent
Candyce Fluehr Chimera	Aye	Opposed	Abstain	Absent
Michael J. Fox	Aye	Opposed	Abstain	Absent
Jeffrey W. McDonnell	Aye	Opposed	Abstain	Absent
Joseph P. Walsh	Aye	Opposed	Abstain	Absent

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

RESOLUTION #

BE IT RESOLVED by the Board of Supervisors of Montgomery Township that the following stormwater detention basins be formally entered into the Naturalized Basin Program:

- #34 – Line Street and Addison Lane
- #25 – Upper State Road and Summer Ridge Rd
- #18 – Longleat Drive and Preston Drive (Westgate)
- #5 – Bethlehem Pike at Victoria Court
- #4 – Veronica Lane
- #27 – Heather Lea

BE IT FURTHER RESOLVED that the Board of Supervisors authorizes that a letter be sent to the residents located near the basins, notifying them of this and also that a sign be posted at each basin location.

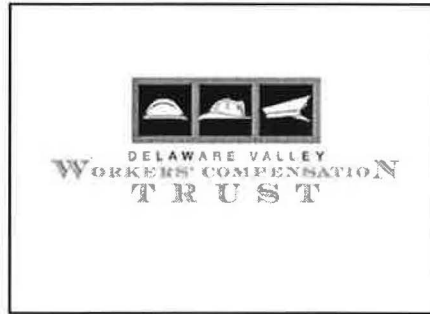
MOTION BY:

SECOND BY:

VOTE:

DATE: April 25, 2016

xc: F. Bartle, B. Shoupe, Shade Tree Commission, Minute Book, Resolution File, File



March 18, 2016

Ms. Marianne McConnell, Deputy Zoning Officer
Montgomery Township
1001 Stump Road
Montgomeryville PA 18936-9605

RE: Basin Fencing and Naturalization Recommendations

Dear Marianne:

Per your request, this report documents the results of the basin evaluations conducted on March 18, 2016. At the time of the inspections, the weather was partially sunny and breezy.

The stated objective of these inspections was two fold: (1) to determine whether basin fencing required by township ordinance was justified from a risk management perspective, and (2) to determine any risk management concerns for not proceeding with basin naturalization.

Applicable Regulations and/or Requirements

In preparing for the inspections, I conducted a limited literature review to determine whether any regulations or guidelines apply. My search included a review of:

- International Building Codes – No requirements
- Pa. Dept. of Environmental Protection Website – Guidelines exist; see Attachment 1
- US Dept. of Environmental Protection Website – Guidelines exist; see Attachment 1

Criteria

Based on the literature review and my professional judgment, the following risk-based criteria were used to determine whether fencing of the basins should be retained:

- Berm/embankment slope greater than 3:1
- Top of embankment slope level with adjacent sidewalk
- Basin proximity to sensitive receptors (i.e., school, day-care, etc.)
- Pond lacking a 10 ft. safety bench (as measured from start of water into the pond; maximum depth of water at the end of the safety bench 18 inches)

Results

The results of the inspections are summarized in Table 1.

Table 1. Results of Basin Inspections

Location	Recommendation
#3 Pauline Circle	OK to allow basin to naturalize. Existing split rail fence not required for risk management purposes.
#4 Veronica	OK to allow basin to naturalize. Maintain existing split rail fence due to berm slope and proximity of exposed culvert to sidewalk.
#5 Bethlehem Pike	OK to allow basin to naturalize. Existing chain link fence not required for risk management purposes.
#12 Heather Knoll	OK to allow basin to naturalize. Existing chain link fence not required for risk management purposes.
#18 Longleaf Drive & Preston Drive (Westgate)	OK to allow basin to naturalize. Maintain existing chain link fence due to berm slope and proximity of two exposed culverts to sidewalk.
#20 The Ridings	OK to allow basin to naturalize. Maintain the existing chain link fence due to berm slope and proximity of culvert to sidewalk.
#25 Summer Ridge	OK to allow basin to naturalize. Existing split rail fence not required for risk management purposes.
#27 Heather Lea	OK to allow basin to naturalize. Maintain existing split rail fence due to berm slope and proximity of exposed culvert to sidewalk.
#34 Line Street & Addison Lane	OK to allow basin to naturalize. Maintain existing split rail fence due to berm slope and proximity of exposed culvert to sidewalk.
#46 Mallard Pond	OK to allow basin to naturalize. Existing chain link fence not required for risk management purposes.
#47 Montgomery Lea	OK to allow basin to naturalize. Maintain back section of existing split rail fence to appease residents. Balance of existing split rail fence not required for risk management purposes.
#63 Bedford Lane	OK to allow basin to naturalize. Maintain existing chain link fence due to berm slope and proximity of exposed culvert to sidewalk.

Feel free to call if there are any questions or if I can be of any other service. I can be reached at 267-803-5713 or perndwein@dvit.com.

Sincerely,



Peter Erndwein, CIH, ARM, CPEA, CPSI
Director of Risk Control

ATTACHMENT 1

Pa. DEP GUIDELINES

Infiltration Basin

An infiltration basin can be used for recreation (usually informal) in dry periods. Heavy machinery and/or vehicular traffic of any type should be avoided so as not to compact the infiltration area.

Pa. Stormwater Best Management Practices Manual, Pa. Department of Environmental Protection, Document No. 363-0300-002, December 2006, page 29

The berms surrounding the basin should be compacted earth with a slope of not steeper than (3:1 (H:V), and a top width of at least two feet.

Pa. Stormwater Best Management Practices Manual, Pa. Department of Environmental Protection, Document No. 363-0300-002, December 2006, page 30.

Wet Pond/Retention Basin

Slopes in and around Wet Ponds should be 4:1 to 5:1 (H/V) or flatter wherever possible (10:1 max. for safety/aquatic benches).

Pa. Stormwater Best Management Practices Manual, Pa. Department of Environmental Protection, Document No. 363-0300-002, December 2006, page 167.

All areas that are deeper than 4 feet should have two safety benches, totaling 15 feet in width. One should start at the normal water surface and extend up to the pond side slopes at a maximum slope of 10 percent. The other should extend from the water surface into the pond to a maximum depth of 18 inches, also at slopes no greater than 10 percent.

Pa. Stormwater Best Management Practices Manual, Pa. Department of Environmental Protection, Document No. 363-0300-002, December 2006, page 167.

Dry Extended Detention Basin

Embankments should be less than 15 feet in height and should have side slopes no steeper than 3:1 (H:V).

Ref: Pa. Stormwater Best Management Practices Manual, Pa. Department of Environmental Protection, Document No. 363-0300-002, December 2006, page 176.

Dry Extended Detention Basin

Extended detention ponds should not be utilized as recreation areas due to health and safety issues. Design features that discourage access are recommended.

Ref: Pa. Stormwater Best Management Practices Manual, Pa. Department of Environmental Protection, Document No. 363-0300-002, December 2006, page 178.

US EPA GUIDELINES

Dry Detention Basins – Design Criteria

Basin Side Slopes

Basin side slopes must remain stable under saturated soil conditions. They also need to be sufficiently gentle to limit erosion, facilitate maintenance and address the safety issue of individuals falling in when the basin is full of water. Side slopes of four units horizontal to one unit vertical (4:1 H:V) and flatter provide well for these concerns.

Stormwater Best Management Practice Design Guide – Volume 3 Basin Best Management Practices, U.S. Environmental Protection Agency, Document No. EPA/600/R-04/121B, September 2004, page 2-23.

Retention Pond Design Criteria

Side Slopes

Side slopes along the shoreline of the retention pond should be 4:1 (H:V) or flatter to facilitate maintenance (such as mowing) and reduce public risk of slipping and falling into the water. In addition, a littoral zone should be established around the perimeter of the permanent pool to promote the growth of emergent vegetation along the shoreline and deter individuals from wading.

This bench for emergent wetland vegetation should be at least 3 m (10 ft) wide with a water depth of 0.15 to 0.45 m (0.5 to 1.5 ft). The total area of the aquatic bench should be 25 to 50% of the permanent pool's water surface area.

Stormwater Best Management Practice Design Guide – Volume 3 Basin Best Management Practices, U.S. Environmental Protection Agency, Document No. EPA/600/R-04/121B, September 2004, page 3-22.

Maintenance and Operation

Safety Features

Fencing of ponds is not generally desirable but may be required by the local review authority. A preferred method is to manage the contours of the pond to eliminate drop-offs and other safety hazards. In any case, warning signs prohibiting swimming and skating should be posted.

Internal side slopes to the pond should not exceed 3:1 (H:V) and should terminate on a safety bench. Both the safety bench and the aquatic bench may be landscaped to prevent access to the pond. Often, the bench requirement may be waived if slopes are 4:1 or gentler.

Riser openings should not permit unauthorized access. Riser tops shall include railings for safety. Endwalls above pipe outfalls greater than 48 in. in diameter shall be fenced to prevent injury.

Stormwater Best Management Practice Design Guide – Volume 3 Basin Best Management Practices, U.S. Environmental Protection Agency, Document No. EPA/600/R-04/121B, September 2004, page 6-9.

:

Consider Approval of acceptance of stormwater basins into the Basin Naturalization Program

	BASIN	MOW? As of OCT 2012	ASSESSMENT COMPLETED	NATURALIZED PROGRAM (BOS)	DVIT INSP DATE	DVIT RECOMMENDATIONS	SIGN INSTALLED AT BASIN
1	Andrew Lane	NO	MAY 2011	2011	4/30/10	Basins 1 and 2 - Once basin grows in, existing chain link fence may be left in place or removed	YES
2	Douglas Road	NO	MAY 2011	2011	4/30/10	Once basin grows in, existing chain link fence may be left in place or removed.	YES
3	Pauline Circle	YES			3/18/16	OK to allow basin to naturalize. Existing split rail fence not required for risk management purposes.	
4	Veronica Lane	YES	OCT 2015		3/18/16	OK to allow basin to naturalize. Maintain existing split rail fence due to berm slope and proximity of exposed culvert to sidewalk.	
5	Bethlehem Pike	YES	OCT 2015		3/18/16	OK to allow basin to naturalize. Existing chain link fence not required for risk management purposes.	
6	Tree Line Drive	YES	FALL 2013	2013	7/31/13	OK to allow basin to grow out. Once vegetated, existing chain link fence may be left in place or removed.	
7	Pioneer Drive	NO	FALL 2012	2012	4/30/10	Once basin grows in, existing chain link fence may be left in place or removed.	YES
8	Walden Lane	OPEN SPACE					
9	Torey Circle	YES	FALL 2013	2013	7/31/13	OK to allow basin to grow out. Once vegetated, existing chain link fence may be left in place or removed.	
10	Addison Lane	YES	FALL 2013	2013	7/31/13	OK to allow basin to grow out. Once vegetated, existing split rail fence may be left in place or removed.	
11	Forest Trail	NO	MAY 2011	2011	7/31/13	OK to allow basin to grow out. Once vegetated, existing chain link fence may be left in place or removed.	YES
12	Heather Knoll	YES			3/18/16	OK to allow basin to naturalize. Existing chain link fence not required for risk management purposes.	
13	Thornbury	YES	MAY 2011	2013	4/30/10	Once basin grows in, existing chain link fence may be left in place or removed.	NO
14	Gwynmere	NO	FALL 2012	2012	4/30/10	Due to proximity of sidewalk to edge of basin and steep embankment slope in areas (1:1 H/V), retain and maintain the existing chain link fence to prevent potential falls.	YES
15	Stone Ridge	NO	MAY 2011	2013	7/31/13	OK to allow basin to grow out. Once vegetated, existing split rail fence may be left in place or removed.	
16	Stone Ridge	YES	OCT 2014	2015	11/25/14	OK to allow basin to grow out. Once vegetated, existing split rail fence may be left in place or removed.	
17	Horseshoe Lane	YES	FALL 2013	2013	7/31/13	OK to allow basin to grow out. Maintain existing split rail fencing.	

Consider Approval of acceptance of stormwater basins into the Basin Naturalization Program

18	West Gate (Longleat & Preston Drs)	YES	OCT 2015		3/18/16	Ok to allow basing to naturalize. Maintain existing chain link fence due to berm slope and proximity of culvert to sidewalk.	
19	West Gate	YES	FALL 2013	2013	7/31/13	OK to allow basin to grow out. Maintain existing chain link fencing.	
20	The Ridings	YES			3/18/16	Ok to allow basing to naturalize. Maintain existing chain link fence due to berm slope and proximity of two exposed culverts to sidewalk.	
21	Montgomery Hill	NO	FALL 2012	2012	7/31/13	OK to allow basin to grow out. Maintain existing split rail fencing.	YES
22	Winners Circle - Pimlico	NO	MAY 2011	2011	7/31/13	OK to allow basin to grow out. Once vegetated, existing split rail fence may be left in place or removed.	YES
23	Winners Circle - Ascot	YES					
24	Summer Ridge	YES	OCT 2014	2015	11/25/14	OK to allow basin to grow out. Once vegetated, existing split rail fence may be left in place or removed.	
25	Summer Ridge	YES	OCT 2015		3/18/16	OK to allow basin to naturalize. Existing split rail fence not required for risk management purposes.	
26	Summer Ridge	YES					
27	Heather Lea	YES	OCT 2015		3/18/16	OK to allow basin to naturalize. Maintain existing split rail fence due to berm slope and proximity of exposed culvert to sidewalk.	
28	Gift Circle (RavenHollow)	YES	FALL 2013	2013	7/31/13	OK to allow basin to grow out. Maintain existing split rail fencing.	
29	Gwynwood Pond	NO	FALL 2012	2012	7/31/13	OK to allow basin to grow out. Maintain existing split rail fencing.	YES
30	Tall Gables	NO	FALL 2012	2012	7/31/13	OK to allow basing to grow out. Currently unfenced.	
31	Lea Drive						
32	Heather Ridge	NO	MAY 2011	2011	7/31/13	OK to allow basin to grow out. Maintain existing chain link fencing.	YES
33	Autumn Woods Park	WOODED AREA	FALL 2012	2012	8/27/10	No risk management concerns.	
34	Cambridge Knoll A	YES	OCT 2015		3/18/16	OK to allow basin to naturalize. Maintain existing split rail fence due to berm slope and proximity of exposed culvert to sidewalk.	
35	Knapp Farm - Avondale	NO	MAY 2011	2013	4/30/10	Once basin grows in, existing chain link fence may be left in place or removed.	YES
36	Knapp Farm - Dekalb & Knapp pond	NO	MAY 2011	2013	4/30/10	Wet pond has steep banks and does not appear to have a safety bench. Maintain current split rail fence to deter access by pre-school aged children.	YES
37	Witchwood Park	NO	FALL 2012	2012			YES
38	The Orchard	NO	FALL 2012	2012	8/27/10	No risk management concerns.	YES

Consider Approval of acceptance of stormwater basins into the Basin Naturalization Program

39	Canterbury	NO	MAY 2011	2013	4/30/10	Once basin grows in, existing chain link fence may be left in place or removed.	????
40	Spring Valley Park	NO	MAY 2011	2013	4/30/10	Once basin grows in, existing chain link fence may be left in place or removed.	YES
41	Spring Valley Park	NO	MAY 2011	2013	4/30/10	Wet pond is currently densely vegetated around its entire perimeter. Existing split rail fence may be left in place or removed.	YES
42	Township Building	NO	MAY 2011	2013	7/31/13	OK to allow basin to grow out. Currently unfenced.	
43	Springville Farm	YES	OCT 2014	2015	11/25/14	OK to allow basin to grow out. Once vegetated, existing split rail fence may be left in place or removed.	
44	Zehr Tract	YES	MAY 2011	CANNOT NATURALIZE	8/27/10	No risk management concerns.	
45	Mallard Pond	NO	FALL 2012	2012	7/31/13	OK to allow basin to grow out. Once vegetated, existing chain link fence may be left in place or removed.	YES
46	Mallard Pond	YES			3/18/16	OK to allow basin to naturalize. Existing chain link fence not required for risk management purposes.	
47	Montgomery Lea	YES			3/18/16	OK to allow basin to naturalize. Maintain back section of existing split rail fence to appease residents. Balance of existing split rail fence no required for risk management purposes.	
48	Montgomery Lea	NO	FALL 2012	2012	7/31/13	OK to allow basin to grow out. Once vegetated, existing chain link fence may be left in place or removed.	YES
49A	Estates of Montgomery	YES	OCT 2014	2015	11/25/14	OK to allow basin to grow out. Once vegetated, existing split rail fence may be left in place or removed.	
49B	Estates of Montgomery	YES	OCT 2014	2015	11/25/14	OK to allow basin to grow out. Maintain existing split rail fencing.	
50	Estates of Windlestrae - Davis Dr	YES	FALL 2013	2013	7/31/13		
51	Estates of Windlestrae - Davis Dr	NO	FALL 2012	2012	8/27/10	No risk management concerns.	
52	Montgomery Crossing	NO	FALL 2012	2012	8/27/10	on road bridge over creek with welded fencing to create a	YES
53	Montgomery Crossing	WOODED AREA	FALL 2012	2012	8/27/10	Recommend installing a child-resistant fencing on both sides of the bridge over the creek near Regency Drive and Drake Lane.	
54	Montgomery Crossing	WOODED AREA	FALL 2012	2012	8/27/10		YES
55	Montgomery Crossing	WOODED AREA	FALL 2012	2012	8/27/10		YES
56	Gwynedd Lea	NO	MAY 2011	2013	4/30/10	Once basin grows in, existing chain link fence may be left in place or removed.	YES
57	Whistlestop Park (Hatfield)	YES	MAY 2011	CANNOT NATURALIZE	8/27/10	No risk management concerns.	N/A
58	Tall Gables	YES			8/27/10	No risk management concerns.	

Consider Approval of acceptance of stormwater basins into the Basin Naturalization Program

59	Montgomery Hollow	NO	MAY 2011	2011	7/31/13	OK to allow basin to grow out. Once vegetated, existing split rail fence may be left in place or removed.	YES
60	Montgomery Holow	NO	MAY 2011	2011	7/31/13	OK to allow basin to grow out. Once vegetated, existing split rail fence may be left in place or removed.	YES
61	Autumn Grove	NO			7/31/13		
62	Magdalena Lane	YES	OCT 2014	2015	11/25/14	OK to allow basin to grow out. Once vegetated, existing split rail fence may be left in place or removed.	
63	Bedford Lane	YES			3/18/16	OK to allow basin to naturalize. Maintain existing chain link fence due to berm slop and proximity of exposed culvert to sidewalk.	
64	Community Center						

TOTAL # BASINS ENTERED INTO NATURALIZATION PROGRAM	43	
# BASINS REQUESTING TO BE ADDED	6	

**MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY**

SUBJECT: Consider Request for Waiver of Fees – Montgomery Elementary School Building Permits

MEETING DATE: April 25, 2016

ITEM NUMBER: #14

MEETING/AGENDA: WORK SESSION

ACTION XX

NONE

REASON FOR CONSIDERATION: Operational: Policy: Discussion: xx Information:

INITIATED BY: Bruce Shoupe

Director of Planning and Zoning

BOARD LIAISON: Joseph P. Walsh

Chairman

BACKGROUND:

In the past, it has been the policy of the Board of Supervisors to waive nominal value permit fees for non-profit and religious organizations. The Township has received a request from the North Penn School District, attached, to waive the building permit fee for the renovations to Montgomery Elementary School. It is estimated that the normal building permit fees for this project would be in excess of \$100,000.

The North Penn School District proposes to establish an initial escrow account in the amount of \$5,000 with the Township for the cost provided by Township Consultants for plan reviews, building inspection services, and field construction services required for this project. This account will be replenish as required.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

None.

ALTERNATIVES/OPTIONS:

To approve or not approve the request for the waiver of the permit fees, but instead require that an escrow account be established to cover the cost of the Township Consultant services.

BUDGET IMPACT:

None.

RECOMMENDATION:

Consistent with Township policy on permit fees, it is recommended that the Board approve the waiver of the building permit fees subject to the applicant posting an initial escrow in the amount of \$5,000 to pay for the plan reviews, building inspection services, and field construction services to be provided.

MOTION/RESOLUTION:

Resolution is attached.

MOTION: _____

SECOND: _____

ROLL CALL:

Robert J. Birch	Aye	Opposed	Abstain	Absent
Candyce Fluehr Chimera	Aye	Opposed	Abstain	Absent
Michael J. Fox	Aye	Opposed	Abstain	Absent
Jeffrey W. McDonnell	Aye	Opposed	Abstain	Absent
Joseph P. Walsh	Aye	Opposed	Abstain	Absent

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

Resolution #

BE IT RESOLVED by the Board of Supervisors of Montgomery Township that we hereby approve the request of the North Penn School District for a waiver of Township building permit fees for the renovations to Montgomery Elementary School, subject to the posting of an escrow account in the amount of \$5,000 to be used for payment of the plan reviews, building inspection services, and field construction services to be provided.

MOTION BY:

SECOND BY:

VOTE:

DATE:

xc: Applicant, F. Bartle, B. Shoupe, Minute Book, Resolution File, File



April 20, 2016

Mr. Bruce Shoupe, Planning & Zoning Director
Montgomery Township
1001 Stump road
Montgomeryville, PA 18936

Re: Renovations and Additions to the Montgomery Elementary School Project

Dear Mr. Shoupe,

The North Penn School District requests that the Montgomery Township Board of Supervisors consider waiving the building permit fees in connection with the above referenced project. North Penn School District will agree to cover all of the Township consultant expenses for the construction phase plan review and inspections for the project, including administrative fee of 7%.

Please know that the North Penn School District plans to enter into the Montgomery Township, Department of Planning and Zoning, Consultant Escrow Fee Agreement with a standing escrow amount of \$5,000.

North Penn School District appreciates consideration of this request by Montgomery Township and the Board of Supervisors.

Sincerely,

A handwritten signature in blue ink that reads 'Curtis R. Dietrich'.

Curtis R. Dietrich, Ed.D
Superintendent of Schools

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS
BOARD ACTION SUMMARY

SUBJECT: Consider Payment of Bills

MEETING DATE: April 25, 2016

ITEM NUMBER: #15

MEETING/AGENDA: WORK SESSION

ACTION XX NONE

REASON FOR CONSIDERATION: Operational: XX Information: Discussion: Policy:

INITIATED BY: Lawrence J. Gregan
Township Manager

BOARD LIAISON: Joseph P. Walsh, Chairman
of the Board of Supervisors

BACKGROUND:

Please find attached a list of bills for your review.

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT:

None.

PREVIOUS BOARD ACTION:

None.

ALTERNATIVES/OPTIONS:

None.

BUDGET IMPACT:

None.

RECOMMENDATION:

Approval all bills as presented.

MOTION/RESOLUTION:

None.

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.

Check Date	Bank	Check	Vendor	Vendor Name	Amount
Bank 01 UNIVEST CHECKING					
04/14/2016	01	64123	00000001	ACCIDENT RECONSTRUCTION JOURNAL	49.00
04/15/2016	01	64124	00000447	PETTY CASH - POLICE	152.67
04/22/2016	01	64125	00000006	ACME UNIFORMS FOR INDUSTRY	161.30
04/22/2016	01	64126	00001875	ADVANCED COLOR AND GRIND LLC	1,900.00
04/22/2016	01	64127	00000340	ADVENT SECURITY CORPORATION	60.00
04/22/2016	01	64128	00001020	AIR CLEANING SYSTEMS INC.	670.00
04/22/2016	01	64129	00001202	AIRGAS, INC.	189.84
04/22/2016	01	64130	MISC-FIRE	ALEXANDER J DEANGELIS	30.00
04/22/2016	01	64131	00000820	AMPRO	36.71
04/22/2016	01	64132	00001291	ANCHOR FIRE PROTECTION CO., INC.	900.00
04/22/2016	01	64133	00904662	BARRACUDA NETWORKS, INC.	600.00
04/22/2016	01	64134	00906105	BATTERIES & BULBS	8.98
04/22/2016	01	64135	00000043	BERGEY'S	486.41
04/22/2016	01	64136	MISC-FIRE	BILL WIEGMAN	180.00
04/22/2016	01	64137	MISC-FIRE	BRANDON UZDZIENSKI	15.00
04/22/2016	01	64138	00001601	CDW GOVERNMENT, INC.	359.37
04/22/2016	01	64139	00001219	CH WALTZ SONS INC.	43,126.56
04/22/2016	01	64140	00000363	COMCAST	664.54
04/22/2016	01	64141	00000335	COMCAST CORPORATION	1,410.77
04/22/2016	01	64142	00000222	COMMONWEALTH PRECAST, INC.	2,290.00
04/22/2016	01	64143	00000086	DAVID D. DUNLAP	70.36
04/22/2016	01	64144	MISC-FIRE	DAVID P BENNETT	30.00
04/22/2016	01	64145	00001172	DETLAN EQUIPMENT, INC.	201.84
04/22/2016	01	64146	00000125	DISCHELL, BARTLE DOOLEY	15,755.53
04/22/2016	01	64147	00000125	VOID	0.00 V
Void Reason: Created From Check Run Process					
04/22/2016	01	64148	00000967	DVHT - DELAWARE VALLEY HEALTH TRUST	173,159.82
04/22/2016	01	64149	100000031	E.O. HABHEGGER-YEADON	867.68
04/22/2016	01	64150	00903110	ESTABLISHED TRAFFIC CONTROL	335.00
04/22/2016	01	64151	00000161	EUREKA STONE QUARRY, INC.	94.24
04/22/2016	01	64152	00000171	FAST SIGNS	835.17
04/22/2016	01	64153	00001034	FASTENAL	228.70
04/22/2016	01	64154	00000180	FRANK CALLAHAN COMPANY, INC.	15.25
04/22/2016	01	64155	03214568	FULTON CARDMEMBER SERVICES	3,658.05
04/22/2016	01	64156	00000198	GLASGOW, INC.	55.00
04/22/2016	01	64157	MISC-FIRE	GLEN ROETMAN	15.00
04/22/2016	01	64158	00001323	GLICK FIRE EQUIPMENT COMPANY INC	661.62
04/22/2016	01	64159	00000203	GRANTURK EQUIPMENT CO., INC.	256.53
04/22/2016	01	64160	00000903	HOME DEPOT CREDIT SERVICES	533.75
04/22/2016	01	64161	00000903	VOID	0.00 V
Void Reason: Created From Check Run Process					
04/22/2016	01	64162	00000102	INTERSTATE BATTERY SYSTEMS OF	75.90
04/22/2016	01	64163	00000555	J & J TRUCK EQUIPMENT	275.94
04/22/2016	01	64164	MISC-FIRE	JOE BIFOLCO	150.00
04/22/2016	01	64165	100000022	JOEL GROSSMAN	94.00
04/22/2016	01	64166	MISC-FIRE	JOHN H. MOGENSEN	45.00
04/22/2016	01	64167	00001282	KENNETH AMEY	1,147.50
04/22/2016	01	64168	00000271	LANSDALE CHRYSLER PLYMOUTH INC.	118.56
04/22/2016	01	64169	00001706	LOWE'S COMPANIES INC.	46.49
04/22/2016	01	64170	00001065	MAILLIE LLP	1,500.00
04/22/2016	01	64171	MISC-FIRE	MARY NEWELL	60.00
04/22/2016	01	64172	MISC-FIRE	MATT SHINTON	45.00
04/22/2016	01	64173	MISC-FIRE	MICHAEL D. SHINTON	65.00
04/22/2016	01	64174	MISC-FIRE	MICHAEL SHEARER	75.00
04/22/2016	01	64175	MISC-FIRE	MIKE BEAN	30.00
04/22/2016	01	64176	00000326	MONTGOMERY COUNTY	47.37
04/22/2016	01	64177	00000324	MOYER INDOOR / OUTDOOR	489.43
04/22/2016	01	64178	00000356	NORTH WALES WATER AUTHORITY	95.64
04/22/2016	01	64179	MISC-FIRE	PAUL R. MOGENSEN	75.00
04/22/2016	01	64180	00000397	PECO ENERGY	13,199.54
04/22/2016	01	64181	00000399	PECO ENERGY	9,710.80
04/22/2016	01	64182	00000595	PENN VALLEY CHEMICAL COMPANY	749.64
04/22/2016	01	64183	00000388	PENNSYLVANIA ONE CALL SYSTEM, INC.	154.38
04/22/2016	01	64184	MISC-FIRE	PHIL STUMP	45.00
04/22/2016	01	64185	00000446	PHISCON ENTERPRISES, INC.	100.00
04/22/2016	01	64186	MISC-FIRE	RACHEL TROUTMAN	55.00
04/22/2016	01	64187	00906102	READY REFRESH	153.09
04/22/2016	01	64188	00000117	RIGGINS INC	1,000.03
04/22/2016	01	64189	00000115	RIGGINS, INC	2,338.30
04/22/2016	01	64190	100000036	ROBERT J. BIRCH	694.48
04/22/2016	01	64191	MISC-FIRE	ROBERT MCMONAGLE	60.00
04/22/2016	01	64192	00000610	RUBIN, GLICKMAN, STEINBERG AND	60.00
04/22/2016	01	64193	MISC-FIRE	RYAN CROUTHAMEL	30.00
04/22/2016	01	64194	00000969	SAFETY-KLEEN SYSTEMS, INC.	248.90
04/22/2016	01	64195	00000653	SCATTON'S HEATING & COOLING, INC.	7,761.11
04/22/2016	01	64196	00000015	SPRINT	418.02
04/22/2016	01	64197	00001394	STANDARD INSURANCE COMPANY	8,256.96
04/22/2016	01	64198	MISC-FIRE	STEVE SPLENDIDO	30.00

04/22/2016 11:43 AM
User: lgonzalez
DB: Montgomery Twp

CHECK REGISTER FOR MONTGOMERY TOWNSHIP
CHECK DATE FROM 04/12/2016 - 04/22/2016

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Check Date	Bank	Check	Vendor	Vendor Name	Amount
04/22/2016	01	64199	00001273	TIM KUREK	188.00
04/22/2016	01	64200	00000077	TRISTATE ENVIRONMENTAL	4,810.00
04/22/2016	01	64201	00000500	U.S. BANK	342,696.88
04/22/2016	01	64202	00000327	U.S. MUNICIPAL SUPPLY INC.	1,900.00
04/22/2016	01	64203	00000520	VALLEY POWER, INC.	274.38
04/22/2016	01	64204	00000040	VERIZON	139.99
04/22/2016	01	64205	00000040	VERIZON	139.26
04/22/2016	01	64206	MISC-FIRE	VINAY SETTY	120.00
04/22/2016	01	64207	MISC-FIRE	VINCE ZIRPOLI	120.00
04/22/2016	01	64208	00000537	WILLIAM R. PEOPLES	111.95
04/22/2016	01	64209	00000550	ZEP MANUFACTURING COMPANY	409.13

01 TOTALS:

Total of 87 Checks:	650,475.36
Less 2 Void Checks:	0.00
Total of 85 Disbursements:	650,475.36

04/22/2016

Payroll ACH List
For Check Dates 04/12/2016 to 04/25/2016

Check Date	Name	Amount
04/13/2016	STATE OF PA	State Tax Payment \$ 8,702.40
04/21/2016	UNITED STATES TREASURY	941 Tax Payment \$ 85,839.11
04/21/2016	PBA	PBA Payment \$ 789.41
04/21/2016	BCG 401	401 Payment \$ 13,819.90
04/21/2016	BCG 457	457 Payment \$ 10,303.04
04/21/2016	PA SCDU	Withholding Payment \$ 1,340.38
Total Checks: 6		\$ 120,794.24