

**STATE OF VERMONT  
DEFINED CONTRIBUTION PLAN**

Effective January 1, 1999

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## ARTICLE I INTRODUCTION

The State of Vermont (hereinafter referred to as the "Employer") hereby establishes the State of Vermont Defined Contribution Plan (the "Plan"), a money purchase pension plan intended to meet the requirements under Internal Revenue Code section 401(a). It is intended that the Plan be treated as a "governmental plan" within the meaning of Section 414(d) of the Code.

This plan is established for the exclusive benefit of the participants and their beneficiaries.

## ARTICLE II DEFINITIONS

### 2.01 Definitions

Wherever used herein, the following terms have the meanings set forth below, unless a different meaning is clearly required by the context:

- (a) "Account" means the sum of all accounts established on the books of the Trust for the purpose of recording any contributions made on behalf of a Participant and any income, expenses, gains, or losses incurred thereon. The Administrator shall establish and maintain sub-accounts within a Participant's Account as necessary to depict accurately a Participant's interest under the Plan.
- (b) "Active Participant" means any Eligible Employee who has met the requirements of Article III to participate in the Plan and who may be entitled to make contributions to, and receive allocations under, the Plan.
- (c) "Administrator" means the Treasurer of State of Vermont or an authorized representative of the State Treasurer.
- (d) "Annuity Starting Date" means the first day of the first period for which an amount is payable as an annuity or in any other form permitted under the Plan.
- (e) "Beneficiary" means the person or persons entitled under Section 9.4 to receive benefits under the Plan upon the death of a Participant; provided, however, that for purposes of Section 10.4 such term shall be applied in accordance with Code Section 401(a)(9) and the regulations thereunder.
- (f) "Classified Employee" means a regular officer or employee who is employed for not less than forty calendar weeks in a year in a position in the classified service.
- (g) "Code" means the Internal Revenue Code of 1986, as amended from time to time.
- (h) "Compensation" means wages as defined in Code Section 3401(a) and all other payments of compensation to an Eligible Employee by the Employer (in the course of the Employer's trade or business) for services to the Employer while employed as an Eligible Employee for which the Employer is required to furnish the Eligible Employee a written statement under Code Sections 6041(d) and 6051(a)(3). Compensation must be determined without regard to any rules under Code Section 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 Section 3401(a)(2)). Compensation shall include amounts that are not includible in the gross income of the Participant by reason of Code sections 125, 402(a)(8), 402(h), 403(b) or 457.

Compensation shall generally be based on the amount actually paid or made available to the Eligible Employee during the Plan Year or Limitation Year (as defined in Article V). The annual Compensation of each Active Participant taken into account for determining benefits provided under the Plan for any determination period shall not exceed the annual Compensation limit under Code Section 401(a)(17) as in effect on the first day of the determination period. This limit shall be adjusted by the Secretary of the Treasury to reflect increases in the cost of living, as provided in Code Section 401(a)(17)(B); provided, however, that the dollar increase in effect on January 1 of any calendar year is effective for determination periods beginning in such calendar year. If a Plan determines Compensation over a determination period that contains fewer than 12 calendar months (a "short determination period"), then the Compensation limit for such "short determination period"

is equal to the Compensation limit for the calendar year in which the "short determination period" begins multiplied by the ratio obtained by dividing the number of full months in the "short determination period" by 12; provided, however, that such proration shall not apply if there is a "short determination period" because (i) contributions are based only on Compensation paid during the portion of the Plan Year during which an individual was an Active Participant, (ii) an Employee is covered under the Plan less than a full Plan Year, or (iii) Employee Mandatory Contributions are contributed for each pay period during the Plan Year and are based on Compensation for that pay period.

Compensation includes any bonus and overtime. Compensation shall not include reimbursements or other expense allowances, fringe benefits (cash and non-cash), or moving expenses.

- (i) "Contribution Period" means the period for which Employer Contributions are made and calculated. The Contribution Period for Employer Contributions is the Plan Year. The Contribution Period for Employee Mandatory Contributions is the payroll period.
- (j) "Effective Date" means January 1, 1999.
- (k) "Eligible Employee" means any Employee who is regularly scheduled to work twenty (20) or more hours per week and whose position is intended to last for at least twelve (12) consecutive months and who is not a Classified Employee and would otherwise be a member of group A, B, C, D or F of the Vermont State Employees Retirement System under section 455(9) of 3 VSA.

Although considered Employees, members of the Vermont General Assembly are not eligible to participate in this plan.

- (l) "Employee" means any common law employee of the Employer. The term "Employee" does not include Leased Employees or Independent Contractors.
- (m) "Employee Mandatory Contribution" means a pre-tax employee contribution made in accordance with Section 4.4.
- (n) "Employer" means State of Vermont.
- (o) "Employer Contribution" means any contribution made by the Employer to the Trust in accordance with Section 4.3.
- (p) "Employment Commencement Date" means the date on which an individual becomes an Employee of the Employer.
- (q) "Fund Share" means the share, unit, or other evidence of ownership in a Permissible Investment.
- (r) "Inactive Participant" means any individual who was an Active Participant, but is no longer an Eligible Employee and who has an Account under the Plan.
- (s) "Independent Contractor" means a person hired under retainer, contract, or special arrangement who controls the manner and procedures involved in accomplishing his/her work, including hours of employment.
- (t) "Leased (or Temporary) Employee" means any person employed in a position of a nonpermanent nature such as seasonal employment or non-recurring projects.
- (u) "Normal Retirement Age" means age 62.
  - For the purpose of establishing eligibility for continued medical coverage, "Normal Retirement" means age 55 with 5 years of service.

- For the purpose of establishing eligibility for continued life insurance, "Normal Retirement" means age 55 with 20 years of service.
- (v) "Participant" means any individual who is either an Active Participant or an Inactive Participant.
- (w) "Permissible Investment" means the investments specified by the Trustee as available for investment of assets of the Trust and agreed to by the Trustee. The Permissible Investments under the Plan shall be listed in the Service Agreement.
- (x) "Plan" means this plan established by the Employer together with any and all amendments hereto.
- (y) "Plan Year" means the 12-consecutive-month period ending on December 31. The initial Plan Year is the period beginning on the Effective Date and ending on December 31.
- (z) "Reemployment Date" means the date on which an Employee who terminates employment with the Employer is again employed by the Employer following such termination of employment.
- (aa) "Required Beginning Date" means the later of (i) the first day of April of the calendar year following the calendar year in which the Participant attains age 70 ½ or (ii) the first day of April of the calendar year following the calendar year in which the Participant retires.
- (bb) "Rollover Contribution" means any distribution from a qualified plan (or an individual retirement account holding only assets allocable to a distribution from a qualified plan) that an Employee elects to contribute to the Trust in accordance with the provisions of Section 4.5.
- (cc) "Service Agreement" means the agreement between the Employer and Fidelity Investments Public Sector Services Company (FIPSSCo), a division of FMR Corp., (or its agent or affiliate) relating to the provision of investment and other services to the Plan and shall include any addendum to the agreement and any other separate written agreement or addendum to such agreement between the Employer and FIPSSCo relating to the provision of services to the Plan.
- (dd) "Separation From Service" occurs when an Employee no longer is performing duties for the Employer in a capacity as a common law employee for which he or she is entitled to receive Compensation and is not on an authorized leave of absence, layoff, vacation, sick or disability leave, or jury duty. A Separation From Service can occur upon termination of employment by reason of retirement, discharge, quit, or death.
- (ee) "Transferred Pension Account" means the balance transferred to the Trust from the Vermont State Employees Retirement System which consists of employee pre-tax contribution amounts, employee after-tax contribution amounts, and amounts attributable to employer contributions.
- (ff) "Trust" means the trust created by the Employer with respect to the Plan.
- (gg) "Trust Agreement" means the agreement between the Employer and the Trustee under which the assets of the Plan are held, administered, and managed.
- (hh) "Trustee" means Treasurer of State of Vermont or its successor. The term Trustee shall include any delegate of the Trustee as may be provided in the Trust Agreement.
- (ii) "Trust Fund" means the property held in Trust by the Trustee for the Accounts of Participants and their Beneficiaries.

## **2.02 Pronouns**

Pronouns used in the Plan are in the masculine gender but include the feminine gender unless the context clearly indicates otherwise.

## ARTICLE III ELIGIBILITY AND PARTICIPATION

### 3.01 Eligibility and Commencement of Participation

Any Eligible Employee who was an Employee prior to January 1, 1999 shall become an Active Participant in the Plan as of January 1, 1999 provided such Employee elects to do so on a form provided by the Administrator and such election is made no later than December 11, 1998.

Any Eligible Employee with an Employment Commencement Date on or after January 1, 1999 shall become an Active Participant in the Plan as of the date such Employee elects to do so on a form provided by the Administrator provided, however, that any such election must be made no later than sixty (60) days following such Employee's Employment Commencement Date or any such other date as may be determined by the Administrator.

Election to participate in the Plan is irrevocable, unless the Employee becomes a Classified Employee and elects to transfer his or her total Account balance to the Vermont State Employees Retirement System.

In the event that an Employee ceases employment but continues to be a Participant and is later reemployed as an Eligible Employee, the Employee will automatically become an Active Participant in the Plan.

In the event an Employee ceases to be a Participant and is later reemployed as an Eligible Employee, such Employee shall have the option of electing to participate in either the Plan or the Vermont State Employees Retirement System.

### 3.02 Termination of Participation

An Active Participant shall cease to be eligible for allocations of contributions under the Plan upon the Participant's Separation from Service. Participation in the Plan will cease upon complete distribution of a Participant's vested Account balance.

## ARTICLE IV CONTRIBUTIONS

### 4.01 Contributions Subject to Limitations

All contributions made to the Plan under this Article IV shall be subject to the limitations contained in Article V.

### 4.02 Employer Contributions

The Employer shall make an Employer Contribution to the Trust on behalf of each eligible Active Participant, as determined in accordance with Article III, in an amount equal to seven percent (7%) of such Active Participant's Compensation, as defined in Section 2(h), for that portion of the Plan Year during which such person was an eligible Active Participant. Employer Contributions shall be computed and paid each pay period.

### 4.03 Employee Mandatory Contributions

Each Active Participant shall contribute to the Trust at a rate equivalent to the contribution rate for Group F members of the Vermont State Employees Retirement System. Such Employee Mandatory Contributions shall be made by payroll deduction on a pre-tax basis. Employee Mandatory Contributions shall be picked up and paid by the Employer in lieu of contributions by the Participant and shall be treated as employer contributions in accordance with Code section 414(h)(2) such that (i) although designated as employee contributions, the contributions are being paid by the Employer in lieu of contributions by the Employee and (ii) the Employee does not have the option of receiving these amounts as compensation.

### 4.04 Rollover Contributions

An Eligible Employee who is or was entitled to receive an eligible rollover distribution, as defined in Code Section 402(c)(4) and Treasury Regulations issued thereunder, from a qualified plan (or an individual retirement account holding only assets attributable to a distribution from a qualified plan) may elect to contribute all or any portion of such distribution to the Trust directly from such qualified plan or individual retirement account within 60 days of payment of such distribution to the Eligible Employee. Rollover Contributions shall only be made in the form of cash.

The Administrator shall develop such procedures and require such information from Eligible Employees as it deems necessary to insure that amounts contributed under this Section 4.4 meet the requirements for tax-free rollovers established by this Section and by Code Section 402(c). No Rollover Contributions may be made to the Plan until approved by the Administrator. If a Rollover Contribution made under this Section 4.4 is later determined by the Administrator not to have met the requirements of this Section or of the Code or Treasury regulations, the Trustee shall, within a reasonable time after such determination is made, and on instructions from the Administrator, distribute to the Employee the amounts then held in the Trust attributable to such Rollover Contribution. A Participant's Rollover Contributions Account shall be subject to the terms of the Plan, except as otherwise provided in this Section 4.4. Notwithstanding any other provision of this Section, the Trustee will accept Rollover Contributions pursuant to the provisions of this Section.

### 4.05 Vested Interest in Contributions

A Participant shall always be 100% immediately vested in his or her Employee Contributions Account, Rollover Contributions Account, and his or her Transferred Pension Accounts from the Vermont State Employees Retirement System attributable to employee contributions. A Participant shall be 100% vested in his or her Employer Contributions Account, and that portion of

his or her Transferred Pension Account from the Vermont State Employees Retirement System attributable to employer contributions, upon such time when the Participant's reaches a one (1) year and eleven (11) month anniversary of his or her Employment Commencement Date. A leave of absence without pay shall not count as service in determining the vested status of a participant. A Participant whose employment with the Employer is terminated for any reason prior to the end of his or her one year and eleven month anniversary of his or her Employment Commencement Date shall be 0% vested in his or her Employer Contributions Account, and that portion of his or her Transferred Pension Account attributable to employer contributions.

In the event of reemployment as an Eligible Employee, where the Employee had not vested during his or her first employment period but remained a Participant in the Plan, that Employee would be eligible to retain the vesting time earned during his or her first employment period. In the event of reemployment as an Eligible Employee, where the Employee had not vested during his or her first employment period and is not a Participant of the Plan, that Employee has retained no preceding vesting rights or time from his or her first employment period.

#### **4.06 Time for Making Employer Contributions**

The Employer shall pay its contribution for each Plan Year not later than the time prescribed by federal law.

#### **4.07 Return of Employer Contributions**

The Trustee shall, upon request by the Employer, return to the Employer the amount (if any) determined under Section 14.8 or such amount paid to the Trustee as a result of a mistake of fact. Such amount shall be reduced by amounts attributable thereto which have been credited to the Accounts of Participants who have since received distributions from the Trust, except to the extent such amounts continue to be credited to such Participants' Accounts at the time the amount is returned to the Employer. Such amount shall also be reduced by the losses of the Trust attributable thereto, if and to the extent such losses exceed the gains and income attributable thereto, but shall not be increased by the gains and income of the Trust attributable thereto, if and to the extent such gains and income exceed the losses attributable thereto. To the extent such gains exceed losses, the gains shall be forfeited and applied as provided in Section 9.8. In no event shall the return of a contribution hereunder cause the balance of the individual Account of any Participant to be reduced to less than the balance which would have been credited to the Account had the mistaken amount not been contributed.

## ARTICLE V LIMITATIONS ON ANNUAL ADDITIONS

- (a) In no event shall the annual addition for any Plan Year (which shall be the "Limitation Year" within the meaning of Treasury regulations Section 1.415-2(b)) to the Accounts of any Participant exceed (i) the lesser of (a) \$30,000 (or, if greater, twenty-five percent (25%) of the dollar limitation in effect under Section 415(b)(1)(A) of the Code), or (b) twenty-five percent (25%) of the Compensation, as defined in paragraph (c) below, actually paid or made available to the Participant by the Employer during the Limitation Year, minus (ii) such Participant's annual additions for Limitation Year under all other qualified defined contribution plans which the Employer maintains or to which it contributes. For purposes of this Article, the term "annual addition" means the sum for any Plan Year of the following:
- (i) Contributions by the Employer (including contributions described in Section 402(a)(8) of the Code);
  - (ii) Employee contributions (other than rollover contributions and contributions to a simplified employee pension excludable from gross income under Section 408(k)(6) of the Code);
  - (iii) Amounts allocated to an individual medical account, as defined in Section 415(1)(2) of the Code, which is part of a pension or annuity maintained by the Employer; and
  - (iv) Amounts derived from contributions which are attributable to medical benefits allocated to the separate account of a key employee as defined under Code Section 419(d)(3), under a welfare benefit fund, as defined under Section 419(e) of the code, maintained by the Employer.
- (b) If, due to a reasonable error in estimating a Participant's Compensation for the Plan Year, the allocation of forfeitures, or such other reasonable circumstances as may be acceptable to the Secretary of the Treasury, a reduction is necessary to avoid exceeding the limitations as set forth in this Article V, such excess amount shall be reduced to the extent necessary by (i) reducing any Employer Contributions, the amount of which would be treated as forfeitures under Section 9.8; (ii) then, as necessary, reducing any Employee Contributions, the amount of which would be treated as forfeitures under Section 9.8.
- (c) "415 Compensation" means wages as defined in Code Section 3401(a) and all other payments of compensation to an Eligible Employee by the Employer for services to the Employer while employed as an Eligible Employee for which the Employer is required to furnish the Eligible Employee a written statement under Code Sections 6041(d) and 6051(a)(3). 415 Compensation must be determined without regard to any rules under Code Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed. 415 Compensation shall include amounts that are not includible in the gross income of the Participant by reason of Code sections 125, 402(a)(8), 402(h), 403(b) or 457.

415 Compensation shall generally be based on the amount actually paid or made available to the Eligible Employee during the Plan Year or Limitation Year (as defined in Article V). The annual 415 Compensation of each Active Participant taken into account for determining benefits provided under the Plan for any determination period shall not exceed the annual 415 Compensation limit under Code Section 401(a)(17) as in effect on the first day of the determination period. This limit shall be adjusted by the Secretary of the Treasury to reflect increases in the cost of living, as provided in Code Section 401(a)(17)(B); provided, however,

that the dollar increase in effect on January 1 of any calendar year is effective for determination periods beginning in such calendar year. If a Plan determines 415 Compensation over a determination period that contains fewer than 12 calendar months (a "short determination period"), then the 415 Compensation limit for such "short determination period" is equal to the 415 Compensation limit for the calendar year in which the "short determination period" begins multiplied by the ratio obtained by dividing the number of full months in the "short determination period" by 12; provided, however, that such proration shall not apply if there is a "short determination period" because (i) contributions are based only on 415 Compensation paid during the portion of the Plan Year during which an individual was an Active Participant, (ii) an Employee is covered under the Plan less than a full Plan Year, or (iii) Employee Contributions are contributed for each pay period during the Plan Year and are based on Compensation for that pay period.

- (d) For limitation years beginning prior to January 1, 2000, if a Participant also is, or was, covered under a defined benefit plan maintained, or contributed to, by the Employer, the sum of the amounts determined under (i) and (ii) below may not exceed 1.0 in any limitation year:
- (i) The Participant's "defined benefit plan fraction" – A fraction, the numerator of which is the sum of the Participant's projected annual benefits under all defined benefit plans (whether of not terminated) maintained, or contributed to, by the Employer and the denominator of which is the lesser of (A) 1.25 times the dollar limitation of Section 415(b)(1)(A) of the Code for the limitation year, or (B) 1.4 times the Participant's average compensation for the three consecutive years that produces the highest average; and
  - (ii) The Participant's "defined contribution plan fraction" – A fraction, the numerator of which is the sum of the annual additions (within the meaning of Section 415(c)(2) or the Code) to the Participant's Account under all defined contribution plans (whether or not terminated) maintained, or contributed to, by the Employer for the current and all prior limitation years (minus the amount, if any, determined under Treasury Regulations issued pursuant to Section 235(g) of the Tax Equity and Fiscal Responsibility Act of 1982), and the denominator of which is the lesser of the following amounts determined for such year and for each prior year of service with the Employer:
    - (A) 1.25 times the dollar limitation in effect under Section 415(c)(1)(A) of the Code for such year, or
    - (B) 1.4 times the amount which may be taken into account under Section 415(c)(1)(B) of the Code;
- provided, however, that at the option of the Administrator, the amount taken into account as the denominator of the fraction for any year ended after December 31, 1982 may be determined under the special transition rule set forth in Section 415(e)(6) and, if applicable, Section 416(h)(4) of the Code.

For the purposes of (i) above, "projected annual benefits" means the annual benefit to which the Participant would be entitled under the terms of the defined benefit plan, if the Participant continued employment until normal retirement age (or current age, if later) and the Participant's compensation for the limitation year and all other relevant factors used to determine such benefit remained constant until normal retirement age (or current age, if later). If, in any limitation year, the sum of the defined benefit plan fraction and the defined contribution plan fraction will exceed 1.0, the rate of benefit accruals under the defined benefit plan will be reduced so that the sum of the fractions equals 1.0.

## ARTICLE VI PARTICIPANTS' ACCOUNTS

### 6.01 Individual Accounts

The Administrator shall establish and maintain an Account for each Participant that shall reflect Employer and Employee contributions made on behalf of the Participant and earnings, expenses, gains and losses attributable thereto, and investments made with amounts in the Participant's Account. The Administrator shall establish and maintain such other accounts and records as it determines in its discretion to be reasonably required or appropriate in order to discharge its duties under the Plan. The Administrator shall notify the Trustee of all Accounts established and maintained under the Plan. A Participant's Account shall include separate sub-accounts for each of the following: Employee Mandatory Contributions, Employer Contributions, Transferred Pension Account attributable to employer contributions, Transferred Pension Account attributable to after-tax employee contributions, Transferred Pension Account attributable to pre-tax employee contributions and Rollover Contributions.

### 6.02 Valuation of Accounts

Participant Accounts shall be valued at their fair market value each day in which the New York Stock Exchange is open for business in accordance with a method consistently followed and uniformly applied, and on such date earnings, expenses, gains and losses on investments made with amounts in each Participant's Account shall be allocated to such Account. Participants shall be furnished statements of their Account values at least quarterly.

## ARTICLE VII INVESTMENT OF CONTRIBUTIONS

### 7.01 Manner of Investment

All contributions made to the Accounts of Participants shall be held for investment by the Trustee. The Accounts of Participants shall be invested and reinvested only in Permissible Investments selected by the Trustee and designated in the Service Agreement.

### 7.02 Investment Decisions

Investments shall be directed by the Participant. Pursuant to the terms of the Trust Agreement, the Trustee shall not have discretion or authority with respect to the investment of the Trust Fund.

Each Participant shall direct the investment of his or her Account among the Permissible Investments designated in the Service Agreement. The Participant shall file initial investment instructions with the Administrator, on such form as the Administrator may provide, selecting the Permissible Investments in which amounts credited to his or her Account shall be invested.

- (a) Except as provided in this Section 7.2, only authorized Plan contacts and the Participant shall have access to a Participant's Account. While any balance remains in the Account of a Participant after his or her death, the Beneficiary of the Participant shall make decisions as to the investment of the Account as though the Beneficiary were the Participant. To the extent required by a domestic relations order as defined in Code Section 414(p), an alternate payee shall make investment decisions with respect to any segregated account established in the name of the alternate payee as provided in Section 14.4.
- (b) If the Trustee receives any contribution under the Plan as to which investment instructions have not been provided, the Trustee shall notify the Administrator and the Administrator shall take steps to elicit instructions from the Participant. The Trustee shall credit any such contribution to the Participant's Account and such amount shall be invested in the Permissible Investment selected by the Trustee for such purposes.
- (c) All dividends, interest, gains and distributions of any nature received in respect of Fund Shares shall be reinvested in additional shares of that Permissible Investment.
- (d) Expenses attributable to the acquisition of investments shall be charged to the Account of the Participant for which such investment is made.

### 7.03 Participant Directions

The method and frequency for change of investments shall be determined under (i) the rules applicable to the Permissible Investments selected by the Trustee and designated in the Service Agreement and (ii) any additional rules of the Employer limiting the frequency of investment changes, which are included in a separate written administrative procedure adopted by the Employer and accepted by the Trustee. The Trustee shall have no duty to inquire into the investment decisions of a Participant or to advise him regarding the purchase, retention, or sale of assets credited to his or her Account.

## ARTICLE VIII IN-SERVICE WITHDRAWALS

### 8.01 Withdrawal of Contributions

A Participant shall not be permitted to receive a distribution prior to his or her termination of employment of any part of his or her Employer Contributions Account, Employee Mandatory Contributions Account, or Transferred Pension Accounts.

### 8.02 Withdrawal of Rollover Contributions

A Participant may elect to withdraw, in cash, up to one-hundred (100) percent of the amount then credited to his or her Rollover Contributions Account. Such withdrawals may be made at any time.

### 8.03 Distribution of Withdrawal Amounts

Any In-Service withdrawal shall be distributed pro-rata from the Permissible Investments in which the requested amount is invested.

## ARTICLE IX RIGHT TO BENEFITS

### 9.01 Normal or Early Retirement

Each Participant who continues in employment as an Employee until his or her Normal Retirement Age shall have a vested interest in his or her Account of 100 percent regardless of his or her length of service. If a Participant retires upon the attainment of Normal Retirement Age, such retirement is referred to as a normal retirement. Retirement by a Participant prior to attainment of Normal Retirement Age is referred to as early retirement.

### 9.02 Late Retirement

If a Participant continues in employment as an Employee after his or her Normal Retirement Age, he or she shall continue to have a 100 percent vested interest in his or her Account and shall continue to participate in the Plan until the date he or she establishes with the Employer for his or her late retirement. Until he or she retires, he or she has a continuing election to receive all or any portion of his or her Account.

### 9.03 Death

If a Participant who is employed as an Employee dies, his or her Account shall become 100 percent vested and his or her designated Beneficiary shall be entitled to receive the balance of his or her Account, plus any amounts thereafter credited to his or her Account. A copy of the death notice or other sufficient documentation must be filed with and approved by the Administrator. If upon the death of the Participant there is, in the opinion of the Administrator, no designated Beneficiary for part or all of the Participant's Account, such amount shall be paid to his or her estate. If a Beneficiary dies after benefits to such Beneficiary have commenced, but before they have been completed, and, in the opinion of the Administrator, no person has been designated to receive such remaining benefits, then such benefits shall be paid in a lump sum to the deceased Beneficiary's estate.

### 9.04 Designation of Beneficiary

A Participant may designate a Beneficiary, or change any prior designation of Beneficiary by giving notice to the Administrator on a form designated by the Administrator. If more than one person is designated as the Beneficiary, their respective interests shall be as indicated on the designation form.

The interpretation by the Administrator with respect to any Beneficiary designation, subject to applicable law, shall be binding and conclusive upon all parties, and no person who claims to be a Beneficiary, or any other person, shall have the right to question any action of the Administrator.

### 9.05 Other Termination of Employment

If a Participant terminates his or her employment with the Employer for any reason other than death or normal, or late retirement, he or she shall be entitled to a termination benefit equal to the sum of (a) his or her vested interest in the balance of his or her Employer Contributions Account, and that portion of his or her Transferred Pension Account attributable to employer contributions, such vested interest to be determined in accordance with Section 4.5 hereof, and (b) the balance of his or her Employee Mandatory Contributions Account, Rollover Contributions Account, and his or her Transferred Pension Accounts attributable to employee contributions.

### **9.06 Application for Distribution**

A Participant (or his or her Beneficiary, if the Participant has died) who is entitled to a distribution hereunder must make application, in a form acceptable to the Trustee, for a distribution from his or her Account. No distribution shall be made hereunder without proper application thereof.

### **9.07 Forfeitures**

If a Participant terminates his or her employment with the Employer before he or she is 100 percent vested in his or her Employer Contributions Account and the Transferred Pension Account attributable to employer contributions, the nonvested portion of his or her Accounts (including any amounts credited after his or her termination of employment) shall be forfeited by him or her.

### **9.08 Application of Forfeitures**

Any forfeitures occurring during a Plan Year shall be used to pay the expenses associated with the administration of the Plan. Pending application, forfeitures shall be held in the Permissible Investment selected by the Trustee for such purpose.

### **9.09 Adjustment for Investment Experience**

If any distribution under this Article IX is not made in a single payment, the amount retained by the Trustee after the distribution shall be subject to adjustment until distributed to reflect the income and gain or loss on the investments in which such amount is invested and any expenses properly charged under the Plan and/or Trust to such amounts.

## ARTICLE X DISTRIBUTIONS

### 10.01 Timing of Distribution Following Retirement or Termination of Employment

The balance of a Participant's vested interest in his or her Account shall be distributable upon his or her termination of employment with the Employer because of death, normal, or early (as permitted under the Plan) retirement, or other termination of employment. Notwithstanding the foregoing, a Participant may elect to postpone distribution of his or her Account until his or her Required Beginning Date. A Participant who elects to postpone distribution has a continuing election to receive such distribution prior to the date as of which distribution is required, unless such Participant is reemployed as an Employee.

### 10.02 Participant Consent to Distribution

No distribution shall be made to the Participant before he or she reaches his or her Normal Retirement Age (or age 62, if later), unless the written consent of the Participant has been obtained. Such consent shall be made in writing within the 30-day period ending on the Participant's Annuity Starting Date. The consent of the Participant shall not be required to the extent that a distribution is required to satisfy Code Section 401(a)(9) or Code Section 415. In addition, upon termination of the Plan, the Participant's Account shall, without the Participant's consent, be distributed to the Participant.

### 10.03 Required Commencement of Distribution to Beneficiaries

If a Participant dies before distribution of his or her vested interest in his or her Account has begun, the Participant's Beneficiary shall receive distribution of the Participant's vested interest in his or her Account in the form provided under Article XI beginning as soon as reasonably practicable following the date the Beneficiary's application for distribution is filed with the Administrator. Unless distribution is to be made over the life or over a period certain not greater than the life expectancy of the Beneficiary, distribution of the Participant's entire vested interest shall be made to the Beneficiary no later than the end of the fifth calendar year beginning after the Participant's death. If distribution is to be made over the life or over a period certain no greater than the life expectancy of the Beneficiary, distribution shall commence no later than:

- (a) If the Beneficiary is not the Participant's spouse, the end of the first calendar year beginning after the Participant's death; or
- (b) If the Beneficiary is the Participant's spouse the later of (i) the end of the first calendar year beginning after the Participant's death or (ii) the end of the calendar year in which the Participant would have attained age 70 ½.

If distribution is to be made to a Participant's spouse, it shall be made available within a reasonable period of time after the Participant's death that is no less favorable than the period of time applicable to other distributions. In the event such spouse dies prior to the date distribution commences, he or she shall be treated for purposes of this Section (other than the Subsection (b) above) as if he or she were the Participant. Any amount paid to a child of the Participant shall be treated as if it had been paid to the surviving spouse if the amount becomes payable to the surviving spouse when the child reaches the age of majority.

If the Participant has not designated a Beneficiary, or the Participant or Beneficiary has not effectively selected a method of distribution, distribution of the Participant's benefit shall be completed by the close of the calendar year in which the fifth anniversary of the death of the Participant occurs.

If a Participant dies after distribution of his or her vested interest in his or her Account has begun, but before his or her entire vested interest in his or her Account is distributed, his or her Beneficiary shall receive distribution of the remainder of the Participant's vested interest in his or her Account beginning as soon as reasonably practicable following the Participant's date of death in a form that provides for distribution at least as rapidly as under the form in which the Participant was receiving distribution.

#### **10.04 Whereabouts of Participants and Beneficiaries**

A Participant is always responsible for notifying the Administrator of any change of address. The Administrator shall at all times be responsible for determining the whereabouts of each Participant or Beneficiary who may be entitled to benefits under the Plan and shall at times be responsible for instructing the Trustee in writing as to the current address to each such Participant or Beneficiary. The Trustee shall be entitled to rely on the latest written statement received from the Administrator as to such addresses. The Trustee shall be under no duty to make any distributions under the Plan unless and until it has received written instructions from the Administrator satisfactory to the Trustee containing the name and address of the distributee, the time when the distribution is to occur, and the form which the distribution shall take.

Notwithstanding the foregoing, if the Trustee attempts to make a distribution in accordance with the Administrator's instructions but is unable to make such distribution because the whereabouts of the distributee is unknown, the Trustee shall notify the Administrator of such situation and thereafter the Trustee shall be under no duty to make any further distributions to such distributee until it receives further written instructions from the Administrator. If the Administrator is unable after diligent attempts to locate a Participant or Beneficiary who is entitled to a benefit under the Plan, the benefit otherwise payable to such Participant or Beneficiary shall be forfeited and applied to pay Plan expenses or reduce Employer contributions as provided in Section 9.8. If a benefit is forfeited because the Administrator determines that the Participant or Beneficiary cannot be found, such benefit shall be reinstated by the Trustee if a claim is filed by the Participant or Beneficiary with the Administrator and the Administrator confirms the claim to the Trustee.

## ARTICLE XI FORM OF PAYMENT

### 11.01 Forms of Distribution

Subject to the provisions of Section 11.2, a Participant (or Beneficiary, where applicable) may elect on a form prescribed by the Administrator to receive the balance of his or her Account in one of the following forms:

- (a) annuity payable over the life of the Participant in monthly, quarterly, or annual installments, as elected by the Participant;
- (b) Joint and 50%, 75% or 100% survivor annuity payable in monthly, quarterly, or annual installments, as elected by the Participant;
- (c) systematic annual withdrawals of (i) a designated amount, the number of payments of which will depend on the investment experience of the Trust Fund, or (ii) or unequal payments to be determined by the investment experience of the Trust Fund over a fixed period of time (not to exceed thirty (30) years); or
- (d) single lump sum payment.

### 11.02 Minimum Distributions

This Section shall be interpreted and applied in accordance with the regulations under Code Section 401(a)(9), including the minimum distribution incidental benefit requirement of Section 1.401(a)(9)-2 of the Proposed Treasury Regulations, or any successor regulations of similar import.

Distribution must be made in substantially equal annual, or more frequent, installments, in cash, over a period certain which does not extend beyond the life expectancy or joint life expectancies of the Participant and his or her Beneficiary or, if the Participant dies prior to the commencement of distributions from his or her Account, the life expectancy of the Participant's Beneficiary. The amount to be distributed for each calendar year for which a minimum distribution is required shall be at least an amount equal to the quotient obtained by dividing the Participant's interest in his or her Account by the life expectancy of the Participant or Beneficiary or the joint life and last survivor expectancy of the Participant and his or her Beneficiary, whichever is applicable. The amount to be distributed for each calendar year shall not be less than an amount equal to the quotient obtained by dividing the Participant's interest in his or her Account by the lesser of (i) the applicable life expectancy, or (ii) if a Participant's Beneficiary is not his or her spouse, the applicable divisor determined under Section 1.401(a)(9)-2, Q&A 4 of the Proposed Treasury Regulations, or any successor regulations of similar import. Distributions after the death of the Participant shall be made using the applicable life expectancy under (i) above, without regard to Section 1.401(a)(9)-2 of such regulations. For purposes of this Section, life expectancy and joint life and last survivor expectancy shall be computed by use of the expected return multiples in Table V and VI of Section 1.72-9 of the income tax Regulations.

For purposes of this Section, the life expectancy of a Participant or a Beneficiary who is the Participant's surviving spouse shall be recalculated annually unless the Participant or the Participant's spouse irrevocably elects otherwise prior to the time distributions are required to begin. If not recalculated in accordance with the foregoing, life expectancy shall be calculated using the attained age of the Participant or Beneficiary, whichever is applicable, as of such individual's birth date in the first year for which a minimum distribution is required reduced by one for each elapsed calendar year since the date life expectancy was first calculated. If the Participant dies after distribution of his or her benefits has begun, distributions to the Participant's Beneficiary

shall be made at least as rapidly as under the method of distribution being used as of the date of the Participant's death.

A Participant's interest in his or her Account for purposes of this Section shall be determined as of the last valuation date in the calendar year immediately preceding the calendar year for which a minimum distribution is required, increased by the amount of any contributions allocated to, and decreased by any distributions from, such Account after the valuation date. Any distribution for the first year for which a minimum distribution is required made after the close of such year shall be treated as if made prior to the close of such year.

The Administrator shall notify the Trustee in writing whenever a distribution is necessary in order to comply with the minimum distribution rule set forth in this Section.

### **11.03 Direct Rollovers**

Notwithstanding any other provision of the Plan to the contrary, a "distributee" may elect, at the time and in the manner prescribed by the Administrator, to have any portion or all of an "eligible rollover distribution" paid directly to an "eligible retirement plan" specified by the "distributee" in a direct rollover; provided, however, that this provision shall not apply if the total "eligible rollover distribution" that the Participant is reasonably expected to receive for the calendar year is less than \$200 and that a "qualified distributee" may not elect a direct rollover with respect to a portion of an "eligible rollover distribution" if such portion totals less than \$500. For purposes of this Section, the following definitions shall apply:

- (a) "Distributee" means a Participant, the Participant's surviving spouse, and the Participant's spouse or former spouse who is the alternate payee under a qualified domestic relations order, who is entitled to receive a distribution from the Participant's vested interest in his or her Account.
- (b) "Eligible retirement plan" means an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), an annuity plan described in Code Section 403(a), or a qualified trust described in Code Section 401(a), that accepts "eligible rollover distributions." However, in the case of an "eligible rollover distribution" to a surviving spouse, an "eligible retirement plan" means an individual retirement account or individual retirement annuity.
- (c) "Eligible rollover distribution" means 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 years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9); and the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).

### **11.04 Notice Regarding Timing and Form of Distribution**

Within the period beginning 30 days before a Participant's Annuity Starting Date, the Administrator shall provide a Participant with written notice containing a general description of the material features and an explanation of the relative values of the forms of benefit available under the Plan and informing the Participant of his or her right to defer receipt of the distribution and his or her right to make a direct rollover.

Distribution may commence less than 30 days after such notice is given, provided that:

- (a) the Administrator clearly informs the Participant that the Participant has a right to a period of at least 30 days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option); and
- (b) the Participant, after receiving the notice, affirmatively elects a distribution.

#### **11.05 Determination of Method of Distribution**

The Participant shall determine the method of distribution of benefits to himself and may determine the method of distribution to his or her Beneficiary. Such determination shall be made prior to the time benefits become payable under the Plan. If the Participant does not determine the method of distribution to his or her Beneficiary or if the Participant permits his or her Beneficiary to override his or her determination, the Beneficiary, in the event of the Participant's death, shall determine the method of distribution of benefits to himself as if he or she were the Participant. A determination by the Beneficiary must be made no later than the close of the calendar year in which distribution would be required to begin under Section 10.4 or, if earlier, the close of the calendar year in which the fifth anniversary of the death of the Participant occurs.

#### **11.06 Notice to Trustee**

The Administrator shall notify the Trustee in any medium acceptable to the Trustee, which may be specified in the Trust Agreement or Service Agreement, whenever any Participant or Beneficiary is entitled to receive benefits under the Plan. The Administrator's notice shall indicate the form of payment of benefits that such Participant or Beneficiary shall receive, (in the case of distributions to a Participant) the name of any designated Beneficiary or Beneficiaries, and such other information as the Trustee shall require.

## ARTICLE XII AMENDMENT AND TERMINATION

### 12.01 Amendments by the Employer

The Treasurer of the State of Vermont reserves the authority through a resolution or similar action to amend the Plan. Any such amendment shall be filed with the Trustee.

### 12.02 Termination

The Employer, through the Vermont General Assembly, has no obligation or liability whatsoever to maintain the Plan and may discontinue contributions under the Plan or terminate the Plan at any time without any liability hereunder for any such discontinuance or termination, except to the extent required by law.

### 12.03 Distribution upon Termination of the Plan

Upon termination or partial termination of the Plan or complete discontinuance of contributions thereunder, each Participant (including a terminated Participant with respect to amounts not previously forfeited by him) who is affected by such termination or partial termination or discontinuance shall have a vested interest in his or her Account of 100 percent. Upon receipt of instructions from the Administrator, the Trustee shall distribute to each Participant or other person entitled to distribution the balance of the Participant's Account in a single lump sum payment. In the absence of such instructions, the Trustee shall notify the Administrator of such situation and the Trustee shall be under no duty to make any distributions under the Plan until it receives written instructions from the Administrator. Upon the completion of such distributions, the Trust shall terminate, and no Participant or other person shall have any claims thereunder, except as required by applicable law.

If distribution is to be made to a Participant or Beneficiary who cannot be located, the Administrator shall give written instructions to the Trustee to (i) escheat the distributable amount to the State or Commonwealth of the distributee's last known address or (ii) draw a check in the distributable amount and mail it to the distributee's last known address. In the absence of such instructions, the Trustee shall make distribution to the distributee by drawing a check in the distributable amount and mailing it to the distributee's last known address.

### 12.04 Merger or Consolidation of Plan; Transfer of Plan Assets

In case of any merger or consolidation of the Plan with, or transfer of assets and liabilities of the Plan to, any other plan, provision must be made so that each Participant would, if the Plan then terminated, receive a benefit immediately after the merger, consolidation or transfer which is equal to or greater than the benefit he or she would have been entitled to receive immediately before the merger, consolidation or transfer if the Plan had then terminated.

## **ARTICLE XIII    TRANSFER OF FUNDS TO OR FROM OTHER QUALIFIED PLANS**

### **13.01    Transfer of Funds from an Existing Plan**

The Trustee, in accordance with such rules as the Trustee may establish, may accept cash transferred for the benefit of Participants from a trust forming part of another qualified plan under the Code. Such transferred assets shall become assets of the Trust as of the date they are received by the Trustee. Such transferred assets shall be credited to Participants' Accounts in accordance with their respective interests immediately upon receipt by the Trustee. A Participant's interest under the Plan in transferred assets which were fully vested and nonforfeitable under the transferring plan shall be fully vested and nonforfeitable at all times. The Trustee shall have no liability for and no duty to inquire into the administration of such transferred assets for period prior to the transfer.

### **13.02    Acceptance of Assets by Trustee**

The Trustee shall not accept assets that are not made in cash. The transferred assets shall be accompanied by instructions in writing (or such other medium as may be acceptable to the Trustee) showing separately the respective contributions by the prior employer and by the Participant, and identifying the assets attributable to such contributions. The Trustee shall establish such accounts as may be necessary or appropriate to reflect such contributions under the Plan. The Trustee shall hold such assets for investment in accordance with the provisions of Article VII, and shall in accordance with the written instructions of the Employer make appropriate credits to the Accounts of the Participants for whose benefit assets have been transferred.

### **13.03    Transfer of Assets from Trust**

The Trustee may transfer all or a specified portion of the Trust assets to any other plan or plans maintained by the Employer or the employer or employers of an Inactive Participant or Participants, provided that the Trustee has received evidence satisfactory that such other plan meets all applicable requirements of the Code. The assets so transferred shall be accompanied by instructions in writing (or such other medium as may be acceptable to the Trustee) from the Employer naming the persons for whose benefit such assets have been transferred, showing separately the respective contributions by the Employer and by each Inactive Participant, if any, and identifying the assets attributable to the various contributions. The Trustee shall not transfer assets hereunder until all applicable filing requirements are met. The Trustee shall have no further liabilities with respect to assets so transferred.

## ARTICLE XIV MISCELLANEOUS

### 14.01 Communication to Participants

The Employer shall communicate the Plan to all Eligible Employees promptly after the Plan is adopted.

### 14.02 Limitation of Rights

Neither the establishment of the Plan, nor any amendment thereof, nor the creation of any fund or account, nor the payment of any benefits, shall be construed as giving to any Participant or other person any legal or equitable right against the Employer, Administrator or Trustee, except as provided herein; and in no event shall the terms of employment or service of any Participant be modified or in any way affected hereby. It is a condition of the Plan, and each Participant expressly agrees by his or her participation herein, that each Participant shall look solely to the assets held in the Trust for the payment of any benefit to which he or she is entitled under the Plan.

### 14.03 Nonalienability of Benefits and Domestic Relations Orders

The benefits provided hereunder shall not be subject to alienation, assignment, garnishment, attachment, execution or levy of any kind, either voluntarily or involuntarily, and any attempt to cause such benefits to be so subjected shall not be recognized.

### 14.04 Domestic Relations Orders

A distribution under the Plan that is made pursuant to a "Domestic Relations Order," as herein defined, shall be treated as made pursuant to a qualified domestic relations order, as defined in Code section 414(p), for the purposes of applying the Code, including Section 402 of the Code. A "Domestic Relations Order," for purposes of this Section 14.4, is any judgment, decree, or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or marital property rights to a spouse, former spouse, child or other dependent of a Participant, and is made pursuant to a state domestic relations law (including a community property law), which creates, or recognizes the existence of, an Alternate Payee's right to, or assigns to an Alternate Payee the right to, receive all or a portion of the benefits otherwise payable to a Participant under the Plan.

For purposes of this Section 14.4, "Alternate Payee" means any spouse, former spouse, child, or other dependent of a Participant who is recognized by a domestic relations order as having a right to receive all or a portion of the benefit payable under the Plan with respect to such Participant.

The Administrator will establish reasonable procedures for determining whether a domestic relations order meets the requirements of this Section 14.4. Such procedures will:

- (i) Provide to each person specified in a Domestic Relations Order (as defined herein) as entitled to payment of Plan benefits notification of such procedures promptly upon receipt of the order by the Plan; and
- (ii) Permit an alternate payee to designate a representative for receipt of copies of notices that are sent to the alternate payee.

Within a reasonable period of time after receipt of such order, the Administrator will determine if such order is a Domestic Relations Order and will notify the Participant and each Alternate Payee of such determination. During any period in which the issue of whether a domestic relations order meets the requirements of this Section, the Administrator will segregate in a separate account the amounts that would have been payable to the alternate payee during such period if the order had

been determined to be a Domestic Relations Order under Section 14.4 hereof. If, within 18 months, the order is determined not to be a Domestic Relations Order, or the issue as to whether such order is a Domestic Relations Order is not resolved, then the Administrator will pay under the terms of the Plan the segregated amounts to the persons who would have been entitled to such amounts if there had been no order. Upon determination that the order is a Domestic Relations Order, an immediate distribution of the amount payable to the Alternate Payee may be made, at the election of the Alternate Payee, to such Alternate Payee.

#### **14.05 Veterans Reemployment Rights**

Notwithstanding any other provision of the Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service shall be provided in accordance with Code Section 414(u). The Administrator shall notify the Trustee of any Participant with respect to whom additional contributions are made because of qualified military service.

#### **14.06 Effect of Scrivener's Error**

Any provisions of the Plan improperly added, as a result of scrivener's error shall be considered null and void as of the date such error occurred.

#### **14.07 Facility of Payment**

In the event the Administrator determines, on the basis of medical reports or other evidence satisfactory to the Administrator, that the recipient of any benefit payments under the Plan is incapable of handling his or her affairs by reason of minority, illness, infirmity or other incapacity, the Administrator may direct the Trustee to disburse such payments to a person or institution designated by a court which has jurisdiction over such recipient or a person or institution otherwise having the legal authority under state law for the care and control of such recipient. The receipt by such person or institution of any such payments shall be complete acquittance therefore, and any such payment to the extent thereof, shall discharge the liability of the Trust for the payment of benefits hereunder to such recipient.

#### **14.08 Permitted Reversion of Funds to Employer**

If it is determined by the Internal Revenue Service that the Plan does not initially qualify under Code Section 401, all assets then held under the Plan shall be returned by the Trustee, as directed by the Administrator, to the Employer. Such distribution shall be made within one year after the date the initial qualification is denied. Upon such distribution the Plan shall be considered to be rescinded and to be of no force or effect.

#### **14.09 Governing Law**

The Plan shall be construed, administered and enforced according to applicable Federal law, and to the extent not preempted thereby, the laws of the State of Vermont.

## ARTICLE XV PLAN ADMINISTRATION

### 15.01 Powers and Responsibilities of the Administrator

The Administrator has the full power and the full responsibility to administer the Plan in all of its details. In addition to the powers and authorities expressly conferred upon it in the Plan, the Administrator shall have all such powers and authorities as may be necessary to carry out the provisions of the Plan, including the discretionary power and authority to interpret and construe the provisions of the Plan, such interpretation to be final and conclusive on all persons claiming benefits under the Plan; to make benefit determinations; and to resolve any disputes arising under the Plan. The Administrator may allocate and delegate his or her responsibilities to administer the Plan.

### 15.02 Nondiscriminatory Exercise of Authority

Whenever, in the administration of the Plan, any discretionary action by the Administrator is required, the Administrator shall exercise its authority in a nondiscriminatory manner so that all persons similarly situated shall receive substantially the same treatment.

### 15.03 Claims and Review Procedures

The provisions of this Section shall control with respect to the resolution of such claims; provided, however, that the Trustee may institute alternative claims procedures that are more restrictive on the Employer and more generous with respect to persons claiming a benefit under the Plan.

(a) Claims Procedure. Whenever a request for benefits under the Plan is wholly or partially denied, the Administrator shall notify the person claiming such benefits of its decision in writing. Such notification shall contain (1) specific reasons for the denial of the claim, (2) specific reference to pertinent Plan provisions, (3) a description of any additional material or information necessary for such person to perfect such claim and an explanation of why such material or information is necessary, and (4) information as to the steps to be taken if the person wishes to submit a request for review. Such notification shall be given within 90 days after the claim is received by the Administrator (or within 180 days, if special circumstances require an extension of time for processing the claim, and if written notice of such extension and circumstances is given to such person within the initial 90-day period). If such notification is not given within such period, the claim shall be considered denied as of the last day of such period and such person may request a review of his or her claim.

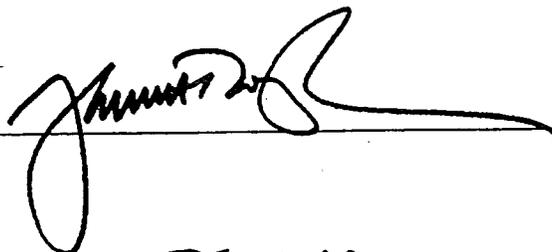
(b) Review Procedure. Within 60 days after the date on which a person receives a written notice of a denied claim (or, if applicable, within 60 days after the date on which such denial is considered to have occurred), such person (or his or her duly authorized representative) may (1) file a written request with the Administrator for a review of his or her denied claim and of pertinent documents and (2) submit written issues and comments to the Administrator. The Administrator shall notify such person of its decision in writing. Such notification shall be written in a manner calculated to be understood by such person and shall contain specific reasons for the decision as well as specific references to pertinent Plan provisions. The decision on review shall be made within 60 days after the request for review is received by the Administrator (or within 120 days, if special circumstances require an extension of time for processing the request, such as an election by the Administrator to hold a hearing, and if written notice of such extension and circumstances is given to such person within the initial 60-day period). If the decision on review is not made within such period, the claim shall be considered denied.

and circumstances is given to such person within the initial 60-day period). If the decision on review is not made within such period, the claim shall be considered denied.

IN WITNESS WHEREOF, the Treasurer of the State of Vermont has adopted this Plan as of January 1, 1999.

State of Vermont

By: \_\_\_\_\_

A handwritten signature in black ink, appearing to read "James D. [unclear]", written over a horizontal line.

Title: \_\_\_\_\_

STATE TREASURER