

STATE OF FLORIDA EMPLOYEES

DEFERRED COMPENSATION PLAN

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**STATE OF FLORIDA EMPLOYEES
DEFERRED COMPENSATION PLAN**

The State of Florida, pursuant to Section 112.215, Florida Statutes (“F.S.”), has established this State of Florida Employees Deferred Compensation Plan for the purpose of providing deferred compensation for its eligible employees. This Plan is a governmental plan intended to meet the requirements of Section 457(b) of the Internal Revenue Code, and, therefore, is exempt from the participation, vesting, funding, and fiduciary requirements of Title I of ERISA.

ARTICLE I

DEFINITIONS

The following definitions apply for purposes of this Plan and Rule Chapter 69C-6, Florida Administrative Code (“F.A.C.”) unless otherwise provided for herein.

1.01 “ACCOUNT” means the bookkeeping records maintained for each Participant, reflecting the Participant’s interest in the Plan. A Participant’s Account is comprised of various separate subaccount(s). Each Participant’s Account shall include a subaccount for the Participant’s before-tax contributions, rollover contributions, and, effective January 1, 2012, Roth contributions. Contributions, gains, losses, and other credits or changes shall be separately allocated on a reasonable and consistent basis to such subaccounts. The current value of a Participant’s Account includes: (i) all contributions made on the Participant’s behalf, adjusted by any earnings or losses of the trust fund (net of trust fund expenses) which are allocable to the Participant, plus (ii) any transfers for the Participant’s benefit; which sum is reduced by (iii) administrative charges (if any), and (iv) any distributions made to the Participant or the Participant’s beneficiary.

1.02 “ADMINISTRATOR” means the Chief Financial Officer of the State of Florida (the “CFO”) or such person or persons to whom the CFO, with the approval of the State Board of Administration, has delegated responsibility for the Plan’s administration.

1.03 “BEFORE-TAX CONTRIBUTIONS” means contributions to the Plan by a Participant as described in Section 3.01. Before-tax contributions are not included in the Participant’s gross income for federal income tax purposes at the time of contribution.

1.04 “BENEFICIARY” means any individual, trust, estate, or other person who is designated, pursuant to Section 8.03, to receive the benefits payable with respect to a Participant’s Account upon the Participant’s death. The Administrator may rely upon a Participant’s beneficiary designations on the Participant Action Form to identify the Participant’s Beneficiaries. Once the Administrator has identified, based on the facts known to the Administrator at the time of identification, the Participant’s Beneficiaries, and has completed payment to such Beneficiaries, the Plan shall have no further obligation to any of the Participant’s Beneficiaries or to any other person. In no event shall the Plan have any obligation to locate, or make payments to, any individual who is subsequently determined to be a beneficiary based on facts not known to the Administrator at the time of distribution.

1.05 “CODE” means sections of the Internal Revenue Code of 1986, as amended and adopted in Rule 69C-6.003(3) and (4), F.A.C.

1.06 “COMPENSATION” means all remuneration paid to an Employee for services rendered to the Employer, including salary, wages, fees, commissions, bonuses, and overtime pay, that is includible in the Employee’s gross income for the calendar year, plus amounts that would be cash compensation payable for services rendered to the Employer that would be includible in the Employee’s gross income but for an election under Code Section 125, 132(f)(4), 401(k), 403(b), or 457(b) (including an election to defer compensation under Article III). In addition, if a Participant is receiving Differential Wage Payments, the Participant shall be treated as remaining in the employment of the Employer during the period in which Differential Wage Payments are made, and such Differential Wage Payments shall be considered Compensation under the Plan. Compensation shall also include accumulated sick pay, accumulated vacation pay, back pay, and post-severance compensation.

For this purpose “post-severance compensation” means all of the following payments if such payments are made by the later of 2½ months after the Employee’s termination from employment or the end of the Plan Year that includes the date of the Employee’s termination from employment:

- (a) regular compensation for services during the Employee’s regular working hours, or compensation for services outside the Employee’s regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments if any of such payments would have been paid to the Employee prior to severance from employment if the Employee had continued in employment with the Employer;
- (b) payments for unused accrued bona fide sick, vacation or other leave, but only if the Employee would have been able to use the leave if employment had continued;
- (c) payments received from a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid to the Employee at the same time if the Employee had continued in employment with the Employer and only to the extent the payment is includible in the Employee’s gross income; and
- (d) payments to an individual who does not currently perform services for the Employer by reason of Qualified Military Service to the extent those payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the Employer rather than entering Qualified Military Service.

1.07 “COMPENSATION DEFERRED” or “DEFERRED COMPENSATION” means the amount of Compensation deferred by a Participant during any taxable year pursuant to a Deferred Compensation Election. Effective January 1, 2012, Deferred Compensation may consist of before-tax contributions, Roth contributions, or both.

1.08 “DEEMED IRA” means an individual retirement account (“IRA”) available through an Investment Provider, and treated as a separate account from the Account, into which a Participant may make voluntary contributions pursuant to the terms of the Plan after December 31, 2002. If the IRA satisfies the requirements applicable to traditional IRAs under Code Section 408,

the IRA is deemed to be a traditional IRA, and if the IRA satisfies the requirements applicable to Roth IRAs under Code section 408A, the IRA is deemed to be a Roth IRA.

1.09 “DEFERRED COMPENSATION ELECTION” means the agreement pursuant to which the Participant agrees to accept a reduction in Compensation and the Employer agrees to credit the amount of such reduction to the Participant’s Account.

1.10 “DEPENDENT” means, for a particular Plan Year, either:

(a)

(1) a child, brother, sister, stepbrother, or stepsister of the Participant, or a descendant of any such individual, who lives in the same residence with the Participant for more than six months of the Plan Year; and

(2) who is younger than the Participant, and who: (i) has not reached age 19 as of the end of the Plan Year, (ii) is a student who has not reached the age of 24 as of the end of the Plan Year, or (iii) is permanently and totally disabled at any time during the Plan Year; and

(3) who has not provided more than one-half of his or her own support during the Plan Year; or

(b)

(1) a child (or descendant), brother or sister (or stepbrother or stepsister), father or mother (or ancestor), stepmother or stepfather, niece or nephew, aunt or uncle, or in-law (father, mother, sister, brother, son, or daughter) of the Participant, or an individual (other than a spouse) who lives in the Participant’s principal residence, and is a member of the Participant’s household (unless the relationship violates local law); and

(2) whose gross income for the Plan Year does not exceed the Federal exemption amount, as indexed for inflation (\$4,000 for 2015); and

(3) who receives more than one-half of his or her support during that Plan Year from the Participant; and

(4) who is not described in subsection (1) of this Section 1.10, above.

1.11 “DIFFERENTIAL WAGE PAYMENT” means any payment made by the Employer to a Participant with respect to any period during which the Participant is on active duty in the uniformed services for a period of more than 30 days.

1.12 “DISTRIBUTION FORM” means Form DFS-J3-1172, incorporated by reference in Rule 69C-6.003, F.A.C.,

1.13 “ELIGIBLE PLAN” means an eligible governmental plan within the meaning of 26 CFR 1.457-2(f), as incorporated in Rule 69C-6.003(4), F.A.C.

1.14 “EMPLOYEE” means any person who performs services for the Employer for which Compensation or statutory fees are paid, whether such person is appointed, elected, or hired pursuant to an employment contract. Notwithstanding the foregoing, an individual shall only be treated as an Employee if he or she is reported on the payroll records of the Employer as a common law employee. It is expressly provided that any individual who is treated as an independent contractor by the Employer and any other common-law employee not described above is not an Employee and is not eligible to participate in this Plan. If any individual is not classified as an Employee by the Employer and is subsequently reclassified as an Employee by any governmental or regulatory authority, such individual shall nevertheless be deemed to have become an Employee prospectively only, effective as of the date of such reclassification (and not retroactive to the date on which he or she was found to have first become an Employee for any other purpose.)

1.15 “EMPLOYER” means the State of Florida, any state agency, county, municipality, public university, or other political subdivision of the State of Florida that elects to participate in the PLAN, either collectively or individually as the context requires.

1.16 “ENROLLMENT INFORMATION FORM” means Form DFS-J3-1164, incorporated by reference in Rule 69C-6.003, F.A.C.

1.17 “FRS” means the Florida Retirement System.

1.18 “FRS NORMAL RETIREMENT AGE” means the date on which the Participant becomes eligible to receive unreduced benefits from the FRS in accordance with Section 121.021(29), F.S.

(a) A Participant who first enrolled in the FRS prior to July 1, 2011 will qualify for unreduced benefits from the FRS upon satisfying one of the following criteria:

- (1) Age 62 with 6 years of any FRS qualifying service;
- (2) Age 62 with 6 years of Elected State and County Officers’ (ESCOC) service;
- (3) Age 62 with 7 years of Senior Management Service (SMS);
- (4) Age 55 with 6 years of Special Risk Service;
- (5) Any age with 25 years Special Risk Service; or
- (6) Any age with 30 years of any FRS service.

(b) A Participant who first enrolled in the FRS on or after July 1, 2011 will qualify for unreduced benefits from the FRS upon the earliest of:

- (1) the first day of the month in which the Participant reaches age 65, if the Participant has completed at least 8 years of Regular Class Service, Senior Management Service Class Service, or Elected Officers' Class Service;
- (2) the first day of the month following the month in which the Participant completes 33 years of Regular Class Service, Senior Management Service Class Service, or Elected Officers' Class Service;
- (3) the first day of the month in which the Participant reaches age 60, if the Participant has completed at least 8 years of Special Risk Class Service;
- (4) the first day of the month following the month in which the Participant completes 30 years of Special Risk Class Service; or
- (5) the first day of the month following the date on which the Participant reaches age 57, if the Participant has completed at least 30 years of service comprised of Special Risk Class Service and up to 4 years wartime military service purchased under Section 121.111, F.S.

1.19 "INCLUDIBLE COMPENSATION" means Compensation for services performed for the Employer which is currently includible in the Participant's gross income for Federal income tax purposes, increased by any election under Code Sections 125, 132(f)(4), 401(k), 403(b), or 457(b) (including an election to defer Compensation under Section 3.01). Includible Compensation shall be determined without regard to community property laws.

1.20 "INVESTMENT PRODUCTS" means the various investment alternatives made available from time to time for the purpose of measuring investment experience of a Participant's Account.

1.21 "INVESTMENT PROVIDER" means a company authorized by the Administrator to issue Investment Products to Participants pursuant to this Plan.

1.22 "IRA PARTICIPANT" means a Participant who has established a Deemed IRA.

1.23 "NORMAL RETIREMENT AGE" means the date selected by the Participant no earlier than the age at which a Participant becomes eligible for unreduced benefits under the Florida Retirement System Defined Benefit Plan and no later than age 70 1/2, or for Participants in the Florida Retirement System Investment Plan, the later of the date a Participant would have been eligible for unreduced benefits under the Florida Retirement System Defined Benefit Plan or the date the Participant is vested in the Florida Retirement System Investment Plan and no later than age 70 1/2 and for Participants in the Optional Retirement Plan an age between 65 and 70 1/2. Under no circumstance can a Normal Retirement Age be greater than age 70 1/2.

1.24 "PARTICIPANT" means any Employee or former Employee who has satisfied the requirements of Article II hereof. An individual shall be a Participant, regardless of whether such individual remains an Employee of the Employer, if there remains any amount credited to such individual's Account.

1.25 “PARTICIPANT ACTION FORM” means Form DFS-J3-1163, used to initiate participation or otherwise change the status of an Account, which is incorporated in 69C-6.003(2), F.A.C.

1.26 “PLAN” means the State of Florida Employees Deferred Compensation Plan adopted in Rule 69C-6.003, F.A.C., as set forth herein, as it may be amended from time to time.

1.27 “PLAN YEAR” means the twelve month period beginning January 1 and ending December 31.

1.28 “PUBLIC SAFETY OFFICER” means:

(a) an individual serving a public agency in an official capacity, with or without compensation, as a law enforcement officer, as a firefighter, or as a chaplain;

(b) an employee of the Federal Emergency Management Agency who is performing official duties of the Agency in an area, if those official duties—

(1) are related to a major disaster or emergency that has been, or is later, declared to exist with respect to the area under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.); and

(2) are determined by the Administrator of the Federal Emergency Management Agency to be hazardous duties;

(c) an employee of a State, local, or tribal emergency management or civil defense agency who is performing official duties in cooperation with the Federal Emergency Management Agency in an area, if those official duties—

(1) are related to a major disaster or emergency that has been, or is later, declared to exist with respect to the area under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.); and

(2) are determined by the head of the agency to be hazardous duties; or

(d) a member of a rescue squad or ambulance crew who, as authorized or licensed by law and by the applicable agency or entity, is engaging in rescue activity or in the provision of emergency medical services, 26USC 402(1)(4)(C).

1.29 “QUALIFIED MILITARY SERVICE” means service in the uniformed services of the United States for which an individual has reemployment rights under chapter 43 of title 38 of the United States Code.

1.30 “REQUEST FOR DISTRIBUTION FORM” means Request for Distribution (or Delayed Distribution), Form DFS-J3-1172, incorporated by reference in Rule 69C-6.003, F.A.C.

1.31 “ROLLOVER CONTRIBUTIONS” means contributions made to the Plan pursuant to Section 3.08.

1.32 “ROTH CONTRIBUTIONS” means Deferred Compensation that:

(a) The Participant irrevocably designates as a Roth Contribution, and that is deferred in lieu of all or a portion of the before-tax contributions the Participant is otherwise eligible to defer under the Plan;

(b) The Employer treats as includible in the Participant’s income at the time the Participant otherwise would have received that amount as Compensation if the Participant had not designated the Deferred Compensation as a Roth Contribution; and

(c) Maintained in a separate subaccount of the Participant’s Account.

1.33 “SEPARATION FROM SERVICE” means the date that is 31 days after a voluntary or involuntary termination of employment with the Employer for any reason including death or disability, or for no reason; provided, however, that an approved leave of absence shall not constitute a Separation from Service. A Participant will be treated as having incurred a Separation from Service on the date the Participant begins performing Qualified Military Service that is expected to last for a period of more than 30 days, for purposes of distributions and making contributions.

1.34 “STATE” means the State of Florida, as encompassed in the description of a “state” in Section 112.215(9), F.S. The State includes state officers and employees, but not contract vendors such as investment providers. The liability protections provided by Section 112.215(9), F.S. shall apply only to those persons included in the definition of State, but shall not apply to investment providers and/or other vendors.

1.35 “TRUST AGREEMENT” means the written agreement (or declaration) made by and between the Employer and the Trustee pursuant to which the trust fund is maintained. If the Plan’s assets are held in a custodial account or annuity contract within the meaning of Code Section 401(f), then the document establishing such custodial account or such annuity contract shall be deemed the Trust Agreement for purposes hereof.

1.36 “TRUST FUND” means the irrevocable trust fund created under and subject to the Trust Agreement. Assets held in the Trust fund shall be held solely for the benefit of Participants and Beneficiaries, and shall not inure to the Employer’s benefit. If the Plan’s assets are held in a custodial account or annuity contract within the meaning of Code Section 401(f), then such custodial account or annuity contract shall be deemed the trust fund for purposes hereof.

1.37 “TRUSTEE” means the trustee duly appointed and currently serving under the Trust Agreement. If the Plan’s assets are held in a custodial account or annuity contract within the meaning of Code Section 401(f), then such custodian or insurance carrier shall be deemed the Trustee for purposes hereof.

1.38 “UNFORESEEABLE EMERGENCY” means

(a) severe financial hardship to the Participant resulting from a sudden and unexpected circumstance, illness or accident of the Participant, or of a dependent of the Participant,

(b) loss of the Participant's property due to casualty, or

(c) other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. See 5.05(b) for considered and not considered unforeseeable emergencies.

ARTICLE II

ELIGIBILITY AND PARTICIPATION

2.01 Participation. An employee may elect to participate in this Plan by entering into a Deferred Compensation election authorizing the employer to reduce such employee's compensation by a specific amount. An employee shall become a Participant upon the Administrator's acceptance and approval of such individual's deferred compensation election.

2.02 Procedure for and Effect of Admission. An employee may enter into a deferred compensation election by (i) filing a Participant Action Form and an Enrollment Information Form (or through telephone or internet enrollment by which substantially equivalent information is collected) with his or her Investment Provider or the Deferred Compensation Office, or (ii) filing an EZ Enrollment Form with his or her Investment Provider or the Office of Deferred Compensation or submitting the online EZ Enrollment Form or (iii) in accordance with the automatic enrollment provisions contained in Section 3.01. The Administrator reserves the right to reject any deferred compensation election which is not submitted in compliance with this Plan.

2.03 Eligibility Upon Reemployment. A Participant who severs employment and is later re-employed with the employer as an employee shall become a Participant in accordance with the requirements of this Article II and Section 3.01.

ARTICLE III

CONTRIBUTIONS

3.01 Election to Defer Compensation.

(a) The Deferred Compensation Election completed by an employee electing to participate in this Plan shall authorize the Employee's employer to reduce the employee's compensation by the amount of Deferred Compensation elected by the Employee, subject to the limitations and conditions of Section 3.05. If a Participant elects to contribute a percentage of salary as opposed to a dollar amount, the percentage cannot be greater than 80 percent. The Administrator may establish a minimum deferral amount and may change such minimum from time to time. A deferred compensation election shall not be binding upon the employer until accepted and approved by the Administrator. A new Employee's deferred compensation election will be effective as of the employee's initial calendar month of employment if the deferred compensation election is entered into, and accepted

and approved by the Administrator, on or before the first day on which the employee performs services for the employer. Otherwise, except as provided in Section 3.01(b) below, the employee's deferred compensation election will be effective as soon as administratively practicable, but not earlier than the first day of the month following the date on which the employee enters into the deferred compensation election, and it is accepted and approved by the Administrator.

(b) Deemed Election of Before-Tax Contributions.

(1) Effective Date. This Section 3.01(b) shall be effective on the later to occur of (i) January 1, 2012, or (ii) the January 1 next following the date on which the automatic contribution arrangement set forth in this Section 3.01(b) is approved by the Florida Legislature (the "effective date"). The Florida Legislature will designate which employees are subject to the deemed election contained in this Section 3.01(b) (the "designated employees") and the amount of compensation which will be contributed pursuant to the deemed election.

(2) Automatic Election for Designated Employees. Designated employees who are eligible to participate in the Plan shall be deemed to have initially elected to make before-tax contributions at the amount of compensation established by the Florida Legislature, regardless of whether the designated Employee completes a deferred compensation election. Such automatic election shall be effective at the time established by the Florida Legislature. A designated employee may prevent the automatic election described herein from taking effect by making an affirmative election pursuant to subsection (a), above, by designating a different rate of before-tax contributions and/or Roth contributions (which rate may be zero). Such affirmative election must be made within the first forty-five (45) days (or such other period designated by the Florida Legislature) after the designated employee becomes eligible to participate in the Plan.

(3) Automatic Increases. The automatic election described above may be increased each year in such manner and by such amounts as are determined by the Florida Legislature.

(4) Notice. Each designated Employee to whom this subsection (b) applies shall receive an initial notice explaining the Plan's automatic enrollment provisions, and explaining the designated Employee's right to elect not to have automatic before-tax contributions made or to alter the amount of his or her before-tax contributions and/or Roth contributions. The notice shall also include the procedure for exercising those rights and the timing for implementing such an election. Each designated Employee shall receive such initial notice at the time the individual first becomes eligible to participate in the Plan. Thereafter, within a reasonable time prior to the start of the next Plan Year, each designated Employee shall receive a notice of the percentage of automatic before-tax contributions, and of his or her right to change the percentage of, or to cease making before-tax contributions altogether, for such subsequent Plan Year. This annual notice shall

also include the procedure for exercising those rights and the timing for implementing such an election.

3.02 Change in Contributions. Notwithstanding anything to the contrary contained in Section 3.01(b), a Participant may change his or her Deferred Compensation election under Section 3.01 at any time by filing a Participant Action Form (or through a telephone or internet-based service if substantially equivalent information is provided) with the Participant's Investment Provider or with the Administrator. The revised Deferred Compensation election will be effective as soon as administratively practicable but not earlier than the first day of the month following the date on which the Participant files the Participant Action Form (or acts through a telephone or internet-based service) with the Investment Provider or with the Administrator.

3.03 Suspension of Contributions.

(a) A Participant may suspend his or her Deferred Compensation election at any time by filing a revised Participant Action Form with his or her Investment Provider. The suspension shall become effective as soon as administratively practicable but not earlier than the first pay period commencing fifteen (15) days after the Administrator receives the revised Participant Action Form. A Participant's election to defer compensation shall be automatically suspended if the Participant receives a distribution due to an Unforeseeable Emergency. If a Participant who is deemed to have incurred a separation from service due to performing Qualified Military Service elects to receive a distribution from his or her account, the Participant will be prohibited from making before-tax contributions and/or Roth contributions to the Plan and all other plans of the employer for a period of six months beginning on the date of the distribution to the Participant.

(b) Except as provided in subsection (a) above, A Participant who has suspended his or her Deferred Compensation election may elect to resume Deferred Compensation contributions in accordance with Section 3.01.

3.04 Cancellation of Contributions. An employee may prevent any election to defer Compensation as described in Section 3.01 from taking effect by submitting a written request to void the election to defer Compensation to the applicable Investment Provider(s). Alternately, an employee may verbally request that the Investment Provider void the employee's election to defer Compensation, if written confirmation of that request is provided to the Administrator within seven (7) days of the verbal request. An employee's request to void an election to defer Compensation must be made not later than 15 calendar days after the date on which the Participant entered in the deferred compensation election, signed the Participant Action Form (or 15 calendar days after application via telephone or internet), or was deemed to elect to make before-tax contributions pursuant to Section 3.01(b), and must be made before any Compensation has been deferred under such election.

3.05 Maximum Deferral.

(a) Primary Limitation. Except as otherwise provided in this Section 3.05, the maximum amount of Compensation that may be deferred pursuant to Section 3.01 on

behalf of any Participant in a taxable year, other than by means of a rollover or transfer, shall not exceed the lesser of: (1) \$18,000 for 2015 (as adjusted for cost-of-living under Code Section 457(e)(15)(B)), or (2) 80% of the Participant's Includible Compensation for the taxable year.

(b) **Age 50 Catch-Up Contributions.** A Participant who is eligible to defer Compensation under this Plan and who has attained age 50 before the close of the taxable year shall be eligible to make catch-up contributions, up to the maximum age 50 catch-up contribution for the year 2015 of \$6,000 (as adjusted for cost-of-living to the extent provided under Code Section 414(v)). The age 50 catch-up contribution provided in this subsection (b) shall not apply for any taxable year for which a higher limitation applies under subsection (c).

(c) **Standard Catch-Up Limitation.** If the applicable calendar year is one of a Participant's last 3 calendar years prior to the calendar year in which the Participant will attain Normal Retirement Age, and the amount determined under this Section 3.05(c) exceeds the amount computed under Sections 3.05(a) and 3.05(b), a Participant may elect to have Deferred Compensation contributed to the Plan in an amount not to exceed the lesser of:

(1) Twice the applicable dollar amount set forth in Code Section 457(e)(15) for such year (For 2015, the applicable dollar limit is \$18,000 (adjusted for cost of living under Code Section 457(e)(15)(B) for future years)); or

(2) The amount of the "underutilized limitation" for the Participant's taxable year.

For purposes of this paragraph, the underutilized limitation with respect to a Participant shall be equal to the sum of:

A. the Participant's contribution limitation as set forth in Section 3.05(a) for such taxable year, and

B. the sum of:

1. An amount equal to (A) the aggregate limit under paragraph (1) each prior calendar year beginning after December 31, 2001 during which the Participant was an employee eligible to participate in an eligible Plan, minus (B) the aggregate amount of Compensation that the Participant deferred under the Plan during such prior years, excluding age 50 catch-up contribution 3.05(b) plus

2. An amount equal to (A) the aggregate limit referred to in Section 457(b)(2) of the Code for each prior calendar year beginning after December 31, 1978 and before January 1, 2002 during which the Participant was an employee eligible to participate in an eligible Plan (determined without regard to subsections (3)(a) and (3)(b)), minus (B) the aggregate contributions to Pre-2002 Coordination Plans for such years.

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

A Participant may only apply the Standard Catch-Up Limitation described above in consecutive years, regardless of whether the full amount of the limitation is utilized, the limitation is utilized for all three years, or the Participant rejoins the Plan or joins a new plan of the employer.

(d) Coordination with Other Plans. If a Participant is or has been a participant in one or more other eligible Plans, then this Plan and all other 457(b) plans shall be considered as one plan for purposes of applying the limitations described in this Section 3.05.

3.06 Timing of Contributions. All Deferred Compensation shall be credited to Participants’ accounts as soon as practicable and reasonable for the proper administration of the Participant’s account. In no case, however, shall Deferred Compensation be credited to Participants’ accounts later than fifteen business days after the end of the month in which such Deferred Compensation otherwise would have been paid to the Participant absent participation in this Plan.

3.07 Correction of Excess Deferrals. Subject to the provisions of Article IX, if the amount of Compensation deferred on behalf of a Participant for any calendar year exceeds the limitations described in Section 3.05, then the excess Deferred Compensation, along with allocable net income on such Deferred Compensation determined through the date of distribution, shall be distributed to the Participant as soon as administratively practicable after the Administrator determines that the deferral exceeded the applicable limits described in Section 3.05.

3.08 Rollover Contributions.

(a) A Participant who is an employee may rollover to the Plan all or part of his interest in an eligible Retirement Plan, as defined in Section 6.04(a)(4), but only if the following requirements are met:

(1) With respect to rollover contributions made prior to January 1, 2012, the amount rolled over does not include any amounts contributed by the Participant on an after-tax basis;

(2) The rollover is in the form of cash; and

(3) The distribution is an “eligible rollover distribution”. An eligible rollover distribution is any distribution of all or any portion of a Participant’s benefit under an eligible retirement Plan, as defined in Section 6.04(1)(c), except that an eligible rollover distribution does not include:

- A. any installment payment for a period of 10 years or more;
- B. any distribution made as a result of an unforeseeable emergency or other distribution which is made upon hardship of the employee; or
- C. the portion of the distribution that is a required minimum distribution under Section 401(a)(9) of the Code.

(b) Any amounts transferred from a Plan described in Section 3.08(a) shall be separately accounted for in the rollover contributions subaccount of the Participant’s account. If the rollover contribution is from a Plan that is not an eligible governmental Code Section 457(b) Plan, such rollover contributions shall be maintained in a separate subaccount and not commingled with any rollover contributions from an eligible governmental Code Section 457(b) Plan.

3.09 Transfers of Funds from Another Plan. A Participant who is a participant in another eligible Plan is permitted to transfer assets to the Plan as provided in this Section 3.09. Such a transfer is permitted only if the other plan provides for the direct transfer of each Participant’s interest therein to the Plan and such transfer is in cash. The Administrator may require such documentation as it deems necessary to confirm that any such plan-to-plan transfer is in compliance with law and that the other plan is an eligible Plan. The amount so transferred shall be credited to the Participant’s account and shall be held, accounted for, administered and otherwise treated in the same manner as Compensation deferred by the Participant under the Plan, except that the transferred amount shall not be considered Compensation deferred under the Plan in determining the maximum deferral under Section 3.05.

ARTICLE IV

ACCOUNTS

4.01 Establishment of Account. The Administrator shall establish and maintain an account in the name of each Participant. The account shall reflect Deferred Compensation credited to the Participant’s account by the Administrator, as well as any amounts debited to such Participant’s account pursuant to the terms of the Plan. The Administrator may also use any other information deemed necessary to administer such accounts.

4.02 Payment of Benefits. A Participant’s account shall be the basis of determining the benefits payable to the Participant pursuant to Articles V, VI, and VIII.

4.03 Investment of Account. The cash value of the Participant's accounts shall depend upon the performance of the investment products selected by the Participant pursuant to Article XI.

4.04 Reporting of Account. A report of the status of a Participant's account and any account activity shall be furnished by the applicable Investment Providers to Participants on a quarterly basis. All reports shall show, as of the reporting date, the cash value of a Participant's account and any other account information required by industry standards.

ARTICLE V

IN-SERVICE DISTRIBUTIONS

5.01 Eligibility for Distribution. A Participant may not receive a distribution from his or her account before the Participant incurs a separation from service, except as otherwise provided in Article V.

5.02 De Minimus Distribution. A Participant may elect to receive an in-service distribution of his or her entire account if the following requirements are met:

(a) The total amount of the Participant's account (disregarding rollover contributions) does not exceed \$5,000;

(b) The Participant has not previously received an in-service distribution of the Participant's account under this Section 5.02; and

(c) No amounts have been deferred under the Plan with respect to the Participant during the two-year period ending on the date of the in-service distribution.

5.03 Age 70 1/2. A Participant who is still employed by the employer and has attained age 70 1/2 may elect to withdraw all or any part of his or her account.

5.04 Distribution of Rollover Contributions. If a Participant has a separate sub-Account attributable to rollover contributions, the Participant may elect to withdraw all or any part of such sub-account at any time.

5.05 Distribution due to an Unforeseeable Emergency. A Participant who is employed by the employer may request a withdrawal of all or part of his or her account due to the occurrence of an Unforeseeable Emergency. Such request must be submitted in writing to the Administrator on Form DFS-JS-1171, Request for Unforeseeable Emergency Withdrawal, incorporated by reference in Rule 69C-6.003, F.A.C. The request must be accompanied by evidence demonstrating that the circumstances qualify as an Unforeseeable Emergency. Except as specifically provided otherwise, the Administrator shall require medical or other relevant evidence demonstrating the existence of the Unforeseeable Emergency and the amount needed to address the Unforeseeable Emergency.

(a) A Participant may not receive a distribution on account of an Unforeseeable Emergency if the Unforeseeable Emergency is or may be relieved:

- (1) through reimbursement or compensation by insurance or otherwise;
- (2) by liquidation of the Participant's assets, including availability of a loan through the plan, to the extent the liquidation of such assets would not itself cause severe financial hardship;
- (3) by cessation of deferrals under the Plan; or
- (4) by a loan from the plan; from
 1. 457(b)-rollover
 2. 403(b)-Optional Retirement Program (if allowed)
 3. 403(b)-Universities (if allowed)

(b) The Department shall use the following criteria to determine whether a circumstance is unforeseeable:

(1) The following are considered unforeseeable:

A. Medical expense, not excluding the cost of physical accommodation, such as a wheelchair ramp, of the Participant, Participant's spouse, or dependant, which is medically necessary due to injury or illness and related travel expenses,

B. Funeral Expense of an immediate family member and related travel expenses,

C. Loss of income due to termination of employment, injury, or illness of the Participant or Participant's spouse,

D. Casualty loss,

E. Loss of child support payments to support dependent child,

F. Entry of a minor relative, or ward into the Participant's household due to death, illness, or incarceration of the minor's parent or guardian,

G. An extraordinary event or circumstance so improbable that a hypothetical reasonable prudent person could not have prevented it, or overcome its impact, through savings, insurance, credit, or other financial preparation;

H. Imminent foreclosure upon a Participant's primary residence,

I. Eviction from primary residence,

J. Dental or periodontal treatment that is necessary due to a sudden injury,

K. The declaration of an emergency by the State's Governor as a result of a natural disaster, provided such natural disaster creates an unforeseeable financial emergency for the Participant, and the Participant certifies in writing, as to the existence of such unforeseeable emergency and provides all required documents identified in Form DFS-J3-1171.

1. Participant must demonstrate that there is an emergency need that falls under one of the existing categories above A through J, (i.e., proof of incurrence of additional housing expenses as evidenced by hotel receipts, travel receipts) and that:

a. the financial hardship cannot be relieved through reimbursement or compensation by insurance or otherwise;

b. a loan or a financial hardship withdrawal from a 401(k) plan (if available);

c. by liquidation of assets, to the extent such liquidation would not itself cause severe financial hardship; or

d. by cessation of deferrals under the Plan.

2. Provided such requirements are satisfied, the Administrator shall authorize an Unforeseeable Emergency withdrawal.

3. The Participant shall not qualify if the Participant has sufficient income or other resources to address the unforeseeable emergency.

(2) The following are not considered unforeseeable:

A. Purchase of a house not due to casualty loss,

B. Dental or periodontal treatment which is cosmetic or is necessary due to a chronic or degenerative condition such as periodontal disease, decay or malocclusion not due to a sudden injury,

C. Repair of a home not due to casualty loss,

D. Purchase of a vehicle not due to casualty loss,

E. Repair of a vehicle not due to casualty loss,

- F. Educational expenses,
- G. Medical care which is not medically necessary, or not the result of injury or disease,
- H. Legal expenses,
- I. Legal judgments or settlements,
- J. Bankruptcy,
- K. Separation, divorce or dissolution of marriage, and related loss of income,
- L. Repossession, of any personal property,
- M. Travel, unless related to medical or funeral expense described in (b)(1)(A) or (b)(1)(B) above,
- N. Taxes,
- O. Debt repayment,
- P. Entry of a parent or other adult into the household except for medically necessary expenses of a dependent as described in (b)(1)(A) above, DFS-J3-1176,
- Q. Any other purpose not identified in (b)(1) above.

(c) The amount of the withdrawal may not exceed the amount of the Participant's financial need, including any amounts necessary to pay any federal, state, or local taxes and any amounts necessary to pay any penalties reasonably anticipated to result from the distribution.

(d) In the event a Participant receives a distribution under this Section 5.05, such Participant's Deferred Compensation election shall be automatically suspended until reinstated by the Participant.

(e) A Participant shall not take an unforeseeable emergency withdrawal from Roth 457(b) assets.

5.06 Permissive Service Credit Transfers.

(a) If a Participant also participates in a tax-qualified defined benefit plan maintained by a governmental employer that will accept a plan-to-plan transfer of the Participant account, then the Participant may elect to have any portion of his or her account transferred to such defined benefit plan. A Participant may elect such a plan-to-plan

transfer only if the purpose of the transfer is to purchase permissive service credit under the receiving defined benefit plan.

(b) A plan-to-plan transfer carried out pursuant to this Section 5.06 must be completed before the Participant has terminated his or her employment with the employer.

5.07 QDRO Distributions.

(a) If required under a “qualified domestic relations order” (“QDRO”), as such order is defined in Code Section 414(p), incorporated by reference in Rule 69C-6.003, F.A.C., any portion of a Participant’s benefits may be paid to (or a portion of a Participant’s account may be set aside for the benefit of) the Participant’s spouse, former spouse, or other Court Appointed Payee (as such term is defined in Appendix C). Such payment shall be made without regard to whether the Participant is eligible for a distribution of benefits. This Section 5.07 shall be administered in accordance with Code Section 414(p), incorporated by reference in Rule 69C-6.003, F.A.C.

(b) A domestic relations order that otherwise satisfies the requirements of Code Section 414(p) shall 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 of the time at which the order is issued, including issuance after the Participant’s death. Any such domestic relations order shall be subject to the same requirements and protections that apply to QDROs.

(c) The procedure for determining the status of any court decree or domestic relations order as a QDRO and for distributing a Participant’s account pursuant to such order is set forth in Appendix C.

ARTICLE VI

DISTRIBUTIONS UPON SEPARATION FROM SERVICE

6.01 Eligibility for Distribution. A Participant may elect to commence distribution of benefits at any time after the date on which the Participant incurred a separation from service. Notwithstanding the foregoing, the distribution date selected by the Participant may be no later than (i) December 31 of the calendar year in which the Participant reaches age 70 ½, or (ii) 30 days after the Participant’s separation from service, whichever is later. To elect a distribution, the Participant must submit a Distribution Form to each Investment Provider in which the Participant’s account is invested. Participants whose account is invested with multiple Investment Providers may elect to have a different payment method for each Investment Provider. If a Participant fails to make an election to commence benefits under this Section 6.01, distribution shall be made in accordance with the minimum distribution requirements set forth in Section 6.03.

6.02 Form of Payment.

(a) Election. A Participant or beneficiary may elect the form of distribution of his or her account at any time before his or her benefits begin by submitting a Request for Distribution Form to each Investment Provider. In addition, a Participant or beneficiary

may revoke that election, with or without a new election for distribution of his or her account, by submitting a Request for Distribution Form to each Investment Provider.

(b) Change of Election.

(1) If a Participant has received a portion of his or her account, any change in distribution option shall operate prospectively only.

(2) Any item that is not completed in a revised Request for Distribution Form shall have no effect on that item as stated in the immediate prior Request for Distribution Form.

(c) Form. Subject to the required minimum distribution rules contained in Section 6.03, in the event a Participant incurs a separation from service, the Participant's Plan benefits will be distributed in one or any combination of the following forms of payment, as elected by the Participant, provided that such distribution option is permitted by the Investment Product(s) in which the Participant's account is invested:

(1) Fixed Benefit Payment Over Anticipated Period of Years. A Participant may elect to have equal benefit payments made until his or her account is exhausted. Under this option, a Participant designates the amount of each benefit payment to be paid over an anticipated period of years. If investment yield is higher than expected, payments of the Participant's account will exceed the anticipated period of years; if the investment yield is lower than expected, the account will be exhausted prior to expiration of the anticipated period of years.

(2) Single-Life Annuity. A Participant may elect to receive actuarially determined benefit payments of his or her account for as long as the Participant lives. Under this option, the Participant's spouse or other beneficiary will not receive any payments after the Participant's death.

(3) Life Annuity with Guaranteed Payments. A Participant may elect to receive reduced benefit payments from his or her account for as long as he or she lives. If, however, the Participant dies prior to the expiration of a guaranteed number of years (as selected by the Participant), the Participant's beneficiary will receive payments after the Participant's death until the guaranteed payment period has expired.

(4) Joint and Survivor Annuity. A Participant may elect to receive a reduced benefit payments from his or her account for as long as he or she lives and, after the Participant's death, a portion of those benefit payments will be payable to the Participant's surviving spouse during the spouse's lifetime. If the Participant's spouse is not alive at the time benefits are to commence, the Participant's election of this option shall be null and void.

(5) Lump Sum. A Participant may elect to receive a distribution of his or her account in a single cash payment.

(6) Other. A Participant may elect to receive a distribution of his or her account in any other distribution form permitted by the Investment Product(s) in which the Participant's account is invested.

(d) Account Balances of \$1,000 or less. Notwithstanding anything in this Plan to the contrary, if the Participant's account does not exceed \$1,000, then upon the Participant's separation from service, payment shall be made to the Participant (or to the Participant's beneficiary if the Participant is deceased) in a lump sum equal to the Participant's account on the date that payments commence under Section 6.01.

6.03 Required Minimum Distributions.

(a) General. The provisions of this Section 6.03 will apply for purposes of determining required minimum distributions and will take precedence over any inconsistent provisions of the Plan. This Section 6.03 shall not be interpreted to provide any additional options to the recipient with respect to the form or timing of payment beyond the other provisions of the Plan, except as necessary to comply with the minimum requirements. All Plan distributions will be determined and made in accordance with the Treasury regulations under Code Section 401(a)(9), incorporated by reference in Rule 69C-6.003, F.A.C.

(b) Definitions. The following words and phrases when used in this Section 6.03 shall, unless the context clearly indicates otherwise, have the following respective meanings, which meanings shall not apply to other Sections of the Plan unless specifically referred to or clearly intended by their usage therein.

(1) Designated Beneficiary. The designated beneficiary for purposes of this Section 6.03 is the individual who is a beneficiary under the Plan and who is the designated beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-1, Q&A-4, of the Treasury regulations.

(2) Distribution Calendar Year. A distribution calendar year is 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 subsection (c). 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. Life expectancy means the value computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.

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

(5) Required Beginning Date. The April 1 following the calendar year in which a Participant attains age 70½ or terminates employment, whichever is later.

(c) Time and Manner of Distribution. 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. If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(1) If the Participant's surviving spouse is the Participant's sole designated beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age seventy and one-half (70½), if later.

(2) If the Participant's surviving spouse is not the Participant's sole designated beneficiary, then distributions to each designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

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

(4) 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, subparagraphs (2) and (3) will apply as if the surviving spouse were the Participant.

(5) Unless subparagraph (4) applies, distributions are considered to begin on the Participant's required beginning date. If subparagraph (4) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under subparagraph (1). 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 subparagraph (1)), the date distributions are considered to begin is the date distributions actually commence.

(d) **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 the rules regarding required minimum distributions during the Participant's lifetime and after the Participant's death, as applicable. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions there under will be made in accordance with the requirements of Code Section 401(a)(9) and the Treasury regulations.

(e) **Required Minimum Distributions During Participant's Lifetime.** During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:

(1) the quotient obtained by dividing the Participant's account balance by the distribution period in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations, using the Participant's age as of the Participant's birthday in the distribution calendar year; or

(2) if the Participant's sole designated beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's account balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.

Required minimum distributions will be determined beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death.

(f) **Required Minimum Distributions After Participant's Death.** 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:

(1) 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.

(2) 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.

(3) 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.

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. 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 subparagraph (1). 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. 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, this subsection will apply as if the surviving spouse were the Participant.

(g) Trust as Beneficiary.

(1) If the following requirements are satisfied, the beneficiaries of a trust that is named as a Participant's beneficiary (and not the trust itself) will be treated as having been designated as a Participant's beneficiaries for purposes of determining the time of distribution under subsection (c).

A. The trust is a valid trust under state law, or would be a valid trust but for the fact that the trust holds no property;

B. The trust is irrevocable or will, by its terms, become irrevocable upon the Participant's death;

C. The beneficiaries of the trust who are beneficiaries of the trust's interest in the Participant's account are identifiable from the trust instrument; and

D. With respect to required minimum distributions before a Participant's death, a Participant designates a trust as his or her only beneficiary, and the Participant's spouse is the sole beneficiary of the trust, the Participant either:

1. Provides to the Plan Administrator a copy of the trust instrument and agree that if the trust is amended, the Participant will provide the Plan Administrator a copy of any amendment within a reasonable time after the amendment is executed; or

2. Provides to the Plan Administrator a list of all of the beneficiaries of the trust (including contingent beneficiaries and beneficiaries with a future interest in the trust's assets, with a description of the conditions on their rights to the trust's assets sufficient to establish that the spouse is the sole beneficiary) and certifies that, to the best of the Participant's knowledge, this list is correct and complete and that the requirements in subsections (g)(1)(A) through (g)(1)(C) above have been satisfied; agrees that, if the trust instrument is amended at any time in the future, the Participant will, within a reasonable time, provide to the Plan Administrator corrected certifications if the amendment changes any information previously certified to; and agrees to provide a copy of the trust instrument to the Plan Administrator upon demand.

E. With respect to required minimum distributions after a Participant's death, on or before October 31 of the calendar year following the calendar year in which the Participant died, the trustee of the trust either:

1. Provides the Plan Administrator with a final list of all beneficiaries of the trust (including contingent beneficiaries and beneficiaries with a future interest in the trust's assets, with a description of the conditions on their rights to the trust's assets) as of September 30 of the calendar year following the calendar year of the Participant's death; certifies that, to the best of the trustee's knowledge, this list is correct and complete and that the requirements in subsections (g)(1)(A) through (g)(1)(C) are satisfied; and agrees to provide a copy of the trust instrument to the Plan Administrator upon demand; or

2. Provides the Plan Administrator with a copy of the actual trust document for the trust that is named as the Participant's beneficiary as of the Participant's date of death.

3. In the case of payments to a trust having more than one beneficiary, the beneficiary will be determined in accordance with Treas. Reg. 1.401(a)(9)-5, Q&A-7.

4. If the beneficiary of the trust is another trust, the beneficiaries of the second trust will be treated as being designated as beneficiaries of the first trust, and thus, having been designated as beneficiaries by the Participant for purposes of determining the distribution period, provided that the requirements of subsection

(g)(1) are satisfied with respect to the second trust in addition to the trust named as beneficiary.

5. If the requirements in subsection (g)(1) above are not satisfied, the Participant will be treated as though he or she had no designated beneficiary.

(h) 2009 Waiver of Minimum Required Distributions. Notwithstanding any provision of this Section 6.03 to the contrary, a Participant or beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of section 201(a) of the Worker, Retiree, and Employer Recovery Act of 2008 (“2009 RMDs”), and who would have satisfied that requirement by receiving distributions that are: (1) equal to the 2009 RMDs; or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant’s designated beneficiary, or for a period of at least 10 years (“Extended 2009 RMDs”), will not receive those distributions for 2009 unless the Participant or beneficiary elects to receive such distributions. If elected by the employer, notwithstanding Section 6.04(a)(3)(D) of the Plan, and solely for purposes of applying the direct rollover provisions of the Plan, certain additional distributions in 2009 may be treated as eligible rollover distribution.

6.04 Direct Rollovers and Transfers.

(a) Definitions. The following definitions apply to the terms used in this Section 6.04:

(1) “direct rollover” means a payment by the Plan to the eligible retirement plan specified by the distributee.

(2) “distributee” means a Participant, a Participant’s surviving spouse, or a Participant’s non-spouse beneficiary. In addition, the Participant’s spouse or former spouse who is the Court Appointed Payee under a QDRO is a distributee with regard to the benefit awarded under the QDRO.

(3) “eligible rollover distribution” means any distribution of all or any portion of a Participant’s account, except that an eligible rollover distribution does not include the following:

A. 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;

B. Any distribution for a specified period of 10 years or more;

C. Any distribution made under Section 5.05 as a result of an Unforeseeable Emergency; or

D. Any distribution to the extent such distribution is a required minimum distribution under Section 6.03.

(4) “ELIGIBLE RETIREMENT PLAN” means an individual retirement account described in Code Sections 408(a) or 408A, an individual retirement annuity described in Code Section 408(b) a qualified trust described in Section 401(a) of the Code, an annuity plan described in Code Sections 403(a) or 403(b), or an eligible governmental retirement plan described in Code Section 457(b), that accepts the eligible rollover distribution; provided that with respect to non-spouse beneficiaries, an eligible retirement plan shall be limited to an individual retirement account described in Code Section 408(a) or an individual retirement annuity described in Code Section 408(b).

(b) Direct Rollover. A distributee may elect, at the time and in the manner prescribed by the Administrator, to have all or any portion of the distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover, but only if the following requirements are met:

(1) The Participant has incurred a separation from service;

(2) The Participant’s last day of employment has been verified by the employer;

(3) The Participant has submitted a completed Rollover Form, Form DFS-J3-1526, incorporated in Rule 69C-6.003, F.A.C., to the Investment Provider.

(c) Transfers from the Plan to another Eligible Governmental Section 457(b) Plan.

(1) A distributee may elect to have all or any portion of an account transferred from this Plan to another eligible Plan. A transfer is permitted under this Section 6.04(c) for a distributee who is a Participant only if the Participant has had a separation from service from the employer maintaining this Plan, and thereafter becomes an employee of the entity that maintains the other eligible Plan. Further, a transfer is permitted under this Section 6.04(c) only if the other ELIGIBLE PLAN provides for the acceptance of plan-to-plan transfers with respect to the distributee. Such eligible Plan must also provide that, immediately after the transfer, the distributee will have an account under the eligible Plan which is at least equal to the amount that was deferred under this Plan.

(2) Upon the transfer of assets under this Section 6.04(c), the Plan’s liability to pay benefits to the distributee under this Plan shall be discharged to the extent of the amount so transferred for the distributee. The Administrator may require such documentation as appropriate or necessary to confirm that the

receiving plan is an eligible Plan (for example, to assure that the transfer is permitted under the receiving plan, and to effectuate the transfer pursuant to law).

6.05 Retired Public Safety Officer Health and Long-Term Care Insurance Premiums.

Pursuant to the Pension Protection Act of 2006, a retired Participant that was a Public Safety Officer, as defined in Section 1.28 of this document, during employment is eligible to request tax-exempt payment of health and/or long term care insurance premiums from the Participant's Plan assets up to \$3000 annually. The Participant must submit a completed Form, DFS-J3-1172, incorporated in Rule 69C-6.003, F.A.C., to the Investment Provider.

ARTICLE VII

LOANS TO PARTICIPANTS

7.01 Loans. Except as provided herein, and subject to such other rules as the Administrator may adopt to govern the terms and conditions of Plan loans, the terms of any loan requested from this Plan shall be governed by the provisions of this Article.

7.02 Loan Eligibility. An employee who has been a Participant for at least two years and who has at least \$4,000 held with a single Investment Provider may borrow an amount that is not less than \$2,000. Notwithstanding the foregoing, a Participant may borrow amounts from his or her rollover contributions sub-account without regard to how long he or she has been a Participant.

7.03 Maximum Loan Amount. No loan to a Participant hereunder may exceed the lesser of:

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

(b) 50% of the value of the Participant's account, as of the date on which the current loan application is received.

7.04 Interest Rate. The interest rate to be charged on loans shall be one percentage point above the prime rate published in the Wall Street Journal on the first business day of the month in which the loan is approved by the Administrator. The interest rate so determined shall be fixed for the duration of each Plan loan. However, if the Participant is absent due to Qualified Military Service, the interest rate shall not be greater than 6%, in compliance with the Service Members Civil Relief Act. All of the interest paid by the Participant shall be deposited into the Participants Deferred Compensation account.

7.05 Other Loans. For purposes of this Article VII, any loan a Participant receives from any other plan maintained by the employer, such as a 403(b) plan, shall be treated as if it were a loan made from the Plan and from the Participant's vested interest under this Plan; provided, however, that the provisions of this paragraph shall not apply to permit the amount of a loan under

this Article VII to exceed the amount that would otherwise be permitted in the absence of this paragraph.

7.06 Terms. All loans shall comply with the following terms and conditions:

(a) The Participant's application for a Plan loan shall be submitted to an Investment Provider on the Loan Application, Form DFS-J3-1796. The Participant shall also submit any other documents required by the Investment Provider.

(b) The period of repayment for any loan shall be elected by the Participant, but shall not exceed fifteen years in the case of a loan used to purchase the Participant's principal residence, or five years in all other cases. Loan repayments shall be reinvested in the current investment products selected by the Participant at the time of repayment.

(c) For bona fide unpaid leaves of absence other than a qualified military leave, loan repayments may be suspended in the event that the borrower is on such leave of absence for a period greater than one month, but not exceeding one year. In addition, if a Participant enters Qualified Military Service and retains reemployment rights under law, loan repayments shall be suspended during such period of absence.

(d) Payments of principal and interest will be made by automatic deduction of substantially level amounts from a Participant's bank account sufficient to amortize the loan over the repayment period, but no less frequently than quarterly, with the first such deduction to be made the month after the loan funds are disbursed.

(e) A loan may be repaid in full including the default loan amount as of any date.

(f) A Participant may cancel a request for a loan by providing written notice to the Investment Provider within five (5) days from the date the loan application was submitted.

(g) A Participant may receive an in-service distribution of his or her account due to an Unforeseeable Emergency in accordance with Section 5.05 while a loan is outstanding, provided that the sum of such Unforeseeable Emergency distribution and the outstanding loan do not exceed 50% of the Participant's account.

(h) A Participant may receive a distribution of his or her account after incurring a separation from service while a loan is outstanding, provided that the sum of such distribution and the outstanding loan do not exceed 50% of the Participant's account.

(i) Loan fees (origination fees, processing fees, etc.) shall be deducted from the approved loan amount.

7.07 Security for Loan Default.

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

(b) If a Participant fails to pay his or her loan payments when due, the Participant shall be given a grace period through the end of the calendar quarter following the calendar quarter in which the default arose to bring the loan current. If the Participant fails to do so, his or her loan shall be considered in default and shall be treated as though it were a taxable distribution from the Plan. A Participant who takes a distribution of his or her Account after incurring a separation from service shall have the portion of his or her Account used to secure the loan distributed in satisfaction of the loan.

(c) If a Participant defaults on a loan from the Plan the Participant shall be ineligible to take any future loans from the Plan until full repayment of the defaulted loan amount.

ARTICLE VIII

DEATH BENEFITS

8.01 Form and Amount of Death Benefits Generally. Subject to the minimum distribution requirements contained in Section 6.03, if a Participant dies prior to receiving a distribution of his or her account in accordance with one of the benefit options listed in Section 6.02 (c)(1), (c)(2), or, in certain instances, (c)(6), the Participant's account shall be distributed in accordance with this Article VIII.

(a) **Surviving Spouse Beneficiary.** If the beneficiary is the Participant's surviving spouse, the Participant's account shall be distributed in the manner selected by the Participant. If the Participant predeceases the beneficiary and the beneficiary dies while there remains a balance in the Participant's account, the balance of the unpaid benefits shall be paid in a lump sum to the beneficiary's estate within 60 days of the beneficiary's death.

(b) **Non-Spouse Beneficiary.** If the beneficiary is not the Participant's spouse, the Participant's account shall be distributed in the manner selected by the Participant unless a beneficiary elects a different form of distribution not later than 30 days preceding the commencement of benefits or if the beneficiary elects to defer the distribution date. If the beneficiary predeceases the Participant, the beneficiary's proportionate share of the benefit shall pass to any surviving contingent beneficiaries designated by the Participant. If the Participant predeceases the beneficiary and the beneficiary dies while a balance remains in the Participant's account, the balance of the unpaid benefits shall be paid in a lump sum to the beneficiary's estate as soon as reasonably practicable upon proof of the beneficiary's death.

(c) **Trust Beneficiary.** If the Participant's beneficiary is a trust, then the beneficiaries of such trust will be treated as the Participant's beneficiaries under the Plan. The Participant's account shall be distributed in the manner selected by the Participant, unless a beneficiary of the trust (who will be treated as the Participant's beneficiary) elects a different form of distribution not later than 30 days preceding the commencement of benefits or if such trust beneficiary elects to defer the distribution date.

(d) **Death of Beneficiary Prior to Commencement of Benefits.** If the beneficiary dies after the Participant but before benefit payments begin, the balance of the unpaid benefits shall be paid in a lump sum to the beneficiary's estate, provided that if a personal representative for the beneficiary's estate has not been appointed and qualified within 120 days after the beneficiary's date of death, the payment may be made in accordance with Florida statutes applicable to intestate succession.

(e) **Failure to Designate a Beneficiary.** If the Participant has not designated a beneficiary or if no designated beneficiary survives the Participant, benefits shall be paid to a Participant's estate in a lump sum as soon as practicable, subject to Section 15.13 (relating to unclaimed accounts).

(f) **HEART Act.** If a Participant dies on or after January 1, 2007, while performing Qualified Military Service, the Participant's beneficiaries shall be entitled to the additional death benefits, if any (other than benefit accruals relating to the period of Qualified Military Service), that would have been available had the Participant resumed employment with the employer immediately prior to his or her death, and thereafter terminated employment as a result of death.

8.02 **Proof of Death and Right of Beneficiary or Other Person.** The Administrator may require and rely upon evidence of proof of death or any other evidence of the beneficiary's or other person's right to receive the value of a deceased Participant's account as the Administrator deems proper. The Administrator's determination of the right of a beneficiary or other person to receive payment shall be conclusive and binding on all parties.

8.03 **Beneficiary Designation.**

(a) **In General.**

(1) A Participant may file with the Investment Provider(s) a written designation of primary and contingent beneficiary. Such designation will be filed with the Investment Provider(s) on an executed Participant Action Form indicating the person or persons who shall receive benefits payable under this Plan upon the Participant's death. The Participant will also file a copy of the executed Participant Action Form with the Administrator. The Participant is solely responsible for executing and filing a beneficiary designation with the Investment Provider(s), and for informing the Administrator of the current address and telephone number of the Participant and any beneficiary.

(2) **Acknowledgment of Beneficiary Designation.** The Administrator shall inform the Participant in writing whether or not the beneficiary designation is recorded; however, such acknowledgement or failure to acknowledge shall not affect the validity of the Participant's beneficiary designation.

(3) **Limits on Beneficiary Designation.** A Participant may designate no more than 10 primary beneficiaries and 10 contingent beneficiaries. A Participant may designate his or her estate or trust as beneficiary. A beneficiary shall not have the right to designate a beneficiary.

(b) Change in Beneficiary Designation. A Participant may change his or her beneficiary at any time prior to his or her death by filing an executed Participant Action Form with the Investment Provider(s). Any such change in beneficiary designation shall become effective only upon receipt of the Participant Action Form by the Investment Provider(s). The Participant will also file a copy of the revised Participant Action Form with the Administrator.

ARTICLE IX

CORRECTION OF ERRORS

9.01 Suspension of Benefit Payments; Error Correction.

(a) If an error is made with respect to a Participant's or beneficiary's benefit payments, either with respect to the proper amount of the payment and/or the person to receive the payment, the Administrator, the employer, or an agent of the employer shall suspend the benefit payments until satisfied as to the proper amount of the payment and the person to receive the payment.

(b) Method of Error Correction.

(1) The employer specifically reserves the right to correct errors of every sort, and the Participant hereby consents for him or herself, his or her beneficiary, and his or her heirs and assigns, to any method of error correction as the CFO and Administrator shall determine.

(2) Any method of error correction shall, to the extent reasonably possible, adjust the affected accounts by reversing the applicable transactions or taking other similar actions in order to leave the accounts in the positions they would have been in had the error not occurred.

(3) The Participant and the employer agree that either an increase or decrease of the amount in the Participant's account may occur because of the correction of errors.

ARTICLE X

Election Changes

10.01 Changes by Participant.

(a) A Participant may change his or her Beneficiary designation(s) at any time, before or after termination of the Participant's employment with the employer. Likewise, the Participant may change factual entries such as name or address at any time, before or after termination of the Participant's employment with the employer.

(b) A Participant may modify his or her Deferred Compensation election as provided in Section 3.02.

(c) Change of election of benefit payment options:

(1) The benefit payment option elected by the Participant can be made or changed at any time.

(2) Any such modification shall, however, operate prospectively only.

(d) Requests by the Participant to change his or her benefit payment option elections or information must be made in writing and provided to the Administrator. In addition, a Participant may change his or her benefit payment options orally (by telephone) by contacting the Investment Provider directly. Changes in the Participant's elections will be prospective only after being received by the Administrator or Investment Provider.

ARTICLE XI

INVESTMENT OF ACCOUNT

11.01 General. The Administrator shall allocate a Participant's Deferred Compensation and any amounts transferred to the Participant's Account from an eligible retirement plan pursuant to Sections 3.08 or 3.09 among the Investment Product(s) selected by the Participant pursuant to this Article XI. The cash value of the Participant's Account shall depend upon the investment return experience of the Participant's selected Investment Product(s).

11.02 Investment Direction by Participants.

(a) Rights of Participants and beneficiaries. A Participant shall direct the Administrator as to those Investment Product(s) in which the Participant's account shall be invested. Beneficiaries shall also direct the investment of their accounts, if any. In such a case, the provisions of this Section 11.02 shall also apply to investment by such beneficiaries.

(b) Approved Investment Products. The Administrator, with the review of the State Board of Administration, shall select the investment products available to Plan Participants. Approved investment products include:

(1) Guaranteed principal and interest fund;

(2) Variable annuities (only allowed for accounts that are being distributed pursuant to Articles V, VI, or VIII.

(3) Time deposit accounts and certificates of deposit;

(4) No-load mutual funds;

(5) Securities; and

(6) Evidences of indebtedness.

(7) Qualified Longevity Annuity Contracts (QLACs)

(c) There shall be no cash surrender charges, fees, or expenses levied against the value of a Participant's account upon a distribution request by the Participant.

(d) Annuity contracts shall be sold through life insurance agents licensed and appointed by the Department of Financial Services to do business in the State, and issued by insurance companies authorized by the Department of Financial Services to do business in the State. Investment Providers of all other investment products and their salespersons must satisfy all applicable State or federal licensing or registration requirements.

11.03 Default Investment Direction. If a Participant declines or fails to provide investment directions with respect to the Participant's account, upon prior written notice to the Participant, the Administrator shall invest the Participant's account in the default Investment Product selected by the Administrator, and reviewed by the State Board of Administration, for such purpose. The Administrator and the employer shall be fully protected from any liability for any losses that may be associated with such action.

11.04 Transfer of Previously Deferred Compensation.

(a) At least 30 days prior to commencement of benefit payments, a Participant, or a beneficiary upon the death of a Participant, may elect to have funds previously accumulated with one Investment Provider transferred to another Investment Provider with no costs, fees, or charges by the Investment Provider to the Participant.

(b) A Participant, or a beneficiary if the Participant is deceased, may transfer amounts deferred previously from one Investment Product offered by an Investment Provider to another Investment Product offered by the same Investment Provider under the Plan.

(c) If the Administrator terminates or fails to renew an insurance company Investment Provider's contract, a Participant may transfer funds which had been accumulated with the terminated insurance Investment Provider to another insurance Investment Provider under the Plan or to any successor insurance Investment Provider chosen to replace the terminated insurance Investment Provider. Such transfer shall be made without costs, fees, or charges to the Participant.

(d) If the Plan is terminated for any reason (including non-renewal), each Investment Provider shall comply with the instructions of the Administrator regarding any investment products then in force. In such circumstances, the Administrator may withdraw all Deferred Compensation invested with an Investment Provider which has not been annuitized and all interest and earnings thereon. Such action shall not be subject to any penalties, limitations, actuarial or market value adjustments or reductions of the Participants' accounts or to any surrender or transfer fees of any sort. If funds are withdrawn by the Administrator in this manner, the Investment Provider shall wire transfer those funds in accordance with the Administrator's instructions.

(e) If an Investment Product is terminated, or an Investment Provider's contract with the Plan is terminated or not renewed, Participants with amounts invested in the Investment Product or in investment products offered by the Investment Provider will be required to transfer their investments in those investment products to an approved Investment Product. Such transfer shall be made without reduction to the Participant's account.

11.05 Liability for Investment Loss. In the absence of gross negligence, fraud, or willful misconduct, neither the Administrator, the State, nor any State agency or agency employee shall be accountable or liable for any investment loss or any other loss, charge, or expense of any kind to a Participant's account incurred by virtue of implementing the Participant's directions for investing his or her account as provided by the terms of the Plan, or due to any reasonable administrative delay in implementing those directions. Rather, the Participant shall be responsible for any investment loss, or other loss, charge, or expense of any kind resulting from the investment of the Participant's Plan account pursuant to his or her investment directions.

11.06 Transmission of Investment Directions.

(a) Investment directions must be (1) communicated in writing to the Administrator or through another medium approved by the Administrator, (2) and will be effective prospectively only, and only as to investment products available for investment after the direction is transmitted to the Administrator. Until an investment direction becomes effective, the Administrator and employer shall be fully protected in following the Participant's previous investment direction. To the extent they conflict, the Participant's previous investment directions will be superseded by any new investment directions transmitted to the Administrator.

(b) A Participant, a retired employee or a beneficiary may change his or her selection of investment products at any time, subject to the reasonable restrictions of the applicable Investment Provider.

11.07 Participant Contact with Investment Providers.

(a) Investment Providers, acting through their salespersons, may, in accordance with the terms of their contracts or agreements with the employer, directly contact Participants regarding the investment products offered by the Investment Provider under the Plan. An Investment Provider's salesperson may not, however, use the Plan as a means for the sale of other products or services. Investment Provider salespersons working for insurance companies shall identify themselves as insurance agents.

(b) An Investment Provider's salesperson may contact a Participant by telephone or direct mail solely for the purpose of scheduling an appointment with the Participant. Any non-scheduled contact by an Investment Provider's salesperson with a Plan Participant is prohibited. An appointment may be scheduled during work hours in work areas, provided the Participant's supervisor approves, and the appointment does not disrupt or interfere with other employees.

(c) Investment Providers may conduct mass mailing programs describing the investment products offered to Participants if such programs are approved by the Administrator.

11.08 Investment Advice. Investment Providers may provide investment advice to Participants and beneficiaries regarding investment products in accordance with guidance issued by the U.S. Department of Labor.

ARTICLE XII

ADMINISTRATION OF THE PLAN

12.01 Administration. This Plan shall be administered by the Administrator. The Administrator shall represent the employer in all matters concerning the administration of the Plan.

(a) Resolution of Questions. The Administrator is authorized to decide or to resolve any questions of fact needed or necessary to determine a Participant's rights under this Plan. The Administrator's determination, to the extent not inconsistent with the terms of the Plan, shall be binding and conclusive on all persons, and shall constitute the final determination of the Employer. The Administrator may rely on any information received from the employer or the Trustee when making any decision, calculation or determination under the Plan.

(b) Interpretations. The Administrator is authorized to interpret the Plan, and to resolve any ambiguity in the Plan, provided that all such decisions are applied thereafter to all Participants in as uniform a manner as possible, taking into account all the relevant factors which produce similarity or dissimilarity of circumstance.

12.02 Selection of Investment Products. Pursuant to 112.215 (4)(a), F.S., the Administrator, with the review of the State Board of Administration, shall be responsible for selecting the investment products that will be made available to Plan Participants. In addition, the Administrator will be responsible for monitoring and reviewing the performance of each Investment Product so selected on a quarterly basis, and for determining whether or when an existing Investment Product should be terminated and/or replaced by a new Investment Product. The Administrator's selection and monitoring of any Investment Product offered under the Plan shall comply with the standards contained in the Plan's investment policy. The Plan's investment policy is the State of Florida Deferred Compensation Plan Investment Policy for Product Selection and Retention, Form DFS-J3-1541, as adopted in Rule 69C-6.003, F.A.C.

12.03 Manner of Acting. The Administrator may adopt rules, to the extent that statutory authority exists, including amendments thereto, and may appoint or employ such agents, attorneys, actuaries, or clerical assistants as it deems necessary for the proper administration of the Plan.

12.04 Administrative Costs.

(a) The CFO shall monitor and approve the cost of administering the Plan.

(b) Funding necessary for administration of the Plan, including all necessary expenses incurred by the Administrator, shall be derived from Investment Providers approved to offer investment products under the Plan.

ARTICLE XIII

AMENDMENT OR TERMINATION OF THE PLAN

13.01 Amendment or Termination.

(a) The employer may amend the Plan and any forms created for use thereunder, in whole or in part, at any time and from time to time, and retroactively if deemed necessary or appropriate pursuant to Treas. Reg. § 1.457-9(a) or as permitted under Section 4.09 of Rev. Proc. 2013-12 or its successors to conform the Plan to the requirements of Code Section 457(b), provided that any such amendment must be adopted pursuant to the rulemaking procedures set forth in Chapter 120, F.S. No amendment of the Plan shall deprive a Participant of any benefits under this Plan to which the Participant obtained an equitable interest prior to the effective date of the amendment.

(b) The employer may terminate the Plan for any reason and at any time, provided that any such termination must be approved pursuant to the rulemaking procedures set forth in Chapter 120, F.S. Termination of the Plan shall not deprive a Participant of any benefits under this Plan to which the Participant obtained an equitable interest prior to the effective date of the termination.

ARTICLE XIV

MANAGEMENT OF FUNDS

14.01 Assets Held in Trust. As mandated by Section 457(g)(1) of the Code, assets and income of the Plan are held in the Trust Fund by the trustee for the exclusive benefit of the Plan's Participants and beneficiaries. Plan assets and income held in the Trust Fund may not be used for any other purpose before all liabilities owed by the Plan to its Participants and beneficiaries have been satisfied.

14.02 Protection Against Attachment. The assets held by the Trustee in the Trust Fund shall not be subject to the claims of the Employer's creditors. In addition, except as provided in Section 5.07 above, or as otherwise provided by law, the rights of Participants and Beneficiaries under this Plan shall not be subject to the rights of creditors, and shall be exempt from execution, garnishment, attachment, prior assignment, or transfer by operation of law or from any other judicial relief or order for the benefit of creditors or other third persons having claims against a Participant or Beneficiary.

ARTICLE XV

MISCELLANEOUS

15.01 No Employment Contract. Participation in this Plan does not create a contract of employment between the Employer and the Participant, alter or amend any existing employment contract between the Employer and the Participant, or provide to the Participant any representation or guarantee regarding the Participant's continued employment with the employer.

15.02 Tax Consequences. The employer and the Administrator do not represent or guarantee that the Participant's participation in the Plan will result in any particular federal or state income, estate, payroll, personal property or other tax consequences. Participants should consult with their own tax advisors regarding all questions of federal or state income, estate, payroll, personal property or other tax consequences arising from participation in this Plan.

15.03 Risk of Loss. The amount of benefits payable to a Participant under this Plan depends on the performance of the investment products selected by the Participant. The fair market value or cash worth of a Participant's account reflects both investment gains and investment losses, as well as administrative and/or other expense charges. The Participant shall bear any risk of loss associated with the Investment Products the Participant selects. No other person or persons, including the employer, the Administrator, or the Administrator's employees, shall be responsible for any loss incurred by the Participant's Account.

15.04 Gender/Headings.

(a) Whenever used in the Plan, use of masculine pronouns shall include the female and the singular shall include the plural, unless the provisions of the Plan specifically require a different construction.

(b) Headings used in the Plan, and in any form executed pursuant to the Plan, are for convenience only shall not be considered in any legal construction of the Plan. In the case of ambiguity or inconsistency, the text of the Plan rather than the headings shall control.

15.05 Applicable Law. The Plan shall be construed and enforced according to the law of the State of Florida, to the extent not preempted by the Code, and consistent with the maintenance of the Plan's status as an "eligible deferred compensation plan" as defined in Code Section 457(b), as incorporated in Rule 69C-6.003(3), F.A.C. The Plan is maintained by a governmental organization primarily for the purpose of providing deferred compensation for eligible employees, and, therefore, is intended to be exempt from the participation, vesting, funding, and fiduciary requirements of Title I of ERISA.

15.06 Conflicts. If any contract (including an annuity contract or policy), form, or other document used in administering the Plan conflicts with the terms of the Plan, the terms of the Plan shall govern. However, conflicts between this Plan and any contract in effect before the effective date of the Plan shall be resolved under the terms of the Plan as it existed as of the date the contract was executed.

15.07 Rights Non-Assignable. No Participant, beneficiary, nor any other designee shall have any right to commute, sell, assign, transfer, use as collateral for a loan, or otherwise convey the right to receive any payments under the Plan. All payments or rights to payments provided for by the Plan are non-assignable and nontransferable.

15.08 Binding on Heirs. This Agreement, as duly amended from time to time, shall be binding on the parties hereto and their respective heirs, administrators, trustees, successors, assigns, and designated beneficiaries of the Participant.

15.09 Continuation and Amendment of Existing Plan. The Plan constitutes a continuation of the plan that was previously approved and executed by the Administrator on November 9, 1981, and modified from time to time thereafter. All Participants and any Compensation Deferred held under the prior plan are, from the effective date of this Plan, governed by the terms of this Plan, subject to the following provisions:

- (a) All Participant deferrals elected under the prior plan shall continue without further action unless modified by the Participant.
- (b) Any investment directions made by Participants under the prior plan shall continue to apply to Participant deferrals made after the effective date of this Plan.
- (c) This Plan shall not operate retroactively to impair any existing contracts.

15.10 Effective Date. This Plan shall become effective 20 days after the amendment to Rule 69C-003, F.A.C., incorporating this Plan by reference is filed for adoption.

15.11 Participant Records. A Participant's records shall be open to inspection by the employer, the Participant, or the Participant's representative during normal business hours at the Administrator's principal place of business. Pursuant to Section 112.215(7), F.S., records identifying Participants or their personal account activities are exempt from public records disclosure under Section 119.07(1), F.S., except that such records will be provided in response to a lawful subpoena.

15.12 Procedure When Distributee Cannot Be Located. The Administrator shall make all reasonable attempts to determine the identity and address of a Participant or a Participant's beneficiary entitled to benefits under the Plan. For this purpose, the Administrator will be deemed to have made a reasonable attempt to contact a Participant or beneficiary if: (a) the Administrator and/or Investment Provider mails, by certified mail, a notice to the last known address of the Participant or beneficiary as shown on the Administrator's and/or Investment Provider's records, (b) the Administrator attempts to notify the Participant or beneficiary by using programs maintained by the Internal Revenue Service or Social Security Administration to identify payees under retirement plans, and (c) the Participant or beneficiary has not responded within 6 months of those efforts. If the Administrator is unable to locate a Participant or beneficiary entitled to benefits hereunder, or if there has been no claim made for such benefits, the Plan shall continue to hold the benefits due such Participant or beneficiary, subject to Section 15.13 relating to unclaimed accounts.

15.13 Unclaimed Accounts. In accordance with Section 717.112, F.S., a Participant's account shall be presumed abandoned and designated as unclaimed five years after the date required minimum distributions under Section 6.03 commenced or should have commenced, or if a Participant cannot be located under Section 15.12. The preceding sentence shall not apply if the Participant has, within the last five years, received a distribution from his or her account, communicated with the Administrator concerning his or her account, or otherwise indicated an interest in his or her account (as evidenced on the records of the Administrator).

15.14 Settlement Checks. The Administrator will distribute amounts received due to enforcement actions taken by the Securities and Exchange Commission in accordance with the procedures contained in Appendix D.

APPENDIX C

QDRO PROCEDURES

1. Definitions. The following definitions apply for purposes of this Appendix C:
 - (a) “Court Appointed 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, a Participant’s account.
 - (b) “Domestic Relations Order” means any judgment, decree, or order (including approval of a property settlement agreement) which:
 - i) 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
 - ii) Is made pursuant to a State domestic relations law (including community property law).
2. Procedure for Review of Order.
 - (a) Upon notification that all or any portion of a Participant’s account has been awarded to a Court Appointed Payee, the Administrator shall request a copy of the Domestic Relations Order from the Participant or Court Appointed Payee.
 - i) Upon receipt of the Domestic Relations Order, the Administrator will determine whether the Domestic Relations Order qualifies as a QDRO.
 - ii) The Participant’s account will be clearly identified by the Investment Provider and the Administrator as being part of the assets subject to the Domestic Relations Order.
 - iii) The Administrator will instruct the Investment Provider to create a separate account for the amount indicated to be assigned to the Court Appointed Payee in the Domestic Relations Order. A copy of the Domestic Relations Order will be mailed to the Investment Provider together with the letter of instruction.
 - iv) The name, address, and social security number of the Court Appointed Payee will be cross-referenced with Participant into a data base at the Investment Provider, records administrator, and Administrator.

3. Court Appointed Payee's Right to Distribution. The Court Appointed Payee has the following rights with respect to portion of a Participant's account assigned to him or her pursuant to a QDRO:

(a) The Court Appointed Payee may change Investment Products, re-allocate existing assets, and/or transfer the Court Appointed Payee's account to another Investment Provider.

- i) The Court Appointed Payee may designate a beneficiary to receive the benefits awarded under the QDRO in the event of the Court Appointed Payee's death in accordance with Section 6.02 of the Plan.
- ii) The Court Appointed Payee may receive distribution of his or her account in any of the options available to other Participants. The Court Appointed Payee's form of distribution is permitted to differ from that of the Participant.
- iii) The Court Appointed Payee is entitled to an immediate distribution of that portion of the Participant's account assigned to him or her pursuant to the QDRO.
- iv) The Court Appointed Payee will receive quarterly statements from the Investment Providers indicating the value of the Court Appointed Payees account.
- v) The Court Appointed Payee may request to receive a distribution of all or any portion of his or her account by filing a Request for Distribution Form (Form DFS-J3-1172 (VOYA), Form DFS-J3-1172 (NRS), Form DFS-J3-1172 (TRP), Form DFS-J3-1172 (VAL) or Form DFS-J3-1172 (GWRS) with the Investment Provider. The Court Appointed Payee is responsible for paying taxes on distributions received from the Plan.
- vi) The Court Appointed Payee is eligible to receive a loan from his or her account in accordance with Article VII of the Plan.
- vii) The Court Appointed Payee's account will earn income and incur any administrative charges and fees as if it were a Participant's account.
- viii) Participants will have no rights or authority over the account of the related Court Appointed Payee.

4. Restrictions Applicable to Court Appointed Payee.

(a) The Court Appointed Payee is not permitted to contribute Deferred Compensation to his or her account established pursuant to the QDRO.

(b) The Court Appointed Payee is not permitted to receive distribution of his or her account due to an Unforeseeable Emergency.

(c) If the Court Appointed Payee is an employee, he or she will not be permitted to combine the account assigned pursuant to the QDRO with any other account. However, the preceding sentence does not restrict the Court Appointed Payee's rights with respect to any account which was not assigned to him or her pursuant to a QDRO.

APPENDIX D

DISTRIBUTION PROCESS FOR PROCEEDS RECEIVED FROM SETTLEMENT CHECKS

Background:

The Securities and Exchange Commission (SEC) filed enforcement matters against investment funds alleging late trading and market timing activities. The settlements of these cases are being distributed to investors who suffered losses.

The State of Florida Deferred Compensation Plan (“Plan”) has received, and will continue to receive, settlement distributions based on its interest in an omnibus account operated by the Investment Provider.

Distribution Process:

- Distribution costs will be determined and those costs will be subtracted from the total settlement proceeds.
- If the remaining settlement proceeds are \$10,000 or less, the proceeds will not be distributed to accounts. Instead, the remaining settlement proceeds will be deposited in the Deferred Compensation Trust Fund to use for Plan communication expenses.
- If the remaining settlement proceeds are greater than \$10,000, those settlement proceeds will be distributed to individual current or former Plan accounts as follows:
 - Current Plan Participants, Beneficiaries, and Court Appointed Payees (“Eligible Participants”) will be notified by letter why they are receiving proceeds from the settlement account and the date that the proceeds are to be deposited into their fixed income fund Plan Account. They will be informed that they have the ability to transfer those proceeds to any other Plan investment option after the deposit occurs.
 - Former Participants, Beneficiaries, and Court Appointed Payees (“Eligible Former Participants”) will receive their portion of the settlement as a direct check payment (payable to the former eligible employee). Once a valid address is obtained, a letter mailed first class, forward service requested, will accompany the check informing them why they are receiving the proceeds, that they may roll over the proceeds to an IRA or another employer plan within 60 days, and if not rolled over that it must be cashed within 180 days or the funds will revert to the Plan. A Form 1099R will be issued if the check is either rolled over or cashed. No distribution will be made to members of this group if the amount is \$10 or less.
- The individual account distribution amount will be an amount equal to the sum of the proportional holdings in the investment fund during each quarterly penalty period to that of all Plan total holdings in the investment fund during each quarterly penalty period.
- The Investment Provider shall do the following:
 - Hold the settlement proceeds until distribution in an interest-bearing account. Any interest earned on the proceeds will be used to offset the distribution costs.

- Determine if any Eligible Former Participants are still in the State of Florida Plan by comparing the Social Security numbers to the Plan's centralized Record Keeper.
- Determine distribution costs and the distribution process and obtain the approval by the Plan Sponsor.
- Determine the individual distribution amounts.
- Notify each current or former Participant by letter(s) as described above.
- Maintain a record of letters that were returned to sender.
- Maintain a record of responses and update the address file as directed by the account holder.
- Mail the distribution checks with a notation that the check is void after 180 days.
- Notify the Plan Sponsor of the status of the distribution process on a monthly basis.
- Any costs associated with the Distribution Plan that are not used will be deposited into the Plan's Trust Fund for Plan communication expenses.
- Any proceeds not distributed related to the fund distribution after 180 days of the mailing of the last distribution check, will be deposited into the Plan's Trust Fund for Plan expenses. The Settlement account at the Investment Provider will be closed after 180 days of the mailing of the last distribution check.