

# Participating Employer Addendum for

CITY OF EL MIRAGE

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This Addendum to the Plan document for the City of El Mirage PSPRS Eligible Governmental 457(b) (the “Plan”) is adopted by City of El Mirage (“Employer”), effective the 22nd day of August, 2023.

**WHEREAS**, Employer previously adopted the ASRS SSDP Eligible Governmental 457 Plan on the 7th day of May, 2019, whereby Employer agreed to establish an eligible deferred compensation plan as defined in section 457(b) of the Internal Revenue Code of 1986, as amended; and

**WHEREAS**, Employer desires to include this Addendum to add language to the Plan Document to allow for multiple affiliated employers to join the Plan as established by the Employer.

**NOW THEREFORE**, the Employer hereby includes in the Plan Document the following language:

1.41 **“Eligible Employer”** means the following: (i) the Employer’s agencies, departments, subdivisions or instrumentalities, or any combination of the foregoing; (ii) a School Employer; and (iii) a Public Employer.

1.42 **“Joinder Agreement”** means the agreement prescribed by the Employer by which a Participating Employer adopts the Plan as provided in Article X.

1.43 **“Participating Employer”** means an Eligible Employer that adopts this Plan pursuant to Article X. Such Participating Employer shall be subject to and bound by the terms and provisions of this Plan.

1.44 **“Public Employer”** means a city, county, urban county government, political subdivision or their departments, agencies, instrumentalities, governmental units or any combination of the foregoing of the Employer, for which services are performed by a Participant or Independent Contractor, where applicable.

1.45 **“School Employer”** means the Employer’s public educational institutions for which services are performed by a Participant or Independent Contractor, where applicable.

## ARTICLE X PARTICIPATING EMPLOYERS

10.1 Addition of Participating Employer. Any Eligible Employer may adopt the Plan and Trust and become a Participating Employer hereunder by executing a Joinder Agreement as approved by the Employer. Such Eligible Employer will become a Participating Employer as of the effective date provided in the Joinder Agreement and will be subject to the terms and provisions of the Plan and Trust.

10.2 Withdrawal from Plan and Trust by Participating Employer. A Participating Employer requesting to withdraw from the Plan and Trust shall deliver to the Employer a resolution or action of its governing body which authorizes its withdrawal as a Participating Employer and its termination of the Joinder Agreement. Notice of such withdrawal must be received by the Employer six months prior to its effective date unless such notice period is waived in writing by the Employer. The Employer may at any time, in its discretion, determine that a Participating Employer will no longer participate in the Plan and Trust and may direct the Participating Employer to withdraw from the Plan and Trust. The Employer shall determine the effective date of any withdrawal under this Section.

10.3 Participant Transfer from Employer or Participating Employer. A Participant who transfers employment from one Participating Employer or the Employer to another Participating Employer or the Employer shall be considered to have Severance from Employment with respect to the Participating Employer or the Employer that the Participant transferred employment from. Such Participant will continue to be a Participant in this Plan with the new Participating Employer or Employer without interruption.

10.4 Freeze and Spin-off. If a Participating Employer withdraws from the Plan ("Withdrawing Employer"), the provisions of this Section will apply. Assets of Participant Accounts may remain after withdrawal, and Participant Accounts will be administered in accordance with this Section and such other terms and conditions established by the Employer, including but not limited to, the following:

- (1) The Employer and the Withdrawing Employer shall enter a written freeze agreement to set forth the terms of administration during the freeze.
- (2) The Employer will not accept any Deferral Contributions or transfers, including, but not limited to, Normal Retirement Age Catch-up Contributions.
- (3) During freeze, Participants may make loan repayments and new loans may be initiated in accordance with Employer loan procedures.
- (4) The Employer may adjust any Plan administrative fee imposed on the Participant Accounts of the Participants of the Withdrawing Employer.
- (5) Frozen Participant Accounts may be spun-off and transferred by a trustee-to-trustee transfer to another plan of the Withdrawing Employer at such time and under such conditions as determined by the Employer and in accordance with the Code and its regulations. Investments of affected Participant Accounts upon spin-off will be liquidated, and transfer of assets will be made in cash. Provided, however, loans will be transferred in-kind to the transferee plan. The Employer has the power to effect and implement approval and timing of any spin-off made pursuant to this Section.
- (6) Except as revised in accordance with this Section, remaining Plan terms and provisions will apply with respect to Participant Accounts during the freeze.

10.5 Inapplicability of Article IX. Unless otherwise permitted in Article X of the Plan Document, Sections 9.01, 9.02, and 9.03 of the Plan are inapplicable to any Participating Employer.

10.6 Application of Provisions to Participating Employers. Any reference to Employer includes any Participating Employer, where appropriate.

**Acceptance of Addendum.** The Employer acknowledges that it has decided to include the language above in the Plan and is instructing NRS to administer the Plan in accordance with this language as of the effective date written above.

Employer Name ("Employer"): City of El Mirage

Street Address: 10000 N. El Mirage Road

City, State, Zip Code: El Mirage, AZ 85335

Plan Name ("Plan"): City of El Mirage PSPRS 457 Plan

Plan Number: \_\_\_\_\_

Employer Signature: \_\_\_\_\_

Title: Mayor

Date of Signature: \_\_\_\_\_

Email Address of Signer: \_\_\_\_\_