

- 6.9 **NON-ALIENATION OF BENEFITS.** Except with respect to federal and state income tax withholding, neither the Trust nor any of its assets, nor any interest herein nor benefits payable under this Plan will be subject to any conveyance, transfer, assignment, sequestration, garnishment, attachment, levy, encumbrance, or levy of any kind, either voluntary or involuntary, or other judicial process or order of any kind to satisfy the claims of any creditors (whether bankruptcy creditors or otherwise), and the Trustee will not give any effect to any such order or arrangement. The interests of Participants and their Beneficiaries under the Plan and Trust are not subject to the claims of any creditors and are not liable for their debts, contracts or torts. Participants and their Beneficiaries may not in any way transfer, assign, alienate, pledge, encumber, charge or otherwise dispose of their interests in the Plan in law or in equity, and any such transfer, assignment, alienation, pledge, encumbrance, charge or other disposal will be void.
- 6.10 **DOMESTIC RELATIONS ORDERS** Notwithstanding Section 6.9, if a judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a Spouse or former Spouse, child, or other dependent of a Participant is made pursuant to the domestic relations law of any State (“domestic relations order”), then the amount of the Participant’s Account will be paid in the manner and to the person or persons so directed in the domestic relations order. Such payment will be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan. The Administrator will establish reasonable procedures for determining the status of any such decree or order and for effectuating distribution pursuant to the domestic relations order and has full and complete discretion to determine whether a domestic relations order entitles an alternate payee to payment from the Plan. In the event the domestic relations order does not designate from which Account the payment should be made, the Administrator will distribute amounts from the Participant’s Account pro-rata to the extent available.
- 6.11 **COMPLETE OR PARTIAL WITHDRAWAL OF PARTICIPATING EMPLOYER.**
- (a) ***Complete Withdrawal of Participating Employer.*** If a Participating Employer has determined to completely withdraw from Plan participation, such Participating Employer must fully comply with C.R.S. Section 24-54-106(2), as amended, as well as the Association’s Withdrawal Procedures, which are incorporated herein by reference. The Participating Employer must initiate withdrawal from the Association by filing with the Governing Board a resolution adopted by the Participating Employer (and approved by at least sixty-five percent (65%) of the Participating Employer’s active Employees who are Plan Participants at the time of the election) no less than ninety (90) days prior to the effective date of the withdrawal, unless a shorter period is approved by the Governing Board. The effective date of withdrawal will be the first day of the month immediately following the month in which the waiting period expires.
- (b) ***Partial Withdrawal of Participating Employer - Peace Officers.*** Once every four (4) years a board of county commissioners may initiate the withdrawal of current Employee-Participants who are peace officers as provided for in C.R.S. Section 16-2.5-101 (“*Peace Officers*”). The partial withdrawal of the Participating Employer is from Peace Officer participation in and contributions to the Plan for the purpose of

joining a retirement plan offered by the fire and police pension association created under Colorado law in accordance with C.R.S. Section 24-54-106(3), as amended, and the Association's Withdrawal Procedures, which are incorporated herein by reference.

- (1) The board of county commissioners may initiate the withdrawal under this Section 6.11(b) by filing with the Governing Board a resolution adopted by the board of county commissioners no less than ninety (90) days prior to the effective date of withdrawal unless a shorter waiting period is approved by the Governing Board. The effective date of withdrawal will be the first day of the month immediately following the month in which the waiting period expires.
- (2) The board of county commissioners' withdrawal resolution will be adopted by said board and state its intent to withdraw current Employee-Participants who are Peace Officers from Plan participation.
- (3) The Governing Board or its designee will be provided multiple opportunities to present information including advantages and disadvantages of withdrawing from the Plan, to current Employee-Participants who are Peace Officers proposed to be withdrawn from the Plan.
- (4) If the resolution proceeds following the Governing Board's presentation in accordance with Section 6.11(b)(3), the withdrawal resolution must be approved by at least fifty-five (55%) percent of all current Employee-Participants who are Peace Officers proposed to be withdrawn from the Plan.
- (5) If the resolution withdrawal is approved in accordance with Section 6.11(b)(4), any current Participant who is a Peace Officer may elect to remain an active member of the Plan if the withdrawal becomes effective or to become part of the retirement plan offered by the fire and police pension association. A current Participant who is a Peace Officer will notify the Governing Board in writing (or in a manner acceptable to the Governing Board, for example, using an on-line form) of his or her intent to remain in the Plan or to become a participant in the retirement plan offered by the fire and police pension association. Such notice must be provided prior to the effective date of the resolution withdrawal. If a Participant who is a Peace Officer does not provide such notice, the Participant will remain in the Plan.
- (6) A peace officer whose Date of Hire is after the Participating Employer's withdrawal is not eligible for Plan participation and will be enrolled in the retirement plan offered by the fire and police pension association.
- (7) Nothing in this Section 6.11(b) will be construed to prohibit a board of county commissioners from invoking Section 6.11(a) to initiate the withdrawal of current employees who are peace officers from participating in and contributing to the Association.

6.12 **TRANSFER OF CURRENT EMPLOYEE ACCOUNT OF FORMER PARTICIPATING EMPLOYER.**

With the approval of the Governing Board, a Current Employee of a Former Participating Employer may request a transfer of his or her vested Account in accordance with the terms and conditions of this Section 6.12.

(a) ***Definitions.*** The following defined terms apply for purposes of this Section 6.12.

- (1) ***Current Employee*** refers to a current active Employee or Official of the Former Participating Employer who maintains an Account in the Plan as provided for in C.R.S. Section 24-54-101(2.7)(a.5).
- (2) ***Former Participating Employer*** means a Participating Employer that has completely withdrawn from its participation in the Plan pursuant to Section 6.11(a) or a Participating Employer who has partially withdrawn from its participation in the Plan pursuant to Section 6.11(b).
- (3) ***Plan Transfer Limit*** means seven million five hundred thousand dollars (\$7,500,000) in any twelve (12)-month period, as such limit may be adjusted or suspended by the Governing Board from time to time in its sole discretion. The Plan Transfer Limit solely includes transfers made pursuant to this Section 6.12 and does not include distributions as a result of distributable events. The Plan Transfer Limit applies on an aggregate Former Participating Employer basis, meaning, if Current Employees of multiple Former Participating Employers request a transfer of their vested Accounts in accordance with the terms and conditions of this Section 6.12, the Plan Transfer Limit will apply to all such Current Employees collectively, not on a Former Participating Employer basis.
- (4) ***Qualified Plan*** refers to a defined contribution or defined benefit pension plan, other than the Plan, that is intended to be qualified under Code Section 401(a), which has been adopted by a Former Participating Employer as a plan sponsor or participating employer.
- (5) ***Transfer Election*** means a timely written election (or other acceptable form, for example, an on-line election) that is properly completed and submitted by a Current Employee and submitted to the Administrator in accordance with Section 6.12(b).

(b) ***Transfer Election.*** If a Former Participating Employer has adopted a Qualified Plan to which Current Employees may transfer their vested Accounts, the Former Participating Employer must give advance written notice to the Governing Board, and then once approved by the Governing Board, to each Current Employee (the notice to the Current Employees constituting a ***Transfer Notice***). The Transfer Notice must provide that any Current Employee may request a transfer of his or her vested Account to the Qualified Plan by filing the Transfer Election within twelve (12) months of the Transfer Notice with the Administrator. In order to accommodate the Transfer Election, the Former Participating Employer must provide the completed Transfer Election with transfer instructions to the Association within the same twelve

(12) month period. If a Current Employee does not submit a Transfer Election within twelve (12) months of the Transfer Notice, and if the Participating Employer does not provide the completed elections to the Association within the same twelve (12) month period, the Current Employee's vested Account will remain in the Plan until the Current Employee experiences a distribution event under the other provisions of this Article 6.

- (c) ***Plan Transfer Limit: Timing and Transfer Limitations.*** Transfers under this Section 6.12 are limited to Current Employees who make Transfer Elections within the applicable twelve (12) month period as described in Section 6.12(b). In determining which Current Employees' Account may be transferred in compliance with the Plan Transfer Limit, the Plan will include the vested Accounts of Current Employees in the aggregate amount to be transferred.
- (1) ***Timing of Transfers.*** The Plan will make a batch transfer of vested Accounts of Current Employees who have made proper Transfer Elections as soon as practicable following receipt of the completed Transfer Elections with transfer instructions from the Former Participating Employer. Subsequent transfers will also be made as necessary as soon as practicable following receipt of Transfer Elections by the Association; provided, however, that the aggregate value of the Accounts of Current Employees transferred cannot exceed the Plan Transfer Limit.
- (2) ***Limitations on Transfers.*** In the event combined Transfer Elections exceed the Plan Transfer Limit, the Former Participating Employer will provide detailed instructions to the Association as to the method, order and timing of the transfers. Partial Transfers of Participant Accounts are permitted.
- (d) ***Multiple Requests: Timing of Transfers.*** In the event more than one Participating Employer withdraws from the Plan in accordance with Section 6.11(a) during the same twelve (12) month period and the aggregate Transfer Elections of the Current Employees of Former Participating Employers exceed the Plan Transfer Limit, transfers attributable to each Current Employee will be made over a multiple-year period so as not to exceed the Plan Transfer Limit in any twelve (12) month period. Transfers will be made in order of Transfer Election received, and if necessary, prorated based on the amount of the Current Employee's Transfer Election divided by the aggregate Transfer Elections multiplied by the Plan Transfer Limit. The Association may make a partial transfer limited to the funds held by the Plan attributable to Current Employees who have made Transfer Elections. Vested Account balances not transferred in any twelve (12) month period on account of the Plan Transfer Limit will be transferred in the following twelve (12) month period up to the Plan Transfer Limit, and then in each subsequent twelve (12) month period up to the Plan Transfer Limit until all transfers have been made.
- (e) ***Suspension of Transfers.*** If at any time the Governing Board determines, in its sole discretion, that the transfer limits set forth in this Section 6.12 are not in the best interests of the Participants who remain in the Plan, the Governing Board has full and absolute discretion to suspend or modify the provisions of this Section 6.12 until such

time as the Governing Board determines, in its sole discretion and by a two-thirds (2/3) majority, that transfers under this Section 6.12 do not adversely affect the interests of those Participants.

- (f) **Transfer Fees.** The Governing Board may from time to time and in its sole discretion set a reasonable transfer fee to be paid by each Current Employee whose Account is fully transferred to a Qualified Plan. Such fee is intended to offset the Plan's direct and indirect expenses incurred as a result of the vested Account transfer. The Former Participating Employer may in its sole discretion determine to pay the transfer fee on behalf of each Current Employee making a Transfer Election.

6.13 DISTRIBUTIONS FOR HEALTH AND LONG-TERM CARE INSURANCE.

- (a) **General Rule.** Eligible Retired Public Safety Officers may elect to exclude from gross income up to \$3,000 per taxable year, from a distribution pursuant to this Section 6.13, to the extent that the aggregate amount of such distribution does not exceed the amount paid by such Participant for Qualified Health Insurance Premiums of the Participant, his or her Spouse or dependents (as defined in Code Section 152) for such taxable year.
- (b) **Direct Payment to Insurer Required.** This Section 6.13 will only apply to a distribution if payment of the premiums is made directly to the provider of the accident or health insurance plan or qualified long-term care insurance contract by deduction from a distribution from the Plan.
- (c) **Election Required.** An election is required by a Public Safety Officer after his or her Termination Date with respect to amounts not distributed from the Plan to have amounts from the Plan distributed in order to pay for Qualified Health Insurance Premiums.
- (d) **Definitions.** The following defined terms apply for purposes of this Section 6.13.
- (1) **Eligible Retired Public Safety Officer** means a Public Safety Officer who, by reason of Disability or attainment of Normal Retirement Age, experiences a Termination Date.
- (2) **Public Safety Officer** has the meaning given such term by Section 1204(9)(A) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796b(9)(A)).
- (3) **Qualified Health Insurance Premiums** means premiums for coverage for the Eligible Retired Public Safety Officer, his or her Spouse, and dependents (as defined in Code Section 152), by an accident or health insurance plan or qualified long-term care insurance contract (as defined in Code Section 7702B(b)).

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