RESOLUTION NO. 122

A RESOLUTION OF THE CITY OF SHORELINE, WASHINGTON, ESTABLISHING A MONEY PURCHASE PLAN FOR THE CITY MANAGER WITH ICMA

WHEREAS, the City Manager renders valuable services; and

WHEREAS, the establishment of a money purchase retirement plan for such employee serves the interests of the City by enabling it to provide reasonable retirement security, by providing increased flexibility in its personnel management system, and by by assisting in the attraction and retention of competent personnel; and

WHEREAS, the City has determined that the establishment of a money purchase retirement plan to be administered by the ICMA Retirement Corporation serves the above objectives; and

WHEREAS, the City desires that this money purchase retirement plan be administered by the ICMA Retirement Corporation, and that the funds held under such plan be invested in the ICMA Retirement Trust, a trust established by public employers for the collective investment of funds held under their retirement and deferred compensation plans,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, AS FOLLOWS:

Section 1. Adoption of Plan. The City hereby adopts the money purchase retirement plan (the "Plan") in the form of the ICMA Retirement Corporation Prototype Money Purchase Plan and Trust, pursuant to the specific provisions of the Adoption Agreement, referred to as Appendix A.

Section 2. Declaration of Trust. The City hereby executes the Declaration of Trust of the ICMA Retirement Trust, referred to as Appendix B, intending this execution to be operative with respect to any retirement or deferred compensation plan where the assets are to be invested in the ICMA Retirement Trust.

Section 3. Plan Trustee. The City hereby agrees to serve as the trustee under the Plan and to invest funds held under the Plan in the ICMA Retirement Trust.

Section 4. Plan Coordinator. The City Manager or designee shall be the coordinator for the Plan; shall receive necessary reports and notices from the ICMA Retirement Corporation or the ICMA Retirement Trust; shall cast, on behalf of the City of Shoreline, any required votes under the ICMA Retirement Trust; may delegate any administrative duties relating to the plan to the appropriate departments, and is authorized
to execute all necessary agreements with ICMA Retirement Corporation incidental to the administration of the Plan.

Section 5. Employee Eligibility. The Plan shall be maintained for the exclusive benefit of eligible employees and their beneficiaries. For the purposes of this plan, the City Manager, as provided for by contract with the City Council, shall be the only eligible employee covered by this plan.

ADOPTED BY THE CITY COUNCIL ON FEBRUARY 24, 1997.

Mayor Connie King

ATTEST:

Sharon Mattioli, CMC
City Clerk
EXHIBIT A
ICMA RETIREMENT CORPORATION
PROTOTYPE MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT
#001

Account Number

The Employer hereby establishes a Money Purchase Plan and Trust to be known as _____ The Plan _____ (the “Plan”) in the form of the ICMA Retirement Corporation Prototype Money Purchase Plan and Trust.

This Plan is an amendment and restatement of an existing defined contribution money purchase plan.

☐ Yes ☐ No

If yes, please specify the name of the defined contribution money purchase plan which this Plan hereby amends and restates:

I. Employer: City of Shoreline

II. Prototype Sponsor:

Name: ICMA Retirement Corporation
Address: 777 N. Capitol Street, N.E.
          Washington, D.C. 20002-4240

Telephone Number: (202) 962-4600

III. The Effective Date of the Plan shall be the first day of the Plan Year during which the Employer adopts the Plan, unless an alternate Effective Date is hereby specified:

IV. Plan Year will mean:

☐ The twelve (12) consecutive month period which coincides with the limitation year. (See Section 6.05(i) of the Plan.)

☐ The twelve (12) consecutive month period commencing on _____ and each anniversary thereof.

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V. Normal Retirement Age shall be age ___60___ (not to exceed age 65).

VI. ELIGIBILITY REQUIREMENTS:

1. The following group or groups of Employees are eligible to participate in the Plan:

<table>
<thead>
<tr>
<th>All Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Full-Time Employees</td>
</tr>
<tr>
<td>Salaried Employees</td>
</tr>
<tr>
<td>Non-union Employees</td>
</tr>
<tr>
<td>Management Employees</td>
</tr>
<tr>
<td>Public Safety Employees</td>
</tr>
<tr>
<td>General Employees</td>
</tr>
<tr>
<td>X Other (specify below)</td>
</tr>
</tbody>
</table>

City Manager

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personal manuals or other material in effect in the state or locality of the Employer.

2. The Employer hereby waives or reduces the requirement of a twelve (12) month Period of Service for participation. The required Period of Service shall be ___N/A___ (write N/A if an Employee is eligible to participate upon employment).

If this waiver or reduction is elected, it shall apply to all Employees within the Covered Employment Classification.

3. A minimum age requirement is hereby specified for eligibility to participate. The minimum age requirement is ___N/A___ (not to exceed age 21. Write N/A if no minimum age is declared.)

VII. CONTRIBUTION PROVISIONS

1. The Employer shall contribute as follows (choose one, if applicable):

   A. Fixed Employer Contributions With Or Without Mandatory Participant Contributions.

   The Employer shall contribute on behalf of each Participant _____ % of *Earnings or $___ for the Plan Year (subject to the limitations of Article VI of the Plan). Each Participant is required to contribute _____ % of Earnings * or $___ for the Plan Year as a condition of participation in the Plan. (Write "0" if no contribution is required.) If Participant Contributions are required under this option, a Participant shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

   *To be adjusted annually to reflect the current rate of the Washington State PERS II Plan.

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The Employer hereby elects to "pick up" the Mandatory/Required Participant Contribution.

☐ Yes  ☐ No

[Note to Employer: Neither an opinion letter issued by the Internal Revenue Service with respect to the Prototype Plan, nor a determination letter issued to an adopting Employer is a ruling by the Internal Revenue Service that Participant contributions that are picked up by the Employer are not includable in the Participant's gross income for federal income tax purposes. The Employer may seek such a ruling.

Picked up contributions are excludable from the Participant's gross income under section 414(h)(2) of the Internal Revenue Code of 1986 only if they meet the requirements of Rev. Rul. 81-35, 1981-1 C.B. 255. Those requirements are (1) that the Employer must specify that the contributions, although designated as employee contributions, are being paid by the Employer in lieu of contributions by the employee; and (2) the employee must not have the option of receiving the contributed amounts directly instead of having them paid by the Employer to the plan.]

☐ Fixed Employer Match of Participant Contributions.

The Employer shall contribute on behalf of each Participant ___% of Earnings for the Plan Year (subject to the limitations of Articles V and VI of the Plan) for each Plan Year that such Participant has contributed ___% of Earnings or $_____. Under this option, there is a single, fixed rate of Employer contributions, but a Participant may decline to make the required Participant contributions in any Plan Year, in which case no Employer contribution will be made on the Participant's behalf in that Plan Year.

☐ Variable Employer Match Of Participant Contributions.

The Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Articles V and VI of the Plan):

___% of the Participant contributions made by the Participant for the Plan Year (not including Participant contributions exceeding ___% of Earnings or $______);

PLUS ___% of the contributions made by the Participant for the Plan Year in excess of those included in the above paragraph (but not including Participant contributions exceeding in the aggregate ___% of Earnings or $______).

Employer Contributions on behalf of a Participant for a Plan Year shall not exceed $______ or ___% of Earnings, whichever is ☐ more or ☐ less.

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2. Each Participant may make voluntary (unmatched), after-tax contribution, subject to the limitations of Section 4.05 and Articles V and VI of the Plan.
   • Yes □ No

3. Employer contributions and Participant contributions shall be contributed to the Trust in accordance with the following payment schedule:
   Bi-weekly

VIII. EARNINGS

Earnings, as defined under Section 2.09 of the Plan, shall include:

(a) Overtime
   • Yes □ No

(b) Bonuses
   • Yes □ No

IX. LIMITATION ON ALLOCATIONS

If the Employer (i) maintains or ever maintained another qualified plan in which any Participant in this Plan is (or was) a participant or could possibly become a participant, and/or (ii) maintains a welfare benefit fund (as defined in section 419(e) of the Code) or an individual medical account (as defined in section 415(i)(2) of the Code, under which amounts are treated as Annual Additions with respect to any Participant in this Plan) the Employer hereby agrees to limit contributions to all such plans as provided herein, if necessary in order to avoid excess contributions (as described in Sections 6.03 and 6.04 of the Plan).

1. If the Participant is covered under another qualified defined contribution plan maintained by the Employer, other than a Regional Prototype Plan, the provisions of Section 6.02(a) through (f) of the Plan will apply as if the other plan were a Master Prototype Plan, unless another method has been indicated below.

□ Other Method. (Provide the method under which the plans will limit total Annual Additions to the Maximum Permissible Amount, and will properly reduce any excess amounts, in a manner that precludes Employer discretion.) N/A
2. If the Participant is or has ever been a participant in a defined benefit plan maintained by the Employer, and if the limitation in Section 6.04 of the Plan would be exceeded, then the Participant's Projected Annual Benefit under the defined benefit plan shall be reduced in accordance with the terms thereof to the extent necessary to satisfy such limitation. If such plan does not provide for such reduction, or if the limitation is still exceeded after the reduction, annual additions shall be reduced to the extent necessary in the manner described in Sections 6.01 through 6.03. The methods of avoiding the limitation described in this paragraph will not apply if the Employer indicates another method below.

☐ Other Method. (Note to Employer: Provide below language which will satisfy the 1.0 limitation of section 415(e) of the Code. Such language must preclude Employer discretion. See section 1.415-1 of the Regulations for guidance.)

N/A

3. The limitation year is the following 12-consecutive month period: 1/1 – 12/31

X. VESTING PROVISIONS

The Employer hereby specifies the following vesting schedule, subject to (1) the minimum vesting requirements as noted and (2) the concurrence of the Plan Administrator.

<table>
<thead>
<tr>
<th>Years of Service Completed</th>
<th>Specified Percent</th>
<th>Minimum Vesting Requirements**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zero</td>
<td>100 %</td>
<td>No minimum</td>
</tr>
<tr>
<td>One</td>
<td></td>
<td>No minimum</td>
</tr>
<tr>
<td>Two</td>
<td></td>
<td>No minimum</td>
</tr>
<tr>
<td>Three</td>
<td></td>
<td>Not less than 20%</td>
</tr>
<tr>
<td>Four</td>
<td></td>
<td>Not less than 40%</td>
</tr>
<tr>
<td>Five</td>
<td></td>
<td>Not less than 60%</td>
</tr>
<tr>
<td>Six</td>
<td></td>
<td>Not less than 80%</td>
</tr>
<tr>
<td>Seven, or more</td>
<td>100 %</td>
<td>Must equal 100%</td>
</tr>
</tbody>
</table>

(**These minimum vesting requirements conform to the Code's three to seven year vesting schedule. If the employee becomes 100% vested by the completion of five years of service, there is no minimum for years three and four.)

XI. Loans are permitted under the Plan, as provided in Article XIV:

☐ Yes  □ No

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XII. The Employer hereby attests that it is a unit of state or local government or an agency or instrumentality of one or more units of state or local government.

XIII. The Prototype Sponsor hereby agrees to inform the Employer of any amendments to the Plan made pursuant to Section 15.05 of the Plan or of the discontinuance or abandonment of the Plan.

XIV. The Employer hereby appoints the Prototype Sponsor as the Plan Administrator pursuant to the terms and conditions of the ICMA RETIREMENT CORPORATION PROTOTYPE MONEY PURCHASE PLAN & TRUST.

The Employer hereby agrees to the provisions of the Plan and Trust.

XV. The Employer hereby acknowledges it understands that failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

XVI. An adopting Employer may not rely on a notification letter issued by the National or District Office of the Internal Revenue Service as evidence that the Plan is qualified under section 401 of the Internal Revenue Code. In order to obtain reliance with respect to plan qualification, the Employer must apply to the appropriate key district office for a determination letter.

This Adoption Agreement may be used only in conjunction with basic Plan document number 001.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this ______________ day of ______________________, 19__ .

EMPLOYER

By: __________________________
Title: ________________________
Attest: ________________________

Accepted: ICMA RETIREMENT CORPORATION

By: __________________________
Title: Corporate Secretary
Attest: ________________________

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DECLARATION OF TRUST
OF ICMA RETIREMENT TRUST

ARTICLE I. NAME DEFINITIONS

Section 2.1 Name: The name of the Trust, as amended and
restated hereinafter, is the ICMA Retirement Trust.

Section 2.2 Definitions: Wherever they are used herein,
the following terms shall have the following respective
meanings:

(a) Bylaws: The bylaws referred to in Section 4.1
hereof, as amended from time to time.

(b) Deferred Compensation Plan: A deferred
compensation plan established and maintained by
a Public Employer for the purpose of providing
retirement income and other deferred benefits to
its employees in accordance with the provision of
section 403(a) of the Internal Revenue Code of 1954,
as amended.

(c) Employees: Those employees who participate in
Qualified Plans.

(d) Employer Trust: A trust created pursuant to
an agreement between RC and a Public Employer
for the purpose of investing and administering the
funds set aside by such Employer in connection with
its Deferred Compensation agreements with its
employees or in connection with its Qualified
Plan.

(e) Guaranteed Investment Contract: A contract
entered into by the Retirement Trust with insurance
companies that provides for a guaranteed rate of
return on investments made pursuant to such
contract.

(f) ICMA: The International City Management
Association.

(g) ICMA/RC: Those Trustees elected by the
Public Employers who, in accordance with the
provisions of Section 3.1(a) hereof, are also
members, or former members, of the Board of
Directors of ICMA or RC.

(h) Investment Adviser: The Investment Adviser
that enters into a contract with the Retirement Trust
to provide advice with respect to investment of
the Trust Property.

(i) Portfolios: The Portfolios of Investment
established by the Investment Adviser to the Retirement
Trust and under the supervision of the Trustees, for the
purpose of providing investments for the Trust Property.

(j) Public Employer: Those employers who, in accordance
with the provisions of Section 3.1(a) hereof, are full-
time employees of Public Employers.

(k) Public Employer/Trustee, Public Employer who
serves as trustee of the Qualified Plan.

(l) Qualified Plan: A plan sponsored by a Public
Employer for the purpose of providing retirement
income to its employees which satisfies the
qualification requirements of Section 401 of the
Internal Revenue Code, as amended.

(m) RC: The International City Management
Association Retirement Corporation.

(n) Retirement Trust: The Trust created by the
Declaration of Trust.

(o) Trust Property: The amounts held in the
Retirement Trust on behalf of the Public
Employers in connection with Deferred
Compensation Plans and on behalf of the Public
Employer/Trustees for the exclusive benefit of
Employees pursuant to Qualified Plans. The Trust
Property shall include all income resulting from
the investment of the amounts so held.

(p) Trustees: The Public Employee/Trustees and
ICMA/RC Trustees who serve as members of the Board of
Trustees of the Retirement Trust.

ARTICLE II. CREATION AND PURPOSE OF THE TRUST;
OWNERSHIP OF TRUST PROPERTY

Section 2.1 Creation: The Retirement Trust is created and
established by the execution of this Declaration of
Trust by the Trustees and the Public Employers.

Section 2.2 Purpose: The purpose of the Retirement Trust
is to provide for the commingled investment of funds
held by the Public Employers in connection with their
Deferred Compensation and Qualified Plans. The
Trust Property shall be invested in the Portfolios, in
Guaranteed Investment Contracts, and in other
investments recommended by the Investment Adviser
under the supervision of the Board of Trustees. No
part of the Trust Property will be invested in securities
issued by Public Employers.

Section 2.3 Ownership of Trust Property: The Trustees
shall have legal title to the Trust Property. The Public
Employers shall be the beneficial owners of the
portion of the Trust Property allocable to the Deferred
Compensation Plans. The portion of the Trust Property
allocated to the Qualified Plans shall be held for
the Public Employer/Trustees for the exclusive benefit
of the Employees.

ARTICLE III. TRUSTEES

Section 3.1 Number and Qualification of Trustees:

(a) The Board of Trustees shall consist of nine
Trustees. Five of the Trustees shall be full-time employees
of a Public Employer (the Public Employee/Trustees)
who are authorized by such Public Employer to serve as
Trustees. The remaining four Trustees shall consist of
two persons who, at the time of election to the Board of
Trustees, are members of the Board of Directors of
ICMA and two persons who, at the time of election, are
members of the Board of Directors of RC (the
ICMA/RC Trustees). One of the Trustees who is a director of
ICMA, and one of the Trustees who is a director of RC,
shall, at the time of election, be full-time employees of
a Public Employer.

(b) No person may serve as a Trustee for more than
one term in any ten-year period.

Section 3.2 Election and Terms: (a) Except for the
Trustees appointed to fill vacancies pursuant to Section 3.5
hereof, the Trustees shall be elected by a vote of a
majority of the Public Employers in accordance with
the procedures set forth in Section 3.5. (b) At the first
election of Trustees, three Trustees shall be elected
for a term of three years, three Trustees shall be elected
for a term of two years and three Trustees shall be elected
for a term of one year. At each subsequent election, three Trustees shall be elected

3:1
for a term of three years and until his or her successor is elected and qualified.

Section 5.3. Nomination and Removal: (a) Any Trustee may resign as Trustee (without need for prior or subsequent accounting) by an instrument in writing signed by the Trustee and delivered to the other Trustees and such resignation shall be effective upon such delivery or at a later date according to the terms of the instrument. Any of the Trustees may be removed for cause, by a vote of a majority of the Public Employers. (b) Each Public Employee Trustee shall resign his or her position as Trustee within sixty days of the date on which he or she ceases to be a full-time employee of a Public Employer.

Section 5.5. Vacancies: The term of office of a Trustee shall terminate and a vacancy shall occur in the event of the death, resignation, removal, adjudicated incompetence or other incapacity to perform the duties of the office of a Trustee. In the case of a vacancy, the remaining Trustees shall appoint such person as they in their discretion shall see fit (subject to the limitations set forth in this Section), to serve for the unexpired portion of the term of the Trustee who has resigned or otherwise ceased to be a Trustee. The appointment shall be made by a written instrument signed by a majority of the Trustees. The person appointed must be the same type of Trustee (i.e., Public Employee Trustee or ICM/ARC Trustee) as the person who has ceased to be a Trustee. An appointment of a Trustee may be made in anticipation of a vacancy to occur at a later date by reason of retirement or resignation, provided that such appointment shall not become effective prior to such retirement or resignation. When a vacancy in the number of Trustees shall occur, until such vacancy is filled as provided in this Section 5.5, the Trustee in office, regardless of their number, shall have all the powers granted to the Trustees and shall discharge all the duties imposed upon the Trustees by this Declaration. A written instrument certifying the existence of such vacancy signed by a majority of the Trustees shall be conclusive evidence of the existence of such vacancy.

Section 5.6. Trustees Serve in Representative Capacity: By executing this Declaration, each Public Employer agrees that the Public Employee Trustee elected by the Public Employers are authorized to act as agents and representatives of the Public Employers collectively.

ARTICLE IV. POWERS OF TRUSTEES

Section 4.1. General Powers: The Trustees shall have the power to conduct the business of the Trust and to carry on its operations. Such power shall include, but shall not be limited to, the power to:

(a) receive the Trust Property from the Public Employers, Public Employee Trustees or other Trustees of any other Trust;

(b) enter into a contract with an Investment Adviser providing, among other things, for the establishment and operation of the Portfolio, selection of the Guaranteed Investment Contracts to be issued, selection of the other investments for the Trust Property and the payment of reasonable fees to the Investment Adviser and any sub-advisers appointed by the Investment Adviser;

(c) review annually the performance of the Investment Adviser and approve annually the contract with such Investment Adviser;

(d) invest and reinvest the Trust Property in the Portfolio, the Guaranteed Interest Contracts and in any other investment recommended by the Investment Adviser, but not including securities issued by Public Employers, provided that if a Public Employer has directed that its monies be invested in specified Portfolios or in a Guaranteed Investment Contract, the Trustees of the Retirement Trust shall invest such monies in accordance with such directions;

(e) keep such portion of the Trust Property in cash or cash equivalent as the Trustees, from time to time, may deem to be in the best interest of the Retirement Trust created hereby without liability for interest thereon;

(f) accept and retain for such time as they may deem advisable any securities or other property received or acquired by them as Trustees hereunder, whether or not such securities or other property would normally be purchased as investment hereunder;

(g) cause any securities or other property held as part of the Trust Property to be registered in the name of the Retirement Trust, or in the name of Trustees, and to hold all investments in bearer form, but the books and records of the Trustees shall at all times show that all such investments are a part of the Trust Property;

(h) make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or desirable to carry out the powers herein granted;

(i) vote upon any stock, bonds, or other securities of any corporation or any other security or investment; give general or special proxies or powers of attorney to any other corporation or any other security or investment; accept any conversion privileges, subscription rights, or any other privileges, options, or other rights in any other corporation or any other security or investment; vote any stock, bonds, or other securities or any other security or investment; or otherwise participate in any corporate arrangement or any other changes affecting corporate securities, or any other security or investment, or in any other transaction;

(j) vote upon any stock, bonds, or other securities of any corporation or any other security or investment; give general or special proxies or powers of attorney to any other corporation or any other security or investment; accept any conversion privileges, subscription rights, or any other privileges, options, or other rights in any other corporation or any other security or investment; vote any stock, bonds, or other securities or any other security or investment; or otherwise participate in any corporate arrangement or any other changes affecting corporate securities, or any other security or investment, or in any other transaction;

(k) vote upon any stock, bonds, or other securities of any corporation or any other security or investment; give general or special proxies or powers of attorney to any other corporation or any other security or investment; accept any conversion privileges, subscription rights, or any other privileges, options, or other rights in any other corporation or any other security or investment; vote any stock, bonds, or other securities or any other security or investment; or otherwise participate in any corporate arrangement or any other changes affecting corporate securities, or any other security or investment, or in any other transaction;

(l) vote upon any stock, bonds, or other securities of any corporation or any other security or investment; give general or special proxies or powers of attorney to any other corporation or any other security or investment; accept any conversion privileges, subscription rights, or any other privileges, options, or other rights in any other corporation or any other security or investment; vote any stock, bonds, or other securities or any other security or investment; or otherwise participate in any corporate arrangement or any other changes affecting corporate securities, or any other security or investment, or in any other transaction.

Section 4.2. Powers in Discretion: The Trustees shall have in their discretion the power to do any and all other acts necessary to carry out the purposes of the Trust. The Trustees shall have the power to adopt, amend, and rescind, in their discretion, any and all rules and regulations for the administration of the Trust Property.

Section 4.3. Effect of Acts: The acts of the Trustees shall be and are such acts and consents as are provided in the Declaration, the By-Laws, and any and all rules and regulations of the Trust.

Section 4.4. Notice: The Trustees shall give notice of all meetings of the Trustees, and the public and all other persons interested in the Trust Property, and the Trustees shall have the power to conduct all meetings of the Trustees and the public and all other persons interested in the Trust Property without the necessity of any notice to any person.

Section 4.5. Actions by Majority: The actions of the Trustees may be approved by a majority of the Trustees in their discretion, and such actions shall be valid and binding upon the Trust Property.

Section 4.6. Disqualification: No Trustee shall be disqualified from acting in any capacity as a Trustee or as an agent or representative of the Trust Property unless such Trustee shall have been duly appointed or elected as such Trustee or as such agent or representative by the action of the majority of the Trustees as aforesaid.

Section 4.7. Removal: Any Trustee may be removed for cause by a vote of the majority of the Trustees.

Section 4.8. Reimbursement of Expenses: The Trustees shall be entitled to receive reimbursement for all reasonable expenses incurred by them in the performance of their duties as Trustees.

Section 4.9. Binding Effect: The Declaration, the By-Laws, and any and all rules and regulations of the Trust shall be binding upon the Trust Property and shall be effective in the absence of any contrary provision in the Declaration, the By-Laws, or any and all rules and regulations of the Trust.

Section 4.10. Limitation of Liability: The Trustees shall not be liable for any act or omission of any other person in the performance of any of their duties as Trustees, unless such act or omission was done in bad faith or was reckless or was with actual knowledge of the fact that such act or omission was wrongful or illegal.

Section 4.11. Indemnification: The Trustees shall be indemnified by the Trust Property from any losses or expenses incurred by them in the performance of their duties as Trustees.

Section 4.12. Set-Aside of Monies: The Trustees shall have the power to set aside from the Trust Property such monies as the Trustees shall determine to be necessary for the payment of any debts or obligations of the Trust Property.

Section 4.13. Distribution of Property: The Trustees shall have the power to distribute the Trust Property in the manner provided in the Declaration, the By-Laws, or any and all rules and regulations of the Trust.

Section 4.14. Termination: The Trustees shall have the power to terminate the Trust Property in the manner provided in the Declaration, the By-Laws, or any and all rules and regulations of the Trust.

Section 4.15. Powers of Attorney: The Trustees shall have the power to execute any and all powers of attorney necessary to carry out the purposes of the Trust.

Section 4.16. Assignment of Rights: The Trustees shall have the power to assign any and all rights of the Trust Property to any other person in the manner provided in the Declaration, the By-Laws, or any and all rules and regulations of the Trust.
ARTICLE VI. ANNUAL REPORT TO SHAREHOLDERS

The Trustees shall annually submit to the Public Employers and Public Employer Trustees a written report of the transactions of the Retirement Trust, including financial statements which shall be certified by independent public accountants chosen by the Trustees.

ARTICLE VII. DURATION OR AMENDMENT OF RETIREMENT TRUST

Section 7.1 Withdrawal: A Public Employer or Public Employer Trustees may, at anytime, withdraw from the Retirement Trust by delivering to the Board of Trustees a written statement of withdrawal. In such statement, the Public Employer or Public Employer Trustees shall acknowledge that the Retirement Trust is continued as a separate retirement trust under the laws of the State of Oregon, and shall designate the financial institution to which such trust property shall be transferred by the Trustees of the Retirement Trust or by the Trustee of the Employer Trust.

Section 7.2 Duration: The Retirement Trust shall continue until terminated by the vote of a majority of the Public Employers, each casting one vote. Upon termination, all of the Retirement Trust Property shall be paid out to the Public Employers, Public Employer Trustees or the Trustees of the Employer Trust, as appropriate.

Section 7.3 Amendment: The Retirement Trust may be amended by the vote of a majority of the Public Employers, each casting one vote.

Section 7.4 Procedure: A resolution to terminate or amend the Retirement Trust or to remove a Trustee shall be submitted to a vote of the Public Employers: (a) in the event of the death or removal of a Trustee, the remaining Trustees may, by a majority vote, remove a Trustee; and (b) in the event of the removal of a Trustee, the remaining Trustees may, by a majority vote, remove the Trustee.

ARTICLE VIII. MISCELLANEOUS

Section 8.1 Governing Law: Except as otherwise required by state or local law, this Declaration shall be interpreted and the Retirement Trust hereby created shall be construed and regulated by the laws of the District of Columbia.

Section 8.2 Counterparts: This Declaration may be executed by the Public Employers and Trustees in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

KIND REIMBURSEMENT CORPORATION, CORPORATE HEADQUARTERS, 777 NORTH CAPITOL STREET, NE, WASHINGTON, DC 20002-4900