

AMENDMENTS TO THE
TOWN OF WETHERSFIELD PENSION PLAN

Executed pursuant to the favorable
Internal Revenue Service
determination dated June 15, 2012

WHEREAS, the Town of Wethersfield, Connecticut previously adopted the Town of Wethersfield Pension Plan (the "Plan"); and

WHEREAS, the Plan has been amended numerous times since its inception; and

WHEREAS, the Town last amended and restated the Plan as of January 31, 2011, and submitted the Plan to the Internal Revenue Service ("IRS") on that date for a determination that the Plan is qualified under section 401(a) of the Internal Revenue Code of 1986; and

WHEREAS, the IRS issued a favorable determination dated June 15, 2012, conditioned upon the Town's adoption of certain additional amendments previously submitted to the IRS in proposed form;

WHEREAS, the Town wishes to adopt the additional amendments in order to carry out the condition of the favorable determination.

NOW, THEREFORE, the Plan is amended as follows:

1. The first sentence of Section 4.3 of the Plan is amended by changing the reference to "Section 4.1(b)" to "Section 4.1(a)."

2. The second sentence of Section 12.1 is amended to read as follows:

"If the benefit under the Plan is payable in any other form, the "annual benefit" shall be adjusted to the equivalent of a straight life annuity as provided in this Article."

3. Section 12.2(e) is amended by adding at the close thereof the following sentence: "The adjustments under this subsection for benefits starting before age 62 or after age 65 shall be made according to the rules set forth in Sections 12.2(f) through 12.2(i)."

4. Section 12.2(f) is deleted and replaced with the following new Sections 12.2(f) through 12.2(i).

(f) If the retirement benefit is payable in a form other than a straight life annuity, and the form of benefit is not subject to Code Section 417(e)(3), the benefit, for purposes of applying the limitations of Section 12.2, shall be adjusted to an actuarially equivalent straight life annuity that equals:

(i) for limitation years beginning on or after July 1, 2007, the greater of the annual amount of the straight life annuity (if any) payable under the Plan at the same annuity starting date, and the annual amount of a straight life annuity commencing at the same annuity starting date that has the same actuarial

present value as the Employee's form of benefit computed using an interest rate of 5 percent and the applicable mortality table under Code Section 417(e)(3); and

- (ii) for limitation years beginning before July 1, 2007, the annual amount of a straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the Employee's form of benefit computed using whichever of the following produces the greater annual amount: (1) the interest rate and mortality table or other tabular factor specified in the Plan for adjusting benefits in the same form; and (2) a 5 percent interest rate assumption and the applicable mortality table.

(g) If the retirement benefit is payable in a form other than a straight life annuity, and the form of the benefit is subject to Code Section 417(e)(3), the benefit, for purposes of applying the limitations in Section 12.2, shall be adjusted to an actuarially equivalent straight life annuity that equals:

- (i) if the annuity starting date is in a Plan Year beginning after December 31, 2005, the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the Employee's form of benefit, using whichever of the following produces the greatest annual amount: (1) the interest rate and the mortality table or other tabular factor specified in the Plan for adjusting benefits in the same form; (2) a 5.5 percent interest rate assumption and the applicable mortality table; and (3) the applicable interest rate under Code Section 417(e)(3) and the applicable mortality table, divided by 1.05; and
- (ii) if the annuity starting date is in a Plan Year beginning in 2004 or 2005, the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the Employee's form of benefit payable, using whichever of the following produces the greater annual amount: (1) the interest rate and mortality table or other tabular factor specified in the plan for adjusting benefits in the same form; and (2) 5.5 percent interest and the applicable mortality table.

(h) If the retirement benefit begins before age 62, the benefit shall be limited to:

- (i) if the annuity starting date is in a limitation year beginning before July 1, 2007, the annual amount of a benefit payable in the form of a straight life annuity commencing at the Employee's annuity starting date that is the actuarial equivalent of the dollar limitation determined under Section 12.2(a), with actuarial equivalence computed using whichever of the following produces the smaller annual amount: (1) the interest rate and mortality table or other tabular factor specified in the plan for determining actuarial equivalence for early retirement purposes; or (2) a 5 percent interest rate assumption and the applicable mortality table;

- (ii) if the annuity starting date is in a limitation year beginning on or after July 1, 2007, and the Plan does not at the time provide an immediately commencing straight life annuity payable at both age 62 and the age of benefit commencement, the annual amount of a benefit payable in the form of a straight life annuity commencing at the Employee's annuity starting date that is the actuarial equivalent of the dollar limitation determined under Section 12.2(a), with actuarial equivalence computed using a 5 percent interest rate assumption and the applicable mortality table and expressing the Employee's age based on completed calendar months as of the annuity starting date; and

- (iii) if the annuity starting date is in a limitation year beginning on or after July 1, 2007, and the plan has an immediately commencing straight life annuity payable at both age 62 and the age of benefit commencement, the lesser of (1) the adjusted dollar limitation determined in accordance with (ii); and (2) the product of the dollar limitation under Section 12.2(a), multiplied by the ratio of the annual amount of the immediately commencing straight life annuity under the Plan at the Employee's annuity starting date to the annual amount of the immediately commencing straight life annuity under the plan at age 62, both determined without applying the limitations of Section 12.2(a).

(i) If the retirement benefit under the plan may begin after age 65, the maximum dollar limitation under Section 12.2 shall be increased, not to exceed:

- (i) if the annuity starting date is in a limitation year beginning before July 1, 2007, the annual amount of a benefit payable in the form of a straight life annuity commencing at the Employee's annuity starting date that is the actuarial equivalent of the dollar limitation determined under Section 12.2(a), with actuarial equivalence computed using whichever of the following produces the smaller annual amount: (1) the interest rate and mortality table or other tabular factor specified in the plan for determining actuarial equivalence for delayed retirement purposes; or (2) a 5 percent interest rate assumption and the applicable mortality table;

- (ii) if the annuity starting date is in a limitation year beginning on or after July 1, 2007, and the plan does not then provide an immediately commencing straight life annuity payable at both age 65 and the age of benefit commencement, the annual amount of a benefit payable in the form of a straight life annuity commencing at the Employee's annuity starting date that is the actuarial equivalent of the dollar limitation determined under Section 12.2(a), with actuarial equivalence computed using a 5 percent interest rate assumption and the applicable mortality table and expressing the Employee's age based on completed calendar months as of the annuity starting date; and

- (iii) if the annuity starting date is in a limitation year beginning on or after July 1, 2007, and the plan then provides an immediately commencing straight life annuity payable at both age 65 and the age of benefit commencement, the

lesser of (1) the adjusted dollar limitation determined in accordance with (ii); and (2) the product of the dollar limitation under Section 12.2(a) multiplied by the ratio of the annual amount of the immediately commencing straight life annuity under the plan at the Employee's annuity starting date to the annual amount of the immediately commencing straight life annuity under the plan at age 65, both determined without applying the limitations of Section 12.2(a).

5. The following sentence is added at the close of Section 12.4:

"If this Section applies to reduce the limitation applicable to an Employee's benefit, the exempt amount provided by Section 12.5 shall be reduced in the same manner."

6. The following new Section 12.5 is added following Section 12.4:

12.5 Benefits Exempt from Limitation.

Notwithstanding the preceding provisions of this Article, the benefits payable with respect to an Employee shall be deemed not to exceed the limitation of Section 12.2 if—

(a) the retirement benefits payable with respect to such Employee under this Plan and under all other defined benefit plans of the Town do not exceed \$10,000 for the limitation year, or for any prior limitation year, and

(b) the Town has not at any time maintained a defined contribution plan in which the Employee participated.

7. Former Section 12.2(f) is redesignated as Section 12.6.

8. Former Section 12.5 is redesignated as Section 12.7.

IN WITNESS WHEREOF, the Town of Wethersfield has caused this instrument to be executed by its duly authorized representative.

Date: _____

TOWN OF WETHERSFIELD

By _____
Jeff Bridges, Town Manager