



Board Letter

Agenda Date: March 24, 2025

Agenda #: 9

Recommendation to approve the adoption of the Amended and Restated Chicago Housing Authority Employees' Retirement Plan.

Presenter: Michael Moran, Chief Financial Officer

Recommendation

It is recommended that the Chicago Housing Authority Board of Commissioners ("Board") approve the Chicago Housing Authority ("CHA") Employees' Retirement Plan and Trust (the "Plan") as amended and restated effective July 1, 2024. The Plan, as amended and restated, was approved by the Plan's Board of Trustees at Board meeting of December 20, 2024. The Board of Trustees acts as the Plan Sponsor.

This requested action complies in all material respects with all applicable CHA Board policies and all applicable federal (HUD), state, and local laws. CHA staff have completed all necessary due diligence to support the submission of this initiative

Funding

N/A

Background

The CHA Employees' Retirement Plan and Trust was established in 1951 by the CHA to provide CHA employees with retirement benefits as an additional form of compensation. The Plan has been amended several times over the years (1993, 1997, 2010, 2015, 2017 and 2022) to incorporate various legal, governance and investment revisions.

Note: Most CHA employees participate in Social Security. The Plan does not impact Social Security eligibility or benefits.

Revisions and amendments to the Plan are approved and/or ratified by both the CHA's Board of Commissioners and the Plan's Board of Trustees.

Amendment Context

The actuarial firm The Segal Group, Inc., actuary for the Plan, was tasked by the Plan's Board of Trustees and the Pension Administrator to review the Plan for best practices for the administration of pension plans and evaluate proposed benefit enhancements.

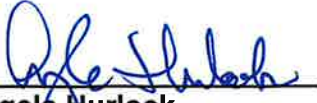
As a result, and in conjunction with The Plan Administrator and staff, certain amendments to the Plan were proposed that enhance benefits and strengthen good governance.

Key Revision Highlights

- For non-retired members, change benefit formula pay average to be highest four years of pay out of the last ten years. Benefit multiplier applied on new pay average will be 2.0%. New calculated benefits guaranteed to be as much as they would be using the outgoing Career Average formula (Grandfathered).
- Add annual COLA (Cost of Living Adjustment) for non-retired members. Retirees or beneficiaries who go into payment status on or after July 1, 2024, will receive annual increases on their payments. COLA will be based on $\frac{1}{2}$ of the CPI-U increase for the year, not lower than 1.00% and not higher than 3.00%. (Terminated vested participants will not receive a COLA.)
 - For example, if CPI-U for a year is 4.6%, eligible members receive a 2.30% COLA. If CPI-U is 7.80%, members receive a 3.00% COLA. If CPI-U is 0.20%, members receive a 1.00% COLA.
- A 13th Check for members who are retired as of June 30, 2024, with a minimum of \$500 and a maximum of \$3,500. If the Plan is at least 80% funded as of the most recent actuarial valuation, checks paid at 100% of amount; if the Plan is less than 80% funded but at least 60% funded, checks paid at 80% of amount; if the Plan is less than 60% funded but at least 40% funded, checks paid at 60% of amount; if the Plan is less than 40% funded, then there will not be a 13th Check.
- Active members will contribute 3.00% of payroll annually for a minimum of two years (from July 1, 2024, until June 30, 2026) to be eligible for the new enhanced benefit structure. Members with 25 years of service are eligible for the enhanced benefit structure without the requirement to contribute for at least two years. Active members who have at least 10 years of service and have attained age 55 have the option to make a one-time lump sum contribution equal to the value of all contributions that the member would be required to make between July 1, 2024, and June 30, 2026, as determined by the Plan actuary.
- A former member who is reemployed following the termination of employment shall be treated as having completed twelve consecutive months of Continuous Service and shall have their Credited Service reinstated, provided they return the contributions and interest, if any, previously paid to him under the Plan, together with additional interest at five percent (5%) per annum from date of payment to date of repayment within ninety (90) days of the date of such reemployment.
- The Plan's actuarial equivalent tables have been updated as recommended by the Plan actuary.
- Minimum Required Distribution rules have been updated in accordance with changes to federal law.

- Consistent with changes to State law, add “unexpected childcare obligations” to the list of reasons that Trustees can attend Board meetings remotely and provide that meetings may be held remotely if there is a disaster declaration.

Respectfully Submitted:



Angela Hurlock
Interim Chief Executive Officer

RESOLUTION NO. 2025-CHA-13

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 24, 2025, titled "Recommendation to approve the adoption of the Amended and Restated Chicago Housing Authority Employees' Retirement Plan."

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners approves the adoption of the amended and restated Chicago Housing Authority Employees' Retirement Plan, attached hereto as Exhibit A, effective December 20, 2024.



A handwritten signature in black ink, appearing to be "M. Brewer", written over a horizontal line.

**Matthew Brewer
Interim Chairman
Chicago Housing Authority**

Chicago Housing Authority Employees' Retirement Plan and Trust
(As Amended and
Restated Effective
December 20, 2024)



ARTICLE I – INTRODUCTION.....	2
ARTICLE II – DEFINITIONS	3
ARTICLE III – RETIREMENT BENEFITS	12
3.1 Amount and Normal Form of Benefits.....	12
3.2 Normal Retirement.....	14
3.3 Early Retirement and Benefit	14
3.4 Retirement After Normal Retirement Date	15
3.5 Joint and Survivor Annuity.	15
3.6 Optional Forms of Benefit	19
3.7 Reserved	20
3.8 Reemployment.....	21
3.9 Limitation on Benefits.....	21
ARTICLE IV – OTHER BENEFITS.....	30
4.1 Benefit Payable In Event Of Termination Of Continuous Service	30
4.2 Deferred Benefit.....	30
4.3 Benefit Payable In Event Of Death Prior To Commencement Of Monthly Benefit	31
4.4 Disability Retirement and Pension	33
ARTICLE V – DISTRIBUTION OF BENEFITS	35
5.1 Time for Payment.....	35
5.2 Retroactive Payments.....	42
5.3 Nature of Distribution	43
5.4 Distribution to Persons Declared Legally Incompetent.....	43
5.5 Missing Participants and Beneficiaries.....	43
5.6 Rollover Distributions	43
ARTICLE VI – RIGHTS AND DUTIES OF PARTICIPANTS AND BENEFICIARIES	46
6.1 Participants To Furnish Required Information.....	46
6.2 Beneficiaries	46
6.3 Participants' Rights	47
6.4 Benefits Not Assignable	47
6.5 Conditions Of Employment Not Affected By Plan	49
6.6 Participant Rights And Claim Procedures	49
ARTICLE VII – ADMINISTRATION	52
7.1 Plan Administrator.....	52

7.2	Resignation and Removal; Appointment of Successor	52
7.3	Duties and Responsibilities.....	52
7.4	Plan Actuary	53
ARTICLE VIII – FUNDING OF TRUST.....		54
8.1	Funding Policy	54
8.2	Contributions.....	54
8.3	No Reversion to Employer.....	55
8.4	Trust Fund Assets.....	55
8.5	Form of Contributions	55
8.6	Contribution Schedule.....	55
ARTICLE IX - TRUSTEES		56
9.1	Members of Board of Trustees	56
9.2	Term	56
9.3	Qualifications	57
9.4	Succession	57
9.5	Officers	57
9.6	Meetings	57
9.7	Bonding.....	60
9.8	Committees.....	60
9.9	Resignation and Removal.....	60
ARTICLE X – POWERS OF TRUSTEES.....		61
10.1	Investment Guidelines	61
10.2	Powers of Board of Trustees	61
10.3	Insurance Policies.....	63
10.5	Disallowed Transactions.....	65
10.6	Trustee's Treatment of Separate Account	65
10.7	Trustee Authorization.....	65
10.8	No Additional Power	65
10.9	Trustee Expenses	66
10.10	Trustee Authorization.....	66
10.11	No Obligation for Other Persons.....	66
10.12	Reliance on Records.....	66
ARTICLE XI – PAYMENTS FROM TRUST FUND.....		67
11.1	Distributions.....	67

11.2 Liability for Payment.....	67
11.3 Compensation.....	67
11.4 No Diversion	67
11.5 Distributions Made Due to Mistake or Fraud.....	67
ARTICLE XII – SEPARATE ACCOUNTS AND INVESTMENT MANAGERS.....	68
12.1 Establishment of Separate Accounts	68
12.2 Investment Manager	68
12.3 Purchase of Insurance Contracts.....	68
12.4 Powers of Investment Manager	68
12.5 Direct Purchase by Investment Manager	68
12.6 Resignation of Investment Manager	69
12.7 Segregation of Accounts.....	69
12.8 Notification of Investment Manager	69
12.9 Custodian.....	69
ARTICLE XIII – STATEMENTS AND ACCOUNTS OF THE TRUSTEES	70
13.1 Maintenance of Accounts.....	70
13.2 Statement of Accounts.....	70
13.3 Review by CHA.....	70
13.4 Judicial Proceedings	70
ARTICLE XIV - MISCELLANEOUS.....	71
14.1 Acts by CHA	71
14.2 Consolidation or Merger.....	71
14.3 Non-alienation of Benefits.....	71
14.4 Governing Law.....	71
14.5 Severability	71
14.6 Counterparts	72
14.7 Impossibility to Perform.....	72
14.8 Successors	72
14.9 USERRA.....	72
14.10Heart Act.....	72
ARTICLE XV – AMENDMENT AND TERMINATION	73
15.1 Amendments.....	73
15.2 Termination.....	73
15.3 Payment of Expenses Upon Termination.....	73

15.4	Limitations Upon Early Termination of the Plan	73
15.5	Distribution of Trust Fund Upon Termination	74
15.7	Execution	75

**CHICAGO HOUSING AUTHORITY
EMPLOYEES' RETIREMENT PLAN AND TRUST**

(As Amended and Restated Effective July 1, 2024)

THIS PLAN AND TRUST AGREEMENT (the "Agreement") is effective as of the 1st day of July, 2024, between THE CHICAGO HOUSING AUTHORITY (the "CHA") and the TRUSTEES OF THE CHICAGO HOUSING AUTHORITY EMPLOYEES' RETIREMENT PLAN AND TRUST (individually referred to as the "Trustee" and collectively as the "Trustees").

WITNESSETH:

WHEREAS, the CHA has adopted the Chicago Housing Authority Employees' Retirement Plan (the "Plan"), which has been amended from time to time;

WHEREAS, effective January 1, 1993 the CHA established the Chicago Housing Authority Retirement Trust ("Trust") to hold insurance contracts and other assets of the Plan;

WHEREAS, the CHA and the Trustees amended, restated and combined the provisions of the Plan and Trust into a single document effective as of July 1, 1997;

WHEREAS, the CHA and the Trustees further amended and restated the Plan effective January 1, 2010, on May 15, 2015; on September 21, 2017; and again on April 21, 2022;

WHEREAS, the CHA and the Trustees now desire to further amend and restate the Plan and submit it in accordance with these rules; and

NOW, THEREFORE, in order to amend, restate, implement and carry out the provisions of the Plan and Trust, the CHA and the Trustees mutually declare and agree as follows effective July 1, 2024, except as otherwise indicated:

ARTICLE I – INTRODUCTION

1.1 The Trustees hereby amend and restate the Chicago Housing Authority Employees' Retirement Plan and Trust. The rights, powers, titles, duties, discretions, immunities and obligations of the Trustees shall be governed by this Agreement. This Agreement is intended to meet the applicable requirements of the Code.

1.2 All rights, duties and benefits of employees covered under the Plan whose employment with the CHA terminated prior to July 1, 2024, shall continue to be determined in accordance with the terms of the Plan, as amended and in effect at the time of their respective termination of employment.

1.3 The Trustees accept this Agreement, agree to act as trustees subject to all of the terms and conditions of this Agreement and to hold and administer the Trust Fund in accordance with the provisions of this Agreement.

1.4 As it is intended that the Plan qualify as a governmental plan as provided in Section 414(d) of the Code, pursuant to the exception from vesting standards under Section 411(e) of the Code, the following provisions shall apply to the Plan:

- (a) the contributions or benefits provided under the Plan shall not discriminate in favor of employees who are officers, shareholders, persons whose principal duties consist in supervising the work of other employees, or highly compensated employees; and
- (b) upon termination or upon complete discontinuance of contributions under the Plan, the rights of all employees to benefits accrued to the date of such termination or discontinuance, to the extent then funded, shall be nonforfeitable. This paragraph shall not apply to benefits or contributions which, under Section 15.4 of the Plan may not be used for designated employees in the event of early termination of the Plan.

ARTICLE II – DEFINITIONS

For purposes of this Agreement:

2.1 "Accrued Benefit" means the monthly retirement benefit commencing at Normal Retirement Date which the Participant would be entitled to receive under the Plan. In the event a Participant terminates employment prior to his Normal Retirement Date, his Accrued Benefit shall be equal to the amount determined under Section 3.1 of the Plan computed as of his date of termination of employment.

2.2 "Actuarial Equivalent" means a benefit of equivalent value to the benefit which would otherwise have been provided, determined on the basis of the applicable tables set forth in the Appendix, and which may be amended from time to time.

2.3 "Beneficiary" means the person, persons or trust designated by a Participant under the Plan to receive a benefit under the Plan after the death of the Participant.

2.4 "Board" and "Board of Trustees" mean the Board of Trustees of the CHA Employees' Retirement Plan and Trust.

2.5 "CHA" means the Chicago Housing Authority and any public housing authority which is the successor thereto and which elects to become a party to this Agreement pursuant to Section 14.2.

2.6 "Code" means the Internal Revenue Code of 1986, as amended.

2.7 "Compensation" as used herein includes regular pay (all pay exclusive of overtime, pay for performance and terminal leave pay) of a Regular Employee as follows:

- (a) Regular pay included in the first and all subsequent paychecks dated on or after the date of eligibility as a Participant in the Plan;
- (b) Regular pay included in the Participant's final paycheck;
- (c) Retroactive regular pay disbursed during the period of active employment while enrolled as a Participant in the Plan; and
- (d) For Plan Years commencing on and after January 1, 1998, Compensation shall include any amount which is contributed by the CHA pursuant to a salary reduction agreement and which is not includible in the gross income of the Regular Employee under Code Sections 125, 402(e)(3), 402(g)(3), 402(h)(1)(B), 403(b) or 457 and for Plan Years commencing after December 31, 2000, Code Section 132(f)(4); provided, however, that any Employee eligible under Illinois P.A. 92-0599, 40 ILCS 5/8-230.9, who elects to opt out of participation in the Plan and instead elects to participate ("Opt-Out

Employee”) under the Municipal Employees’ Annuity and Benefit Fund of Chicago (the “Municipal Fund”) shall have excluded from his Compensation for all purposes of the Plan all Compensation paid or payable to him subsequent to the effective date of such election.

The annual Compensation of each Participant taken into account in determining benefit accruals in any Plan Year beginning after December 31, 2009, shall not exceed \$245,000. Annual Compensation means Compensation during the Plan Year or such other consecutive 12-month period over which Compensation is otherwise determined under the Plan (the determination period). For purposes of determining benefit accruals in a Plan Year beginning after December 31, 2009, Compensation for any prior determination period shall be limited as provided below.

The \$245,000 limit on annual Compensation in the preceding paragraph shall be adjusted for cost-of-living increases in accordance with section 401(a)(17)(B) of the Code. The cost-of-living adjustment in effect for a calendar year applies to annual Compensation for the determination period that begins with or within such calendar year.

2.8 "Continuous Service" means uninterrupted employment with the CHA in a position classified by the CHA as that of a Regular Employee. A Participant's employment will not be considered interrupted by or during the period of a Leave of Absence, or when determining benefits for a Regular Employee on or after January 1, 2022, will not be interrupted where a Regular Employee transitions without interruption to a temporary or part-time work schedule with the CHA and later returns without interruption to a position classified by the CHA as that of a Regular Employee.

Any absence from the active employment with the CHA, including, but not limited to, absences by reason of discharge or resignation, which is not a Leave of Absence, will be considered a termination of employment. If a Participant does not return to the active employment of the CHA prior to the date of expiration of a Leave of Absence, his Continuous Service will be considered terminated as of the date upon which his Leave of Absence began.

2.9 "Credited Service" of a Participant will be the total period of his Continuous Service with the CHA (in whole years and completed months) from his first date of participation in the Plan to his date of actual retirement or termination of employment; provided that:

- (a) Each period of absence from active employment with the CHA after December 31, 1960, which is in excess of 30 days will be excluded from a Participant's Credited Service, unless he receives regular Compensation from the CHA during such absence (excluding any amount paid under any accident and health insurance plan or any amount payable under any workers' compensation laws or other disability benefit laws). Any such absence of 30 days or less will be included in Credited Service.

- (b) If, following termination of employment, a former Participant is reemployed under conditions which again entitle him to be a Participant hereunder, he shall be treated for all purposes of the Plan as a new employee; provided, however, that a former Participant who is reemployed following his termination of employment shall be treated for purposes of Section 2.22(b) as having completed twelve (12) consecutive months of Continuous Service and shall have his Credited Service reinstated, provided he returns the contributions and interest, if any, previously paid to him under the Plan, together with additional interest at five percent (5%) per annum from date the Plan issued such previous payment through the date of repayment within ninety (90) days of the date of such reemployment.
- (c) Credited Service shall be determined by the CHA from its records with respect to each Participant, and the CHA's determination shall be controlling and final.
- (d) Credited Service shall not include any period of employment by the CHA during which the Employee participates in and receives service credit under the Municipal Fund.
- (e) Credited Service shall not include any period of employment which is considered to be temporary or in which the work schedule is less than 40 hours per week.

2.10 "Custodian" means U.S. Bank. or such other custodian(s) as may be selected by the Trustees.

2.11 "Domestic Partner" means that person designated by the Participant as his or her domestic partner. Domestic Partners shall have no rights under the terms of the Plan until and unless they are qualified by the Plan Administrator in accordance with the rules and procedures set forth under Section 2.29.

2.12 "Employee" means an employee of the CHA.

2.13 "Fiduciary" means any person who (a) exercises any discretionary authority or discretionary control in the management of the Plan or the disposition of Plan assets; (b) renders investment advice for a fee or other compensation, directly or indirectly, with respect to any monies or other property of the Plan or has any authority or responsibility to do so; or, (c) is designated by another fiduciary pursuant to authority granted hereunder, to carry out a fiduciary responsibility.

2.14 "Insurance Contract" means any policy and contract acquired and maintained by the Trustees with any legal life insurance company licensed as such under the laws of more than one state, and held in a Separate Account.

2.15 "Insurance Contract Account" means a Separate Account for each

Insurance Contract.

2.16 "Investment Manager" means an entity designated by the Trustees to manage and invest a Separate Account and who acknowledges his acceptance as a Fiduciary in writing. Such entity must be a person, firm, or corporation registered as an investment adviser under the Investment Advisers Act of 1940, as amended, a bank, or an insurance company.

2.17 "Joint and Survivor Annuity" means an annuity for the life of the Participant with a Survivor Annuity for the life of the Participant's Spouse or Qualified Domestic Partner in an amount which is fifty percent (50%) of the amount of the annuity payable during the joint lives of the Participant and his Spouse or Qualified Domestic Partner and which is the Actuarial Equivalent of his Accrued Benefit. If the Spouse or Qualified Domestic Partner of a Participant dies after payment of the Participant's benefit has begun in the form of a Joint and Survivor Annuity, or effective for distributions made after December 31, 2021, if the Spouse's and Participant's marriage has been terminated (through dissolution of marriage or divorce), or the Qualified Domestic Partner status is dissolved, and there is nothing in a QDRO to the contrary in either situation, then such payments will revert to a Single Life Annuity as provided for under Section 3.6.

2.18 "Leave of Absence" means absence from the active employment of the CHA by reason of leave approved by the CHA for reasons other than military leave, family and medical leave, or jury service, where (a) the leave is not in excess of six months, (b) the leave accords with CHA's policy with respect to permitted absences, at the time the leave begins, and (c) the Participant returns to the active employment of the CHA within the period of time prescribed under such policy. Absence from the active employment of the CHA because of jury service, or in accordance with the Family & Medical Leave Act, the military service provisions of the Family & Medical Leave Act, VESSA or any other Federal, State law or Local ordinance which grants CHA employees certain leave rights and protections will be considered a Leave of Absence and will not terminate the Continuous Service of a Participant if he returns to the active employment of the CHA within the period of time during which he has reemployment rights under the applicable law.

2.19 "Limitation Year" means the fiscal year or any other twelve (12) consecutive month period which the CHA adopts by written resolution.

2.20 "Normal Form" means the method of benefit payment set forth in Section 3.6, Option 1 (Ten Year Certain and Life Annuity) which is the form in which the amount of benefits are determined under Section 3.1.

2.21 "Normal Retirement Date" means the first day of the calendar month coincident with or next following the later of (a) the date on which the Participant attains age sixty-five (65) or (b) the completion of five (5) years of Credited Service (in the case of an Opt-Out Employee, six (6) years of Continuous Service); provided, however, that for a Participant with twenty-five or more years of Continuous Service, it means the first

day of the calendar month coincident with or next following the date on which he attains age sixty (60).

2.22 "Participant" means

- (a) each person who was a Participant in the Plan as of June 30, 1997;
- (b) each Regular Employee of the CHA on or after July 1, 1997, who is not a member of a bargaining unit which has refused participation in the Plan on behalf of its members, as of the 1st day of the month following or coincident with completion of twelve (12) full calendar months of Continuous Service;
- (c) each Regular Employee of the CHA who is a member of a bargaining unit having a collective bargaining agreement with the CHA which provides for participation in the Plan, as of the effective date(s) set forth under the respective collective bargaining agreement; and
- (d) each person who is among other group(s) of employees with respect to which the CHA and the Board of Trustees have agreed to extend participation under the Plan, upon (i) adopting a resolution specifying the individuals within such group(s) and the terms and conditions of their participation; (ii) adopting a resolution providing for the funding of benefits to be provided to such group of employees; (iii) delivering copies of such resolutions to the Board of Trustees; and (iv) delivering an executed Participation Agreement to the Board of Trustees, as may be requested; provided, however, that any Opt-Out Employee shall not be eligible to participate in or become a participant in the Plan for periods of CHA employment in which they participate in the Municipal Fund.

Upon the termination of any participation under section 2.22(d), any current employee of the affected group who has at least two years of Credited Service but would otherwise lack sufficient Credited Service to qualify for a monthly benefit at his or her Normal Retirement Date, shall be deemed to have earned five years of Credited Service.

Subject to the terms and conditions of the Plan, a Participant, or his Beneficiary in the event of the Participant's death, will be treated as a Participant until the entire amount of the Participant's benefit is distributed to him or her except that effective January 1, 2022, upon the termination of a Section 2.22(d) employer's participation in the Plan, its employees shall cease earning Credited Service and their Compensation after such termination shall be disregarded.

Effective January 1, 2022, upon termination of a Section 2.22(d) employer's participation, its employees shall be considered to have severed employment under the Plan and may commence benefits provided: (a) such employer did not acquire any portion of its employee's benefits by reason of a transfer of assets and liabilities under the Code section 414(1), and (b) such employer is neither: (i) a member of the CHA's controlled

group of corporations with the CHA (within the meaning of section 414(b) of the Code) nor (ii) a member of an affiliated service group within the meaning of Code section 414(m) of which the CHA is a member, and (c) such participating employee(s) have otherwise fulfilled the vesting and service requirements to receive benefits under the Plan.

2.23 "Participation Agreement" means the written document accepted by the CHA and the Trustees that extends participation to employees of another employer in accordance with section 2.22(d).

2.24 "Party in Interest" means

- (a) any fiduciary (including, but not limited to, any administrator, officer, trustee, or custodian), counsel, or employee of the Plan, or a relative of such person;
- (b) a person providing services to the Plan;
- (c) an employer, any of whose employees are covered by the Plan;
- (d) an employee organization, any of whose members are covered by the Plan;
- (e) an employee, officer, or director (or an individual having powers or responsibilities similar to those of an officer or director) of the Plan or of a person described under item (b), (c), or (d).

2.25 "Plan" means the Chicago Housing Authority Employees' Retirement Plan.

2.26 "Plan Administrator" means the person(s) appointed by the Board of Trustees, pursuant to the provisions of ARTICLE VII of the Plan, to administer the Plan.

2.27 "Plan Year" means the calendar year. The Plan Year shall be the accounting year of the Trust.

2.28 "Prior Plan" means the terms of the Plan prior to July 1, 1997, including the plan maintained by the CHA prior to 1961 consisting of certain group annuity contracts with Continental Assurance Company.

2.29 "Qualified Domestic Partner" or "QDP" means a Domestic Partner that has been qualified by the Plan Administrator in accordance with the rules and procedures set forth below.

To be eligible for coverage as a Qualified Domestic Partner under the Plan, both the Participant and the Domestic Partner must complete and file with the Plan Administrator, an "Affidavit of Domestic Partnership" in which the parties attest that:

- (a) they are each other's sole domestic partner, responsible for each other's common welfare; and

- (b) neither party is married to a person not identified as the Employee or the Domestic Partner; and
- (c) the Employee and Domestic Partner (together the "Partners") are not related by blood closer than would bar marriage in the State of Illinois; and
- (d) each Partner is at least 18 years of age; and
- (e) two of the following conditions exist for the Partners:
 - (1) The Partners are duly registered as a civil union in a state that recognizes civil unions;
 - (2) The Partners have been residing together for at least 12 months prior to filing the Affidavit of Domestic Partnership;
 - (3) The Partners have common or joint ownership of a residence;
 - (4) The Partners have at least two of the following arrangements:
 - (A) joint ownership of a motor vehicle;
 - (B) a joint credit account;
 - (C) a joint banking account;
 - (D) a lease for a residence identifying both the Employee and the Domestic Partner as tenants; or
 - (5) The Employee declares that the Domestic Partner is identified as a primary beneficiary in the Employee's will.

In addition to the foregoing, for a Domestic Partner to be qualified, each Partner must agree to independently notify the Plan Administrator of any change in the circumstances which have been attested to in the documents qualifying a Domestic Partner for coverage under the Plan as a Qualified Domestic Partner within the lesser of (i) 15 days thereof; or (ii) the date upon which an application for benefits is submitted by either Partner.

Notwithstanding the above, for purposes of receiving a Survivor Annuity or death benefits (as such death benefits are provided under Section 4.3), the Qualified Domestic Partner must maintain his or her status as a Qualified Domestic Partner throughout the one-year period ending on the date of the Participant's death and must be living on the date such Survivor Annuity or death benefit becomes payable under the terms of the Plan.

The domestic partnership shall be considered terminated upon: (i) the dissolution of a civil union pursuant to the laws of the state in which the civil union is registered; (ii) the legal marriage of the Domestic Partners; (iii) the legal marriage of either the Participant or the Domestic Partner to an individual other than the Domestic Partner or Participant respectively; or (iii) the filing of an affidavit of termination with the CHA.

Any Employee who submits false information in connection with this Section, including an affidavit that contains inaccurate information, or fails to notify the Plan Administrator of any change in the circumstances which have been attested to in the documents qualifying a Domestic Partner for coverage under the Plan as a Qualified Domestic Partner shall be subject to discipline in accordance with the disciplinary rules set forth in the CHA Employee Handbook.

2.30 "Regular Employee" means an Employee in a position classified by the CHA as full-time, regular employment, which is not considered to be temporary, having a work schedule of not less than 40 hours per week.

2.31 "Separate Account" means a separate account maintained with an Investment Manager.

2.32 "Spouse" means the person to whom a Participant is legally married. The Trustees shall be entitled to rely on written representations last filed by the Participant before his Annuity Starting Date as to whether or not he or she has a Spouse and the identity of such person. Notwithstanding the above, for purposes of receiving a Survivor Annuity or death benefits (as such death benefits are provided under Section 4.3), the Spouse must be legally married to the Participant under the laws of any jurisdiction throughout the one-year period ending on the date of the Participant's death and must be living on the date such Survivor Annuity or death benefit becomes payable under the terms of the Plan. A Qualified Domestic Partner shall not be considered a Spouse under the Plan and shall not be treated as such except to the extent specifically provided for under the terms of the Plan.

2.33 "Survivor Annuity" means an annuity for the life of the Participant's Spouse or Qualified Domestic Partner which is fifty percent (50%) of the annuity which would have been paid to the Spouse or Qualified Domestic Partner under the Joint and Survivor Annuity if the Participant had retired on the day preceding his death and commenced receiving payments under such form.

2.34 "Trust Fund" means all of the assets subject to this Agreement.

2.35 "Trustee" means each person who serves as trustee of the Trust Fund and any successor as trustee of the Trust Fund.

2.36 "Valuation Date" means the last day of business of each calendar quarter.

2.37 "USERRA" means the Uniformed Services Employment and

Reemployment Rights Act of 1994.

ARTICLE III – RETIREMENT BENEFITS

3.1 Amount and Normal Form of Benefits.

(a) Participants who commence benefits prior to July 1, 2024.

(1) The monthly benefit payable on normal retirement to a Participant who commences benefits prior to July 1, 2024 (excluding Participants receiving a retirement benefit through an Insurance Contract), if paid in the Normal Form, will be equal to the sum of the following:

(A) with respect to Plan Years ending prior to July 1, 1997, the Participant's benefit (if any) under the Prior Plan, determined under Supplement A, plus

(B) with respect to each Plan Year after the Plan Year ended June 30, 1997, a monthly benefit equal to 1/12th of the sum of:

(i) 1¾% of the first \$4,200 of the Participant's Compensation in such year, plus

(ii) 2½% of such Participant's Compensation in each such year which is in excess of \$4,200, for Compensation paid to the Participant for periods of participation as a Regular Employee.

(2) "13th Check". Effective no later than December 31, 2024, and by each December 31 thereafter, Participants who are receiving a monthly retirement benefit pursuant to Section 3.1(a)(1) (excluding Participants receiving a retirement benefit through an Insurance Contract), shall receive an annual, additional payment equal to their regular monthly retirement benefit, provided that:

(A) An eligible Participant's 13th Check shall not be less than \$500 or greater than \$3,500.

(B) If the Plan is less than 80% funded but at least 60% funded on the prior January 1 valuation date as determined by the Plan's actuary based on the actuarial value of assets, then an eligible Participant's 13th Check, after applying any applicable limitations set forth in Section 3.1(a)(2)(A), shall be reduced by twenty percent (20%).

(C) If the Plan is less than 60% funded but at least 40% funded on the prior January 1 valuation date as determined by the Plan's actuary based on the actuarial value of assets, then an eligible Participant's 13th Check, after applying any applicable limitations set forth in Section 3.1(a)(2)(A), shall be reduced by forty percent (40%).

(D) If the Plan is less than 40% funded on the prior January 1

valuation date as determined by the Plan's actuary based on the actuarial value of assets, then an eligible Participant's 13th Check, after applying any applicable limitations set forth in Section 3.1(a)(2)(A), shall be reduced by one hundred percent (100%) and an eligible Participant will not receive a 13th Check.

(b) Participants who commence benefits on or after July 1, 2024.

(1) The monthly benefit payable on normal retirement to a Participant who commences benefits on or after July 1, 2024 (excluding Participants receiving a retirement benefit through an Insurance Contract), if paid in the Normal Form, will be equal to the greater of:

(A) The benefit calculated under Section 3.1(a)(1); or

(B) One twelfth (1/12) of the sum of two percent (2.0%) of the Participant's Final Average Compensation for each year of Credited Service, or fraction thereof, provided that at the time of retirement:

(i) the Participant has made all Participant Contributions required by Section 8.2(b), for a period of no less than two years after July 1, 2024; or

(ii) the Participant has attained at least fifty-five (55) years of age with at least ten (10) years of Continuous Service and has made a one-time lump-sum payment in accordance with Section 8.2(c); or

(iii) the Participant has at least 25 years of Continuous Service.

For purposes of this Section, "Final Average Compensation" means the average annual Compensation during the four (4) Plan Years of Credited Service within the last ten (10) Plan Years of Credited Service in which the Compensation was highest.

(2) "Cost of Living Adjustment." Effective January 1, 2025, and effective each January 1 thereafter, Participants who, as of the December 1 preceding each January 1, are receiving a monthly retirement benefit pursuant to Section 3.1(b)(1) (excluding Participants receiving a retirement benefit through an Insurance Contract and Participants who terminated employment with the CHA prior to July 1, 2024), shall receive an annual Cost of Living Adjustment (COLA) equal to one half (1/2) of the annual unadjusted percentage increase in the

Consumer Price Index (CPI-U) for the 12 months ending with the September preceding each November 1, including all previous adjustments, provided that the COLA shall not be less than one percent (1.0%) and shall not be greater than three percent (3.0%).

For the purposes of this Section, "CPI-U" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100.

- (3) For the avoidance of doubt, persons who become Participants in the Plan on or after July 1, 2024, shall not be eligible for benefits under Section 3.1(a) and shall only be eligible for benefits under Section 3.1(b)(1)(B) and Section 3.2(b).
- (c) Unless an optional form of benefit is selected by the Participant (with the consent of a Spouse or Qualified Domestic Partner, if applicable), the form of benefit for a Participant who does not have a Spouse or Qualified Domestic Partner is the Normal Form, and for a Participant who has a Spouse or a Qualified Domestic Partner, the Joint and Survivor Annuity as provided in Section 3.5.

3.2 Normal Retirement. Normal retirement under the Plan is retirement from the service of the CHA on and after the Participant's Normal Retirement Date.

3.3 Early Retirement and Benefit. Early retirement under the Plan is retirement from the service of the CHA as of the first day of any month ("Early Retirement Date") within the 10 year period immediately preceding a Participant's Normal Retirement Date and after completion of at least five (5) years of Credited Service (in the case of an Opt-Out Employee, six (6) years of Continuous Service).

The monthly benefit payable to a Participant on or after his Early Retirement Date will be payable on the first day of each month. The first payment will be made as of his Normal Retirement Date or, if the Participant so elects, as of his Early Retirement Date or as of the first day of any subsequent month which precedes his Normal Retirement Date, and the last payment will be the payment due on the first day of the month in which his death occurs, except that if the benefit is payable in the Normal Form and the Participant dies within a period of 10 years after his payments commence, his monthly benefit will be continued to his Beneficiary for the balance of such 10-year period; provided, however, that at the request of the Beneficiary, the Plan will pay an Actuarial Equivalent lump sum amount to the Beneficiary in lieu of the balance of such monthly benefits as determined in Table 3.

If payment of the monthly benefit payable to a Participant who retires on early retirement commences prior to his Normal Retirement Date, the monthly benefit shall be

reduced in order to take into account the Participant's younger age at retirement and the earlier commencement of benefit payments. With respect to the Participant's benefits under the Plan accrued prior to July 1, 1997, the actuarial reduction shall be in accordance with the terms of the applicable Group Annuity Policy and/or other provisions of the Plan as set forth in Supplement A, and with respect to the Participant's remaining benefits, the monthly benefit shall be reduced by 0.25 % for each of the first 60 full months and further reduced by 0.4167% for each full month in excess of 60 months by which the date of commencement precedes his Normal Retirement Date, as set forth in Table 5.

For Participants with twenty-five (25) years of Service or more, early retirement under the plan is retirement from the service of the CHA as of the first day of any month within the 5-year period immediately preceding his attainment of age 60. If payment of the monthly benefit payable to a Participant who retires on early retirement commences prior to his Normal Retirement Date, the monthly benefit shall be reduced in order to take into account the Participant's younger age at retirement and the earlier commencement of benefit payments. The monthly benefit shall be reduced by 0.4167% for each full month between the age of fifty-five (55) and sixty (60) by which the date of commencement precedes his attainment of age sixty (60), as set forth in Table 6.

3.4 Retirement After Normal Retirement Date. In the event a Participant continues in the active employment of the CHA beyond his Normal Retirement Date, the payment of normal retirement benefits to the Participant shall not commence prior to the first day of the month coincident with or next following the Participant's date of actual retirement and the monthly amount payable thereafter shall be determined in accordance with the provisions of Section 3.1 hereof.

3.5 Joint and Survivor Annuity.

- (a) Participants Eligible for Joint and Survivor Annuity. If a Participant with not less than five (5) years of Credited Service (in the case of an Opt-Out Employee, six (6) years of Continuous Service) has a Spouse or Qualified Domestic Partner, then, unless otherwise elected under the Plan by the Participant with the consent of the Participant's Spouse or Qualified Domestic Partner, in writing, as provided under Section 3.5(e), on a form to be provided by the Plan Administrator, such Participant shall receive his Accrued Benefit, in the form of a Joint and Survivor Annuity.
- (b) Participants Not Required to Receive a Joint and Survivor Annuity. If a Participant with not less than five (5) years of Credited Service (in the case of an Opt-Out Employee, six (6) years of Continuous Service) does not have a Spouse or Qualified Domestic Partner on the date payment of benefits is to commence, or if a Participant with a Spouse or Qualified Domestic Partner has waived a Joint and Survivor Annuity with the consent of his Spouse or Qualified Domestic Partner, respectively, as provided in Section 3.5(e), such Participant shall receive his Accrued Benefit in the form of a life annuity or such other optional form provided by the Plan as he may select, which is the Actuarial Equivalent of his Accrued Benefit.

- (c) Survivor Annuity. If a Participant with not less than five (5) years of Credited Service (in the case of an Opt-Out Employee, six (6) years of Continuous Service) dies before the date the Participant is entitled to commence receiving benefits under the Plan, his surviving Spouse or Qualified Domestic Partner shall be eligible to receive a Survivor Annuity as provided in Section 4.3(c) of the Plan.
- (d) Marriage Requirement. Notwithstanding any provisions contained in this Section to the contrary, no Survivor Annuity shall be paid to the Spouse of a Participant unless the Spouse presents satisfactory evidence to the Plan Administrator that he or she was legally married to the Participant under the laws of any jurisdiction throughout the one-year period ending on the date of the Participant's death and is living on the date such Survivor Annuity is payable under the terms of the Plan.
- (e) Qualified Domestic Partner Requirement. Notwithstanding any provisions contained in this Section to the contrary, no Survivor Annuity shall be paid to the Domestic Partner of a Participant unless the Domestic Partner was acknowledged by the Plan Administrator to be a Qualified Domestic Partner in accordance with the requirements of Section 2.28 throughout the one-year period ending on the date of the Participant's death and is living on the date such Survivor Annuity is payable under the terms of the Plan.
- (f) One Year Period Marriage and/or Qualified Domestic Partner Requirement. If Qualified Domestic Partners marry, then the time they spent in a Qualified Domestic Partnership immediately preceding the marriage shall be counted towards the one year requirement under Section 3.5(d).
- (g) Election Not to Receive Joint and Survivor Annuity.
 - (1) Each Participant required to receive a Joint and Survivor Annuity under this Section may elect not to receive his Accrued Benefit in the form of a Joint and Survivor Annuity, in which case he will receive his Accrued Benefit in one of the optional forms of payment as he may elect from among those specified in Section 3.6 of the Plan. Such election shall be made by giving the Plan Administrator written notice thereof during the "election period."
 - (2) For purposes of an election not to receive a Joint and Survivor Annuity, the "election period" shall mean a period of one-hundred and eighty (180) days ending on the date on which the payment of benefits is to commence.
 - (3) Any election not to receive a Joint and Survivor Annuity shall not be effective unless:(i) the Participant's Spouse or Qualified Domestic

Partner consents in writing to such election, (ii) the Spouse's or Qualified Domestic Partner's consent acknowledges the effect of the election; and (iii) the Spouse's or Qualified Domestic Partner's consent is witnessed by a Plan representative or a notary public. The form of consent shall allow for (a) the designation of a specific Beneficiary (which may not be changed without consent of the Spouse or Qualified Domestic Partner), (b) the form of benefit, and (c) the percentage of the benefit to be received by the designated Beneficiary.

- (4) In addition, an election not to receive a Joint and Survivor Annuity shall not be effective unless the election designates a form of benefit payment which may not be changed without consent of the Spouse or Qualified Domestic Partner.
- (5) Notwithstanding the foregoing, no such consent shall be required if it is established to the satisfaction of a Plan representative that such consent may not be obtained because there is no Spouse or Qualified Domestic Partner, the Spouse or Qualified Domestic Partner cannot be located or such other circumstances as the Secretary of the U.S. Treasury may prescribe.
- (6) Any consent submitted to the Plan Administrator pursuant to this Section shall be effective only with respect to the Participant's Spouse or Qualified Domestic Partner executing said consent. No consent obtained hereunder shall be effective unless the Participant has received notice as provided below.
- (h) Information to be Provided to Participants. In the case of a Joint and Survivor Annuity, the Plan Administrator shall provide each Participant a written explanation of:
 - (1) An explanation of the terms and conditions of the Joint and Survivor Annuity or Survivor Annuity and the Participant's right to make and the effect of an election to waive the Joint and Survivor Annuity or Survivor Annuity form of benefit;
 - (2) An explanation of the relative financial effect on a Participant's annuity of such an election and the relative values of the various optional forms of benefit under the Plan; and
 - (3) An explanation of the rights of a Participant's Spouse or Qualified Domestic Partner and the effect of an election to waive the Joint and Survivor Annuity or Survivor Annuity form of benefit and of revoking such election.

Any explanation required by this Section must also inform Participants of the availability of the additional information specified in Section 3.5(j) of the Plan and how they may obtain such information.

- (i) Time and Manner of Distributing Information. The information required to be provided to a Participant under Section 3.5(g) of the Plan with regard to the right to elect not to receive a Joint and Survivor Annuity shall be given by the Plan Administrator no later than thirty (30) days and no more than one-hundred and eighty (180) days before the date on which the payment of benefits is to commence.
- (j) Additional Information.
 - (1) The Plan Administrator will furnish any Participant, upon a timely written request, a written explanation, in nontechnical language, of the terms and conditions of the Joint and Survivor Annuity (a single life annuity if not married or not a partner of a Qualified Domestic Partner) or Survivor Annuity and the financial effect upon the particular Participant's annuity of making any election under this ARTICLE. Such financial effect shall be given in terms of dollars per annuity payment. Such explanation will be personally delivered or mailed to the Participant within thirty (30) days from the date of the receipt of the Participant's written request. No more than one such request may be made by any Participant in any period of twelve (12) consecutive months.
 - (2) The Plan Administrator will furnish a surviving Spouse or surviving Qualified Domestic Partner who makes a written request for such information, a written explanation, in nontechnical language, of the Survivor Annuity and any other form of payment the surviving Spouse or surviving Qualified Domestic Partner may elect pursuant to Section 3.5 of the Plan. The explanation will state the financial effect of each form of payment in dollar amounts. Such explanation will be personally delivered or mailed to the surviving Spouse or surviving Qualified Domestic Partner within thirty (30) days from the date of receipt of such request. No more than one such request may be made by any surviving Spouse or surviving Qualified Domestic Partner.
- (k) Elections Revocable. Any election made under this Section 3.5 may be revoked, in writing, during the specified election period. After such election has been revoked, another election under this ARTICLE may be made during the specified election period.
- (l) Optional Forms of Payment. In the event a married Participant or a Participant who is the partner of a Qualified Domestic Partner duly elects

pursuant to Section 3.5(g) of the Plan not to receive his benefit in the form of a Joint and Survivor Annuity, such Participant may elect to receive the Actuarial Equivalent of his Accrued Benefit in one of the optional forms set forth in Section 3.6. In the event that an unmarried Participant elects not to receive his benefit in the Normal Form, the Participant may elect to receive the Actuarial Equivalent of his Accrued Benefit in the form of a Single Life Annuity (Option 5, as set forth in Section 3.6).

3.6 Optional Forms of Benefit. In lieu of the amount and form of monthly benefit payable in the event of normal or early retirement, a Participant, upon written request to the Plan Administrator, and subject to the provisions of Section 3.5 and any additional requirements applicable to each optional form, may elect to have his monthly benefit adjusted to an Actuarial Equivalent value according to applicable tables in the Appendix and payable in accordance with one of the following options:

Option 1: Ten Year Certain and Life Annuity (Normal Form): The monthly benefit payable to a Participant in the event of his normal retirement will be payable on the first day of each month. The first payment will be made as of the first day of the month coincident with or next following the date on which the Participant actually retires and the last payment will be the payment due on the first day of the month in which his death occurs, except that if the Participant dies within a period of 10 years after such retirement date, his monthly benefit (reduced as noted below) will be continued to his Beneficiary for the balance of such 10 year period. At the request of the Beneficiary, the Plan will pay an Actuarial Equivalent lump sum amount to the Beneficiary in lieu of the balance of such monthly benefits, in accordance with Table 3.

Option 2: Five Year Certain and Life Annuity: Effective for distributions made after June 30, 2010, this Option 2 may be selected as an optional form of benefit. Option 2 is not available for distributions made prior to the effective date contained in this paragraph. The monthly benefit payable to a Participant in the event of his normal retirement will be payable on the first day of each month. The first payment will be made as of the first day of the month coincident with or next following the date on which the Participant actually retires and the last payment will be the payment due on the first day of the month in which his death occurs, except that if the Participant dies within a period of 5 years after such retirement date, his monthly benefit (reduced as noted below) will be continued to his Beneficiary for the balance of such 5 year period. At the request of the Beneficiary, the Plan will pay an Actuarial Equivalent lump sum amount to the Beneficiary in lieu of the balance of such monthly benefits, in accordance with Table 8.

Option 3: 100% Survivor Annuity. A benefit of an adjusted monthly amount, determined under Table 1, payable to the retired Participant during the lifetime of the Participant and, following the death of the retired Participant, the same such adjusted monthly amount payable to the Spouse or the Qualified Domestic Partner of the Participant for the remainder of his or her lifetime, if such Spouse or Qualified Domestic Partner shall be living upon the death of the retired Participant.

Option 4: 50% Survivor Annuity. A benefit of an adjusted monthly amount, determined under Table 1, payable to the retired Participant during the lifetime of the Participant and, following the death of the retired Participant, 50% of such adjusted monthly amount payable to the Spouse or the Qualified Domestic Partner of the Participant for the remainder of his or her lifetime, if such Spouse or Qualified Domestic Partner shall be living upon the death of the retired Participant.

Option 5: Single Life Annuity. A benefit of a greater monthly amount, determined under Table 2, payable in equal monthly payments for the Participant's lifetime only, without the guarantee, otherwise provided, of continued monthly payments to his Beneficiary in the event of his death within the 10-year period next following his Normal Retirement Date.

Benefit payments will be made under the option elected in accordance with the provisions of this Section and will be subject to the following limitations:

- (a) If a Participant dies while in the continuous service of the CHA prior to his retirement, except as provided in Section 4.3, no benefit will be payable under the options to any person.
- (b) If Option 3 or Option 4 is elected and the Spouse or Qualified Domestic Partner of the Participant dies before the Participant's retirement under the Plan, the elected option will be automatically cancelled and a monthly benefit of the form and amount as provided in Section 3.1(c) will be payable to the Participant upon his retirement as if the election had not been made, unless a new option is elected in accordance with the provisions of this Section.
- (c) If Option 3 or Option 4 is elected, on or after July 1, 2010, and the Spouse or Qualified Domestic Partner of the Participant dies, or effective for distributions made after December 31, 2021, if the Spouse's and the Participant's marriage has been terminated (through dissolution of marriage or divorce) or the Qualified Domestic Partner status is dissolved and there is nothing in a QDRO to the contrary, after the Participant's retirement under the Plan is in pay status, the 100% Survivor Annuity or the 50% Survivor Annuity will revert to a Single Life Annuity determined under Table 2 and as provided under Option 5 above.

A Participant's election to receive benefits under any one of the methods set forth in ARTICLE III and ARTICLE IV shall become irrevocable upon commencement of payment under the method selected, and will preclude a Participant, surviving Spouse, surviving Qualified Domestic Partner or Beneficiary from any later change in the form of distribution of benefits under the Plan, except to the extent required by applicable law.

3.7 Reserved.

3.8 Reemployment. If a Participant is reemployed as a Regular Employee of the CHA after retirement, payment of benefits shall be suspended during the period of reemployment. Upon termination of reemployment with the CHA, benefit payments shall resume, and the Participant's benefit shall be recalculated to include any Credited Service earned during reemployment, with an offset for the Actuarial Equivalent of the benefits previously paid.

If a Participant: (a) retired prior to July 1, 2024; (b) is reemployed as a Regular Employee of the CHA after July 1, 2024; and (c) makes all Participant Contributions required by Section 8.2(b) for a period of no less than two years as required by Section 3.1(b)(1)(B)(i), then, upon termination of reemployment with the CHA, benefit payments shall resume and shall be recalculated under Section 3.1(b), with an offset for the Actuarial Equivalent of the benefits previously paid. For the avoidance of doubt, such Participant may not qualify for a retirement benefit under Section 3.1(b) pursuant to Section 3.1(b)(1)(B)(ii) or (iii). If such Participant does not make all Participant Contributions required by Section 8.2(b) for a period of no less than two years as required by Section 3.1(b)(1)(B)(i), then the Participant's benefit shall be recalculated under Section 3.1(a) to include any Credited Service earned during reemployment, with an offset for the Actuarial Equivalent of the benefits previously paid.

3.9 Limitation on Benefits. The limitations of this Section shall apply in Limitation Years beginning on or after July 1, 2007, except as otherwise provided herein.

The Annual Benefit otherwise payable to a Participant under the Plan at any time shall not exceed the Maximum Permissible Benefit. If the benefit the Participant would otherwise accrue in a Limitation Year would produce an Annual Benefit in excess of the Maximum Permissible Benefit, the benefit shall be limited (or the rate of accrual reduced) to a benefit that does not exceed the Maximum Permissible Benefit.

If the Participant is, or has ever been, a participant in another qualified defined benefit plan (without regard to whether the plan has been terminated) maintained by the CHA, an Affiliated Employer or a predecessor employer, the sum of the Participant's Annual Benefits from all such plans may not exceed the Maximum Permissible Benefit. Where the Participant's CHA-provided benefits under all such defined benefit plans (determined as of the same age) would exceed the Maximum Permissible Benefit applicable at that age, the CHA shall limit a Participant's benefit accrual in such cases in accordance with this Section 3.9.

The application of the provisions of this Section 3.9 shall not cause the Maximum Permissible Benefit for any Participant to be less than the Participant's accrued benefit under all the defined benefit plans of the CHA, and Affiliated Employer or a predecessor employer as of the end of the last Limitation Year beginning before July 1, 2007 under provisions of the plans that were both adopted and in effect before April 5, 2007. The preceding sentence applies only if the provisions of such defined benefit plans that were both adopted and in effect before April 5, 2007 satisfied the applicable requirements of statutory provisions, regulations, and other published guidance relating to § 415 of the

Internal Revenue Code in effect as of the end of the last Limitation Year beginning before July 1, 2007, as described in § 1.415(a)-1(g)(4) of the Income Tax Regulations.

(a) For the purposes of this subsection only, the following definitions apply:

- (1) “Adjustment Factor” means the cost of living adjustment factor prescribed by the Secretary of the Treasury under Section 415(d) of the Code for years beginning after December 31, 1987, applied to such items and in such manner as the Secretary shall prescribe. Any prescribed change to the Adjustment Factor shall apply to the Limitation Year that ends with or within the calendar year during which the prescribed change occurs.
- (2) “Affiliated Employer” means CHA and any corporation which is a member of a controlled group of corporations, as defined in Section 414(b) of the Code, as modified by Section 415(h), which includes CHA; any trade or business (whether or not incorporated) which is under common control, as defined in Section 414(c) of the Code, as modified by Section 415(h), with the CHA; any organization (whether or not incorporated) which is a member of an affiliated service group, as defined in Section 414(m) of the Code, which includes the CHA; and any other entity required to be aggregated with the CHA pursuant to regulations under Section 414(o) of the Code.
- (3) “Annual Benefit” means a benefit that is payable annually in the form of a straight life annuity. Except as provided below, where a benefit is payable in a form other than a straight life annuity, the benefit shall be adjusted to an actuarially equivalent straight life annuity that begins at the same time as such other form of benefit and is payable on the first day of each month, before applying the limitations of this ARTICLE. For a Participant who has or will have distributions commencing at more than one annuity starting date, the Annual Benefit shall be determined as of each such annuity starting date (and shall satisfy the limitations of this Section 3.9 as of each such date), actuarially adjusting for past and future distributions of benefits commencing at the other annuity starting dates. For this purpose, the determination of whether a new starting date has occurred shall be made without regard to § 1.401(a)-20, Q&A 10(d), and with regard to § 1.415(b)1(b)(1)(iii)(B) and (C) of the Income Tax Regulations.

No actuarial adjustment to the benefit shall be made for (a) survivor benefits payable to a surviving Spouse or surviving Qualified Domestic Partner under a qualified joint and survivor annuity to the extent such benefits would not be payable if the Participant’s benefit were paid in another form; (b) benefits that are not directly related to retirement benefits (such as a qualified disability benefit,

preretirement incidental death benefits, and postretirement medical benefits); or (c) the inclusion in the form of benefit of an automatic benefit increase feature, provided the form of benefit is not subject to §417(e)(3) of the Internal Revenue Code and would otherwise satisfy the limitations of this ARTICLE, and the plan provides that the amount payable under the form of benefit in any Limitation Year shall not exceed the limits of this ARTICLE applicable at the annuity starting date, as increased in subsequent years pursuant to § 415(d). For this purpose, an automatic benefit increase feature is included in a form of benefit if the form of benefit provides for automatic, periodic increases to the benefits paid in that form.

The determination of the Annual Benefit shall take into account social security supplements described in § 411(a)(9) of the Internal Revenue Code and benefits transferred from another defined benefit plan, other than transfers of distributable benefits pursuant § 1.411(d)-4, Q&A-3(c), of the Income Tax Regulations, but shall disregard benefits attributable to employee contributions or rollover contributions.

Effective for distributions in Plan Years beginning after December 31, 2003, the determination of actuarial equivalence of forms of benefit other than a straight life annuity shall be made in accordance with subsection (A) or (B), below.

- (A) Benefit Forms Not Subject to § 417(e)(3): The straight life annuity that is actuarially equivalent to the Participant's form of benefit shall be determined under this subsection 3.9(a)(3)(A) if the form of the Participant's benefit is either (I) a nondecreasing annuity (other than a straight life annuity) payable for a period of not less than the life of the Participant (or, in the case of a qualified pre-retirement survivor annuity, the life of the surviving Spouse), or (II) an annuity that decreases during the life of the Participant merely because of (a) the death of the survivor annuitant (but only if the reduction is not below 50% of the benefit payable before the death of the survivor annuitant), or (b) the cessation or reduction of Social Security supplements or qualified disability payments (as defined in § 401(a)(11)).
 - (i) Limitation Years beginning before July 1, 2007. For Limitation Years beginning before July 1, 2007, the actuarially equivalent straight life annuity is equal to the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the Participant's form of

benefit computed using whichever of the following produces the greater annual amount: (I) the interest rate specified in the applicable Appendix of the Plan and the mortality table (or other tabular factor) specified in Supplement C of the Plan for adjusting benefits in the same form; and (II) a 5 percent interest rate assumption and the applicable mortality table defined in Supplement C of the Plan for that annuity starting date.

- (ii) Limitation Years beginning on or after July 1, 2007. For Limitation Years beginning on or after July 1, 2007, the actuarially equivalent straight life annuity is equal to the greater of (1) the annual amount of the straight life annuity (if any) payable to the Participant under the Plan commencing at the same annuity starting date as the Participant's form of benefit; and (2) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the Participant's form of benefit, computed using a 5 percent interest rate assumption and the applicable mortality table defined in Supplement C of the Plan for that annuity starting date.

- (B) Benefit Forms Subject to § 417(e)(3): The straight life annuity that is actuarially equivalent to the Participant's form of benefit shall be determined under this paragraph if the form of the Participant's benefit is other than a benefit form that is not subject to Section 417(e)(3) of the Code. In this case, the actuarially equivalent straight life annuity shall be determined as follows:

- (i) Annuity Starting Date in Plan Years Beginning After 2005. If the annuity starting date of the Participant's form of benefit is in a Plan Year beginning after 2005, the actuarially equivalent straight life annuity is equal to the greatest of (I) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the Participant's form of benefit, computed using the interest rate specified in the applicable Appendix of the Plan and the mortality table (or other tabular factor) specified in Supplement C of the Plan for adjusting benefits in the same form; (II) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value

as the Participant's form of benefit, computed using a 5.5 percent interest rate assumption and the applicable mortality table defined in Supplement C of the Plan; and (III) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the Participant's form of benefit, computed using the applicable interest rate defined in the applicable Appendix of the Plan and the applicable mortality table defined in Supplement C of the Plan, divided by 1.05.

- (ii) Annuity Starting Date in Plan Years Beginning in 2004 or 2005. If the annuity starting date of the Participant's form of benefit is in a Plan Year beginning in 2004 or 2005, the actuarially equivalent straight life annuity is equal to the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the Participant's form of benefit, computed using whichever of the following produces the greater annual amount: (I) the interest rate specified in the applicable Appendix of the Plan and the mortality table (or other tabular factor) specified in Supplement C of the Plan for adjusting benefits in the same form; and (II) a 5.5 percent interest rate assumption and the applicable mortality table defined in Supplement C of the Plan.

If the annuity starting date of the Participant's benefit is on or after the first day of the first Plan Year beginning in 2004 and before December 31, 2004, the application of this subsection 3.9(a)(3)(B)(ii) shall not cause the amount payable under the Participant's form of benefit to be less than the benefit calculated under the Plan, taking into account the limitations of this ARTICLE, except that the actuarially equivalent straight life annuity is equal to the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the Participant's form of benefit, computed using whichever of the following produces the greatest annual amount:

- (I) the interest rate specified in the applicable Appendix of the Plan and the mortality table (or other tabular factor) specified in Supplement C of the Plan for adjusting benefits in the same

form;

- (II) the applicable interest rate defined in the applicable Appendix of the Plan and the applicable mortality table defined in Supplement C of the Plan; and
 - (III) the applicable interest rate defined in the applicable Appendix of the Plan (as in effect on the last day of the last Plan Year beginning before January 1, 2004, under provisions of the Plan then adopted and in effect) and the applicable mortality table defined in Supplement C of the Plan.
- (4) “Compensation” as used in this Section means Section 3401(a) wages paid by CHA to the Participant during the Limitation Year which is defined as wages in Section 3401(a) of the Code for the purposes of income tax withholding at the source, but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Section 3401(a)(2) of the Code). Provided, however, to the extent permitted by regulation, W-2 wages shall be used as Compensation. Notwithstanding anything herein to the contrary, for Plan and Limitation Years beginning on and after January 1, 1998, for purposes of this Section, ‘Compensation’ paid or made available during the Limitation Year shall include elective amounts that are not includible in the gross income of the Employee by reason of Section 132(f)(4) of the Code. For Limitation Years beginning after December 31, 1997, for purposes of applying the limitations of Code Section 415, ‘Compensation’ paid or made available during such Limitation Year shall include any elective deferral (as defined in Section 402(g)(3) of the Code), and any amount which is contributed or deferred by CHA at the election of the Participant and which is not includible in the gross income of the Participant by reason of Code Section 125 or 457.
- (5) “Defined Benefit Compensation Limitation” means 100 percent of a Participant’s High Three-Year Average Compensation, payable in the form of a straight life annuity.

In the case of a Participant who has had a severance from employment with the employer, the Defined Benefit Compensation Limitation applicable to the Participant in any Limitation Year

beginning after the date of severance shall be automatically adjusted by multiplying the limitation applicable to the Participant in the prior Limitation Year by the annual Adjustment Factor. The adjusted compensation limit shall apply to Limitation Years ending with or within the calendar year of the date of the adjustment, but a Participant's benefits shall not reflect the adjusted limit prior to January 1 of that calendar year.

In the case of a Participant who is rehired after a severance from employment, the Defined Benefit Compensation Limitation is the greater of 100 percent of the Participant's High Three-Year Average Compensation, as determined prior to the severance from employment, as adjusted pursuant to the preceding paragraph, if applicable; or 100 percent of the Participant's High Three-Year Average Compensation, as determined after the severance from employment.

- (6) "Defined Benefit Dollar Limitation" means \$275,000 effective January 1, 2024, as adjusted, effective January 1 of each year, under Section 415(d) of the Code in such manner as the Secretary shall prescribe, and payable in the form of a straight life annuity. A limitation as adjusted under Section 415(d) will apply to limitation years ending with or within the calendar year for which the adjustment applies.
- (7) "Defined Benefit Plan Fraction" means a fraction, described under Section 415(d)(2) of the Code, determined for each Limitation Year for each Participant.
- (8) "High Three-Year Average Compensation" means the average Compensation for the three consecutive Years of Service (or, if the Participant has less than three consecutive years of service, the Participant's longest consecutive period of service, including fractions of years, but not less than one year) with CHA that produces the highest average. In the case of a Participant who is rehired by the employer after a severance from employment, the Participant's high three-year average Compensation shall be calculated by excluding all years for which the Participant performs no services for and receives no Compensation from the employer (the break period) and by treating the years immediately preceding and following the break period as consecutive. A Participant's Compensation for a Year of Service shall not include Compensation in excess of the limitation under § 401(a)(17) of the Internal Revenue Code that is in effect for the calendar year in which such Year of Service begins.
- (9) "Limitation Year" means the Plan Year.

- (10) Any defined term not described above is defined elsewhere in the Plan, if applicable.
- (b) The Maximum Permissible Benefit is the lesser of the Defined Benefit Dollar Limitation or the Defined Benefit Compensation Limitation (both adjusted where required, as provided in (1) and, if applicable, in (2) or (3) below).
- (1) If the Participant has fewer than 10 years of participation in the Plan, the defined benefit dollar limitation shall be multiplied by a fraction, (i) the numerator of which is the number of years (or part thereof) of participation in the Plan and (ii) the denominator of which is 10. In the case of a Participant who has fewer than 10 years of service with CHA, the Defined Benefit Compensation Limitation shall be multiplied by a fraction, (i) the numerator of which is the number of years (or part thereof) of service with CHA and (ii) the denominator of which is 10.
- (2) If the benefit of a Participant begins prior to age 62, the defined benefit dollar limitation applicable to the Participant at such earlier age is an annual benefit payable in the form of a straight life annuity beginning at the earlier age that is the actuarial equivalent of the defined benefit dollar limitation applicable to the Participant at age 62 (adjusted under (1) above, if required). The defined benefit dollar limitation applicable at an age prior to age 62 is determined as the lesser of (i) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using the interest rate and mortality table (or other tabular factor) specified in Supplement C of the Plan and (ii) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using a 5 percent interest rate and the applicable mortality table as defined in Supplement C of the Plan. Any decrease in the defined benefit dollar limitation determined in accordance with this paragraph (2) shall not reflect a mortality decrement if benefits are not forfeited upon the death of the Participant. If any benefits are forfeited upon death, the full mortality decrement is taken into account.
- (3) If the benefit of a Participant begins after the Participant attains age 65, the defined benefit dollar limitation applicable to the Participant at the later age is the annual benefit payable in the form of a straight life annuity beginning at the later age that is actuarially equivalent to the defined benefit dollar limitation applicable to the Participant at age 65 (adjusted under (1) above, if required). The actuarial equivalent of the defined benefit dollar limitation applicable at an age after age 65 is determined as (i) the lesser of the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using

the interest rate and mortality table (or other tabular factor) specified in the Plan and (ii) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using a 5 percent interest rate assumption and the applicable mortality table as defined in Supplement C of the Plan. For these purposes, mortality between age 65 and the age at which benefits commence shall be ignored.

ARTICLE IV – OTHER BENEFITS

4.1 Benefit Payable In Event Of Termination Of Continuous Service.

- (a) In the event a Participant's Continuous Service is terminated for any reason (other than his death) prior to retirement under Section 3.2 or 3.3, he will be entitled to receive a termination benefit equal to the sum of (i) the Participant Contributions, (ii) certain refundable contributions made by the CHA, (iii) interest on Participant Contributions and any refundable contributions made by CHA, and (iv) the benefit, if any, payable to a Prior Plan Participant under Section A-7 of Supplement A. Such refundable CHA contributions shall be equal to 3 1/2% of the first \$4,200 of his Compensation plus 5 % of such Compensation in excess of \$4,200, for each year after Participant Contributions ceased under the Plan. Interest shall be calculated from December 31 ending the calendar year during which such contributions were made to the date of termination of such Participant's Continuous Service at the "Applicable Rate" set forth in Section 4.1(b). If such Participant has not completed at least five (5) years of Credited Service (in the case of an Opt-Out Employee, six (6) years of Continuous Service), he shall forfeit the remainder of his Accrued Benefit. Moreover, any Participant under Section 2.22 (d) shall have interest calculated from December 31 of the calendar year during which such contributions were made to the date that Participant separates from service of his or her employer if he or she irrevocably elects a benefit under this Section 4.1(a) within 60 days of the date his or her Continuous Service is terminated.
- (b) The "Applicable Rate" of interest for purposes of this Section 4.1 shall be determined by the following annual rates for the respective year(s), or portions thereof, compounded annually:

<u>Years</u>	<u>Annual Rate</u>
1961-1972	2.5%
1973-1978	4.5%
1979-June 30, 2010	5.0%
July 1, 2010 and later	3.0%

4.2 Deferred Benefit. If the Continuous Service of a Participant is terminated for any reason (other than his death) prior to retirement under the Plan after he has completed at least five (5) years of Credited Service (in the case of an Opt-Out Employee, six (6) years of Continuous Service), or in the event that the monthly pension payable to a Participant on disability retirement is discontinued as a result of the cessation of his disability under the Plan, he will be entitled to receive a monthly benefit commencing on his Normal Retirement Date equal to his past-service annuity benefit under the Prior Plan (if any) as set forth in Supplement A and, if he does not elect to receive the benefits specified in Section 4.1 above, he will also be entitled to receive a monthly benefit

commencing on his Normal Retirement Date computed under this Plan for periods of participation under its terms.

The deferred monthly benefit payable to a Participant under this Section 4.2 will be payable on the first day of each month. The first payment will be made as of the Participant's Normal Retirement Date, if he shall then be living, and the last payment will be the payment due on the first day of the month in which his death occurs, except that if the Participant elects Option 1 under Section 3.6 and dies within a period of 10 years after his Normal Retirement Date, his benefit will be paid to his Beneficiary as provided therein. A Participant so entitled to a deferred benefit may, any time prior to his Normal Retirement Date, by advising the Plan Administrator, make either Election A or Election B described below:

Election A: A Participant may elect to commence payment of his deferred pension at an Early Retirement Date as specified in Section 3.3 of the Plan, in an amount determined by application of the reductions specified therein; and

Election B: A Participant may elect to receive an amount equal to the benefit which would have been payable to him had he elected to receive all of the benefit specified in Section 4.1 hereof, with interest thereon determined on the basis specified in Section 4.1 to the date such benefit is paid; provided, however, that in the event of this election, the Participant shall forfeit any other benefits available under the Plan, except his past-service annuity benefit under the Prior Plan as set forth in Section A-4 of Supplement A for periods of participation under the Prior Plan.

4.3 Benefit Payable In Event Of Death Prior To Commencement Of Monthly Benefit. In order to receive benefits under this Section, a Participant must be credited with not less than five (5) years of Credited Service (in the case of an Opt-Out Employee, six (6) years of Continuous Service). A terminated Participant entitled to a deferred benefit and who was or remained employed with the CHA on or after August 23, 1984, shall have the Actuarial Equivalent of his death benefit paid no earlier than the date the Participant would have attained his Early Retirement Date.

- (a) If the Continuous Service of a Participant is terminated by reason of his death prior to his retirement under the Plan or if he has terminated employment and is entitled to receive a deferred benefit but dies prior to receiving the first monthly payment, his Beneficiary will be entitled to receive a benefit equal to the greater of (1) the benefit determined under the provisions of Section 4.1 hereof as of the date of his death, (2) the benefit provided under subsection 4.3(b) or 4.3(c), or (3) the pre-retirement death benefit available to a Prior Plan Participant as set forth in Supplement A, each as applicable and as selected by the Beneficiary.

- (b) If a Participant has met the requirements for early or normal retirement and his Continuous Service is terminated by reason of his death prior to his retirement date or if a Participant retires on early retirement or retired under the CHA Voluntary Early Retirement Plan of 1994, defers payment of his monthly benefit, and dies prior to the commencement of his monthly benefit his Beneficiary will receive, in lieu of any benefit payable in accordance with subsection 4.3(a) and subject to the conditions in the last paragraph of this subsection 4.3(b), a monthly benefit guaranteed for a 10-year period equal to the monthly amount the Participant would have received had he retired and commenced receiving his benefit on the date of his death.

The benefit determined under this subsection 4.3(b) shall be paid to the Beneficiary at the request of the Beneficiary either in the form of equal monthly benefits for a 10-year period, a lump sum based on Table 3 of the Appendix, or equal monthly payments based on Table 4 of the Appendix for his lifetime without the 10-year guarantee. If the Participant does not have a valid Beneficiary designation in effect at the time of his death, the benefit shall be paid in an Actuarial Equivalent lump sum amount to the person(s) as determined in accordance with Section 6.2. In no event will the value of the benefit provided in this subsection 4.3(b) be less than the Actuarial Equivalent of the amount that would have been provided in subsection 4.3(a) above.

- (c) If the Participant was or remained employed by the CHA on or after August 23, 1984, was married as provided in subsection 4.3(d), or had a Qualified Domestic Partner as provided in subsection 4.3(e), and his death occurs:
- (1) prior to his Normal Retirement Date, the Participant's Spouse or Qualified Domestic Partner shall be entitled to elect payment of benefits in the form of a Survivor Annuity equal to the amount such Spouse or Qualified Domestic Partner would have been entitled to receive under a Joint and Survivor Annuity assuming the Participant:
 - (A) separated from service on the date of death (except in the case of a Participant whose employment terminated before the date of death),
 - (B) survived to the Participant's Early Retirement Date,
 - (C) began receiving a Joint and Survivor Annuity, and
 - (D) died on the day following such date;
 - (2) after his Normal Retirement Date, the Participant's Spouse or Qualified Domestic Partner shall be entitled to a Survivor Annuity equal to the amount the Spouse or Qualified Domestic Partner would

have received under a Joint and Survivor Annuity at the date of death assuming the Participant had retired with a Joint and Survivor Annuity on the day before the day of his death.

- (d) A Participant shall not be treated as married unless the Participant and his or her Spouse have been legally married under the laws of any jurisdiction throughout the one-year period ending on the earlier of, the date benefits are to commence, or the date of the Participant's death.
- (e) A Participant shall not be treated as having a Qualified Domestic Partner unless the Domestic Partner was acknowledged by the Plan Administrator to be a Qualified Domestic Partner in accordance with the requirements of Section 2.29 throughout the one-year period ending on the earlier of, the date benefits are to commence, or the date of the Participant's death.

4.4 Disability Retirement and Pension.

- (a) A Participant who becomes totally disabled, while in the full-time employment of the CHA and after having completed at least five (5) years of Credited Service (in the case of an Opt-Out Employee, six (6) years of Continuous Service) may retire, provided the Participant does not elect to receive the benefits specified in Section 4.1 of the Plan, and receive a disability pension determined in accordance with Section 4.4(c) below. A Participant will be considered to be totally disabled and will receive a disability benefit under this Plan only if he is eligible and is receiving a disability benefit under the Social Security Act as a result of such disability.
- (b) A Participant's disability retirement date shall be later to occur of (i) the first day of the 6th calendar month following the calendar month in which such participant becomes disabled and (ii) the first day of the calendar month next following the calendar month in which the participant is determined to be disabled by the Social Security Administration.
- (c) The monthly pension payable to a Participant on disability retirement will be in the amount determined under Section 3.1 and payable on the first day of each month. The first payment will be made as of his disability retirement date and the last payment will be the payment due on the first day of the month prior to the first to occur of (i) his death, (ii) the determination by the Social Security Administration that his total and permanent disability has ceased to exist prior to his Normal Retirement Date, (iii) the Participant's failure to submit certification of his continuing disability to the Plan Administrator in form and substance satisfactory to the Board of Trustees within 60 days of a request for same, and (iv) the date the Participant returns to full-time employment with the CHA or the date the Participant refuses the offer of full-time employment with the CHA, except that if the Participant dies within a period of 10 years after his disability retirement date, his pension

will be continued to his Beneficiary for the balance of such 10 year period; provided, however, that at the request of the Beneficiary, the Plan will pay an Actuarial Equivalent lump sum amount to the Beneficiary, in lieu of the balance of such monthly benefits as determined in Table 3.

- (d) In the event of suspension of pension payments under Section 4.4(c)(iii), if the Participant should subsequently provide the Plan Administrator the required certification of disability, payments may be resumed retroactive to the full period of suspension.
- (e) Notwithstanding any provisions of the Plan to the contrary, a Participant retired under this Section 4.4 who returns to full-time employment with the CHA shall then be considered for all purposes of the Plan to have been on Leave of Absence during his period of disability retirement, and upon subsequent retirement such Participant shall be entitled to receive the benefits accrued under the Plan as of his disability retirement date in addition to the benefit accrued under the Plan subsequent to such return to full-time employment less an amount Actuarially Equivalent to the benefits paid to the Participant while disabled.

ARTICLE V – DISTRIBUTION OF BENEFITS

5.1 Time for Payment.

- (a) Normal Distributions. Except as provided in Section 5.1(f) of the Plan, unless a Participant or Beneficiary shall otherwise elect a later date by submitting to the Plan Administrator a signed written statement describing the benefit and the date on which payment is to commence, payment of benefits shall commence not later than the sixtieth (60th) day after the close of the Plan Year in which the latest of the following events occur:

- (1) The Participant reaches his Normal Retirement Date; or
- (2) The tenth (10th) anniversary of the date on which the Participant commenced participation in the Plan; or
- (3) The Participant's termination of employment.

Notwithstanding the foregoing, the failure of a Participant to consent in writing to a distribution while a benefit is immediately distributable hereunder shall be deemed an election to defer commencement of payment of the benefit until the time provided in Section 5.1 (b) of the Plan.

(b) Minimum Required Distribution.

- (1) 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 as follows:
 - (A) 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 later 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: (i) age 70 $\frac{1}{2}$, if the Participant would have attained age 70 $\frac{1}{2}$ on or before December 31, 2019; (ii) age 72, if the Participant would have attained age 70 $\frac{1}{2}$ after December 31, 2019 and age 72 on or before December 31, 2022; (iii) age 73, if the Participant would have attained age 72 after December 31, 2022 and age 73 on or before December 31, 2032; and (d) age 75, if the Participant would have attained age 73 after December 31, 2032.

- (B) If the Participant's surviving Spouse is not the Participant's sole designated beneficiary, then except as provided in the adoption agreement, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.
- (C) 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.
- (D) 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, this subsection 5.1(b)(1), other than subsection 5.1(b)(1)a, will apply as if the surviving Spouse were the Participant.

For purposes of this subsection 5.1(b)(1) and subsection 5.1(b)(5), distributions are considered to begin on the Participant's required beginning date (or, if subsection 5.1(b)(1)d applies, the date distributions are required to begin to the surviving Spouse under subsection 5.1(b)(1)a). If annuity payments 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 subsection 5.1(b)(1)a, the date distributions are considered to begin is the date distributions actually commence.

- (2) 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 subsections (3), (4) and (5) of this Section. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of section 401(a)(9) of the Code and Treasury regulations. Any part of the Participant's interest which is in the form of an individual account described in section 414(k) of the Code will be distributed in a manner satisfying the requirements of section 401(a)(9) of the Code and the Treasury regulations that apply to individual accounts.

(3) Determination of Amount to be Distributed Each Year.

- (A) If the Participant's interest is paid in the form of annuity distributions under the Plan, payments under the annuity will satisfy the following requirements:
- (i) the annuity distributions will be paid in periodic payments made at intervals not longer than one year;
 - (ii) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in subsections (4) or (5);
 - (iii) once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;
 - (iv) payments will either be non-increasing or increase only as follows:
 - a. by an annual percentage increase that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;
 - b. to the extent of the reduction in the amount of the Participant's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in section 4 dies or is no longer the Participant's beneficiary pursuant to a qualified domestic relations order within the meaning of section 414(p);
 - c. to provide cash refunds of Participant Contributions upon the Participant's death; or
 - d. to pay increased benefits that result from a Plan amendment.
- (B) The amount that must be distributed on or before the Participant's required beginning date (or, if the Participant dies before distributions begin, the date distributions are required to begin under subsection 5.1(b)(1)a or (1)b is the

payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Participant's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Participant's required beginning date.

- (C) Any additional benefits accruing to the Participant in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

(4) Requirements for Annuity Distributions That Commence During Participant's Lifetime.

- (A) If the Participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Participant and a non-Spouse beneficiary, annuity payments to be made on or after the Participant's required beginning date to the designated beneficiary after the Participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Participant using the table set forth in Q&A-2 of section 1.401(a)(9)-6T of the Treasury regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the Participant and a non-Spouse beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.
- (B) Unless the Participant's Spouse is the sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Participant's lifetime may not exceed the applicable distribution period for the Participant under the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the Treasury regulations for the calendar year that contains the annuity starting date. If the annuity starting date precedes the year in which the Participant reaches age 70, the applicable distribution period for the Participant is the distribution period

for age 70 under the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the Treasury regulations plus the excess of 70 over the age of the Participant as of the Participant's birthday in the year that contains the annuity starting date. If the Participant's Spouse is the Participant's sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Participant's applicable distribution period, as determined under this subsection 5.1(b)(4), or the joint life and last survivor expectancy of the Participant and the Participant's Spouse as determined under the Joint and Last Survivor Table set forth in section 1.409(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 calendar year that contains the annuity starting date.

- (5) Requirements for Minimum Distributions Where Participant Dies Before Date Distributions Begin.
 - (A) If the Participant dies before the date distribution of his or her interest begins and there is a designated beneficiary, the Participant's entire interest will be distributed, beginning no later than the time described in section 5.1(b)(1)a or (1)b, over the life of the designated beneficiary or over a period certain not exceeding:
 - (i) unless the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year immediately following the calendar year of the Participant's death; or
 - (ii) if the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year that contains the annuity starting date.
 - (B) 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.

- (C) If the Participant dies before the date distribution of his or her interest begins, the Participant's surviving Spouse is the Participant's sole designated beneficiary, and the surviving Spouse dies before distributions to the surviving Spouse begin, this section 5.1(b) will apply as if the surviving Spouse were the Participant, except that the time by which distributions must begin will be determined without regard to section 5.1(b)(1)a.
- (6) Definitions.
- (A) Designated beneficiary. The individual who is the designated beneficiary under section 401(a)(9) of the Internal Revenue Code and section 1.401(a)(9)-1, Q&A-4, of the Treasury regulations.
 - (B) Distribution calendar year. 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 pursuant to subsection 5.1(b)(1).
 - (C) Life expectancy. Life expectancy as computed by use of the Single Life Table in section 1.401(a)(9)-9 of the Treasury Regulations.
 - (D) Required beginning date. The required beginning date of a Participant (other than a 5-percent owner) is April 1 of the calendar year following the later of (i) the year in which the Participant retires or (ii) calendar year in which the Participant attains: (a) age 70½, if the Participant attains age 70 ½ on or before December 31, 2019; (b) age 72, if the Participant attains age 70 ½ after December 31, 2019 and age 72 on or before December 31, 2022; (c) age 73, if the Participant attains age 72 after December 31, 2022 and age 73 on or before December 31, 2032; and (d) age 75, if the Participant attains age 73 after December 31, 2032.
- (c) Determination of Life Expectancy. For purposes of Sections 5.1(b) and 5.1(e) of the Plan, the applicable life expectancy (or joint and last survivor life expectancy) shall be calculated using the attained age of the Participant (or designated Beneficiary including Spouse) as of the birthday in which the

Participant (or designated Beneficiary including Spouse) attains age 70½. Life expectancy and joint and last survivor expectancy shall be calculated using Tables V and VI of Treasury Regulation Section 1.72-9. Unless the Participant (or in the case of distributions described in Section 5.1(e), his Spouse) makes an irrevocable election to the contrary by the time distributions are required to begin, life expectancies shall not be recalculated annually. The life expectancy of a non-Spouse Beneficiary may not be recalculated.

- (d) Timing of Distributions. The Accrued Benefit to be used in determining the minimum required distribution shall be the Accrued Benefit as of the Plan Year ending in the calendar year preceding the calendar year in which the Participant attained age 70½ increased by any allocations and decreased by any distributions made during the calendar year containing the end of the Plan Year used to determine the first minimum required distribution. If the first minimum required distribution is made after the end of the Plan Year in which the Participant attained age 70½ but before April 2 of the calendar year following the calendar year in which the Participant attained age 70½, the first minimum required distribution shall be deemed made in the preceding calendar year for purposes of determining the minimum required distribution which must be made before the end of the calendar year following the calendar year in which the Participant attained age 70½. Subsequent distributions must be made before the end of each subsequent calendar year.
- (e) Death Distribution Provisions.
 - (1) If the Participant dies after distribution of the Participant's Accrued Benefit has begun, the remaining portion of such Accrued Benefit will continue to be distributed at least as rapidly as under the method of distribution being used prior to the Participant's death.
 - (2) If the Participant dies before the distribution of his Accrued Benefit has commenced, and provided the conditions set forth in Section 4.3(c) have been satisfied, the Participant's Accrued Benefit will be distributed no later than December 31 of the calendar year containing the fifth (5th) anniversary of the Participant's death, unless:
 - (A) Any portion of the Participant's Accrued Benefit is payable to or for the benefit of a designated Beneficiary in which case it may be distributed based on the designated Beneficiary's life or life expectancy, over a period determined under Section 5.1(c) of the Plan, commencing not later than the December 31 of the calendar year containing the first anniversary of the Participant's death; or

- (B) The designated Beneficiary is the surviving Spouse of the Participant in which case it may be distributed based on the surviving Spouse's life or life expectancy, over a period determined under Section 5.1(c) of the Plan, commencing not later than the December 31 of the calendar year containing the first anniversary of the Participant's death, or the December 31 of the calendar year in which the Participant would have attained age 70½. If the Participant's surviving Spouse dies before distributions commence hereunder, the provisions of this subsection 5.1(e)(2) (except this subsection 5.1(e)(2)b) will be applied as if the surviving Spouse were the Participant.
 - (3) The Participant's designated Beneficiary must elect the method of distribution, if not made by the Participant prior to his death, no later than the earlier of the December 31 of the calendar year in which distributions are required to begin hereunder, or the December 31 of the calendar year containing the fifth (5th) anniversary of the Participant's death.
- (f) Consent for Distributions. If, upon a termination of employment, a Participant's present value of Accrued Benefit is zero, then such Participant shall be deemed to have a distribution of such vested present value of Accrued Benefit.

The consent requirements contained in the Plan are subject to the following:

- (1) No consent of the Participant or his or her Spouse or Qualified Domestic Partner is required for distribution of benefits in the form of a Joint and Survivor Annuity or a Survivor Annuity after the Participant attains (or would have attained if not dead) his Normal Retirement Date.
- (2) No consent of a Participant's Spouse or Qualified Domestic Partner is required, at any time, for distribution of benefits in the form of a Joint and Survivor Annuity as selected by the Participant.
- (3) The consent of the Participant or his or her Spouse or Qualified Domestic Partner shall not be required to the extent that a distribution is required to satisfy Code Sections 401(a)(9) or 415.

5.2 Retroactive Payments. Notwithstanding the provisions of Section 5.1(a) of the Plan, the payment of benefits to a Participant may commence later than the latest date indicated therein if:

- (a) The amount of the payment cannot be ascertained by such date; or

- (b) The Plan Administrator is unable to locate the Participant or Beneficiary by such date, after making reasonable efforts to do so.

In such instance, a payment shall be made retroactive to the latest date indicated in Section 5.1 of the Plan no later than the sixtieth (60th) day after the earliest date on which the amount of the payment can be ascertained or the date on which the Participant or Beneficiary is located (whichever is applicable).

5.3 Nature of Distribution. Distribution of a Participant's Accrued Benefit shall consist of cash, property, an annuity policy, or any combination thereof. If property other than cash or its equivalent is distributed, such property shall be valued at its fair market value on the date of such distribution. Effective April 1, 1996, all benefit payments requested to commence at any time thereafter shall be made from the general assets of the Trust Fund.

5.4 Distribution to Persons Declared Legally Incompetent. In the event that a Participant or Beneficiary is judicially determined to be legally incompetent and a conservator or other person is judicially charged with the care of such Participant, Beneficiary or his estate, all benefits to which the Participant or Beneficiary is entitled shall be paid to such conservator or other person for the benefit of the Participant or Beneficiary.

5.5 Missing Participants and Beneficiaries. If the Plan Administrator mails by registered or certified mail, postage pre-paid, to the last known address of a Participant or Beneficiary, a notification that such Participant or Beneficiary is entitled to a distribution hereunder, and if, (a) such notification is returned by the post office because the addressee cannot be located at such address or any forwarding address, and if neither the CHA nor the Plan Administrator shall have any knowledge of the whereabouts of such Participant or Beneficiary within three (3) years from the date such notification was mailed, or (b) within three (3) years after such notification was mailed to such Participant or Beneficiary, such person does not respond thereto by informing the Plan Administrator of his whereabouts, then in either of said events, such amount shall be held in the Trust Fund for the benefit of such Participant until such Participant is located. The Plan Administrator may seek to locate such Participant through the use of letter forwarding services available from federal agencies. In the event no claim is made for such benefit within six (6) years of mailing of the original notification, the amount of such Participant's benefit shall be deemed forfeited.

5.6 Rollover Distributions.

- (a) Notwithstanding any provision of the Plan to the contrary, that would otherwise limit a "Distributee's" election hereunder, a Distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an "Eligible Rollover Distribution" paid directly to an "Eligible

Retirement Plan" specified by the Distributee in a Direct Rollover.

- (b) For purposes of this Section, the terms set forth below shall have the following meanings:
- (1) **Eligible Rollover Distribution.** An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: 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, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9); and the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).
 - (2) **Eligible Retirement Plan.** An Eligible Retirement Plan is an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), an annuity plan described in Code Section 403(a), or a qualified trust described in Code Section 401(a), that accepts the Distributee's Eligible Rollover Distribution. An Eligible Retirement Plan shall also mean an annuity contract described in Code Section 403(b) and eligible plan under Code Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving Spouse, or to a Spouse or former Spouse who is the alternate payee under a qualified domestic relation order, as defined in Code Section 414(p). However, in the case of an Eligible Rollover Distribution to the surviving Spouse, an Eligible Retirement Plan is an individual retirement account or individual retirement annuity.
 - (3) **Distributee.** A Distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving Spouse and the Employee's former Spouse who is the alternate payee under a qualified domestic relations order, as defined in Code Section 414(p), are Distributee's with regard to the interest of the Spouse or former Spouse.
 - (4) **Direct Rollover.** A Direct Rollover is a payment by the Plan to the

Eligible Retirement Plan specified by the Distributee. For distributions made after June 30, 2010, a Participant or Beneficiary may elect to roll over directly an Eligible Rollover Distribution to a Roth IRA described in Code Section 408A(b).

- (5) For distributions after December 31, 2009, a non-Spouse Beneficiary who is a “designated beneficiary” under Code Section 401(a)(9)(E) and the regulations thereunder, by a direct trustee-to-trustee transfer (“direct rollover”), may roll over all or any portion of his/her distribution to an individual retirement account the beneficiary establishes for purposes of receiving the distribution. In order to be able to roll over the distribution, the distribution otherwise must satisfy the definition of an eligible rollover distribution.

Although a non-Spouse Beneficiary may roll over directly a distribution as provided above, the distribution is not subject to the direct rollover requirements of Code Section 401(a)(31) (including the automatic rollover provisions of Code Section 401(a)(31)(B)), the notice requirements of Code Section 402(f) or the mandatory withholding requirements of Code Section 3405(c). If a non-Spouse beneficiary receives a distribution from the Plan, the distribution is not eligible for a “60-day” rollover.

If the Participant’s named beneficiary is a trust, the Plan may make a direct rollover to an individual retirement account on behalf of the trust, provided the trust satisfies the requirements to be a designated beneficiary within the meaning of Code Section 401(a)(9)(E).

A non-Spouse Beneficiary may not roll over an amount which is a required minimum distribution, as determined under applicable Treasury regulations and other Revenue Service guidance. If the participant dies before his/her required beginning date and the non-Spouse Beneficiary rolls over to an IRA the maximum amount eligible for rollover, the Beneficiary may elect to use either the 5-year rule or the life expectancy rule, pursuant to Treas. Reg. Section 1.401(a)(9)-3, A-4(c), in determining the required minimum distributions from the IRA that receives the non-Spouse Beneficiary’s distribution.

ARTICLE VI – RIGHTS AND DUTIES OF PARTICIPANTS AND BENEFICIARIES

6.1 Participants To Furnish Required Information. Each Participant shall furnish to the Plan Administrator such information as the Plan Administrator considers necessary or desirable for purposes of administering the Plan, and the provisions of the Plan respecting any payments thereunder are conditional upon the Participant's furnishing promptly such true, full and complete information as the Plan Administrator may request.

Each Participant will submit proof of his age and that of his Spouse or Qualified Domestic Partner to the Plan Administrator at such time as required by the Plan Administrator. The Plan Administrator will, if such proof of age is not submitted as required, use as conclusive evidence thereof, such information as is deemed by it to be reliable, regardless of the source of such information. Any adjustment required by reason of lack of proof or the misstatement of the age of any person entitled to benefits hereunder, by the Participant or otherwise, will be in such manner as the Plan Administrator deems equitable. Any notice or information which, according to the terms of the Plan or the rules of the Plan Administrator must be filed with the Plan Administrator, shall be deemed so filed if addressed and either delivered in person or mailed to the Plan Administrator.

As a condition to receiving monthly benefits under the Plan, each Participant, Beneficiary, surviving Qualified Domestic Partner and surviving Spouse (collectively "Recipient") shall comply with an annual verification process established by the Trustees to confirm the Recipient's entitlement to benefits. Each Recipient shall be required to submit such information as the Plan Administrator requires, on form(s) to be provided by the Plan Administrator. Such form(s) may require a Recipient to supply their current address, phone number, social security number, and birth date information, to acknowledge their personal receipt of prior payments, and notarization. Pursuant to such policies and procedures established by the Trustees, the failure to return the annual verification form to the Plan Administrator after reasonable notice will result in the suspension of payment of benefits until such time as the Recipient complies with the requirements of such procedures.

6.2 Beneficiaries. Each Participant shall designate a Beneficiary to receive the benefits, if any, payable under the Plan in the event of his death, and may change such designation from time to time. Each such change shall revoke all prior designations by the same Participant. Each such designation shall be made in writing on a form provided for that purpose and shall be effective only if filed with the Plan Administrator. In each such designation, the Participant shall name a primary Beneficiary and may name a contingent Beneficiary. The designation of a Beneficiary who is not the Spouse to whom the Participant is married or the Qualified Domestic Partner to whom the Plan Administrator has acknowledged as such prior to the time of his or her death shall not be effective unless prior to the Participant's death, such Spouse or Qualified Domestic Partner consented to and acknowledged the effect of the Participant's designation of a

specific non-Spouse Beneficiary on a written form approved by the Plan Administrator and witnessed by a notary public.

The marriage of a Participant shall be deemed to revoke any prior designation of Beneficiary or Beneficiaries made by him and shall cause the Participant's Spouse to be the Participant's sole Beneficiary. The qualification of a Domestic Partner under Section 2.28, shall be deemed to revoke any prior designation of Beneficiary or Beneficiaries made by the Participant prior to the qualification of the Domestic Partner and shall cause the Participant's Qualified Domestic Partner to be the Participant's sole Beneficiary. The divorce of a Participant shall be deemed to revoke any rights of the divorced Spouse to receive benefits under the Plan (whether designated as a Beneficiary or not). The dissolution of status of a Qualified Domestic Partner shall be deemed to revoke any rights of the former Qualified Domestic Partner to receive benefits under the Plan (whether designated as a Beneficiary or not). Any such revocations shall be effective with regard to any benefits in the Plan as of the date written notice of such marriage, divorce or dissolution of Qualified Domestic Partner status is timely received by the Plan Administrator. Under no circumstances shall a revocation be effective for any benefits that were paid by the Plan, in accordance with its terms, prior to receipt of revocation.

A Beneficiary does not have the right to designate a subsequent beneficiary to receive the benefits that the Beneficiary would have received if the Beneficiary had survived the Participant. If there is no valid designation of the Participant in effect, or if no Beneficiary designated by the Participant survives him, the Plan Administrator shall make payment of any such benefit to the estate of the deceased Participant.

6.3 Participants' Rights. No Participant or other person shall have any interest in or any rights in or to any asset of the Plan or Trust, except to the extent expressly provided in the Plan. Neither the CHA, nor any of its officers or employees, the Trustees, or Plan Administrator, guarantee in any manner the payment of benefits hereunder.

6.4 Benefits Not Assignable. The rights or benefits of any Participant, Qualified Domestic Partner or Beneficiary under the Plan or Trust Fund or in any distribution thereunder shall not be subject to the claims of any creditor (other than the Trust Fund itself), any spouse for alimony or support, or to alienation, assignment or transfer, voluntarily or involuntarily, by operation of law or otherwise, except as may be expressly permitted herein. No Participant shall assign, transfer, encumber or dispose of such right nor shall any such right be subjected to attachment, execution, garnishment, sequestration, or other legal or equitable process.

Notwithstanding the above, the Plan shall comply with a Qualified Domestic Relations Order ("QDRO").

A QDRO is a judgment, decree or order (including approval of a property settlement agreement) made pursuant to a state domestic relations law (including community property law) that 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 ("Alternate Payee") and which:

- (a) creates or recognizes the existence of an Alternate Payee's right to, or assigns to an Alternate Payee the right to, receive all or a portion of the benefits payable to a Participant under this Plan; and
- (b) specifies (1) the name and last known mailing address (if any) of the Participant and each Alternate Payee covered by the order, (2) the amount or percentage of the Participant's Plan benefits to be paid to any Alternate Payee, or the manner in which such amount or percentage is to be determined and (3) the number of payments or the period to which the order applies and each plan to which the order relates; and
- (c) does not require the Plan to
 - (1) provide any type or form of benefit or any option not otherwise provided under the Plan,
 - (2) pay any benefits to any Alternate Payee prior to the earliest age that the affected Participant could have received a Pension under the Plan (whether for reason of disability or other termination of employment), except that the fact that the Participant may not have terminated his employment shall be disregarded,
 - (3) provide increased benefits, or
 - (4) pay benefits to an Alternate Payee that are required to be paid to another Alternate Payee under a prior QDRO.

For purposes of this Plan, an Alternate Payee who had been married to the Participant for at least one year may be treated as a surviving Spouse with respect to the portion of the Participant's benefit in which such Alternate Payee has an interest provided that the QDRO provides for such treatment.

However, under no circumstances may the Spouse of any Alternate Payee (who is not a Participant hereunder) be treated as a Spouse under the terms of the Plan.

Upon receipt of any judgment, decree or order (including approval of a property settlement agreement) relating to the provision of payment by the Plan to an Alternate Payee pursuant to a state domestic relations law, the Trustees shall promptly notify the affected Participant and any Alternate Payee of the receipt of such judgment, decree or order and shall notify the affected Participant and any Alternate Payee of the procedure for determining whether or not the judgment, decree or order is a QDRO.

The Trustees shall establish a procedure to determine the status of a judgment, decree or order as a QDRO and to administer Plan distributions in accordance with

QDROs. Such procedure shall be in writing, shall include a provision specifying the notification requirements enumerated in the preceding paragraph, shall permit an Alternate Payee to designate a representative for receipt of communications from the Trustees and shall include such other provisions as the Trustees shall determine, including provisions required under regulations promulgated by the Secretary of the Treasury.

Effective April 6, 2007, a domestic relations order that otherwise satisfies the requirements for a QDRO will 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 Annuity Starting Date or after the Participant's death. A domestic relations order described in the prior sentence is subject to the same requirements and protections that apply to QDROs.

6.5 Conditions Of Employment Not Affected By Plan. The establishment and maintenance of the Plan will not be construed as conferring any legal rights upon any employee or Participant to the continuation of his employment with the CHA, nor will the Plan interfere with the right of the CHA to discharge any employee or Participant.

6.6 Participant Rights And Claim Procedures.

- (a) Regular Reports and Disclosure Requirements. Each Participant in the Plan and each Beneficiary receiving benefits under the Plan shall receive a summary of Plan provisions and such other information as may be required by applicable law.
- (b) Information Generally Available. The Plan Administrator shall make copies of the Plan, a summary of its provisions, and other instruments under which the Plan was established or is operated available for examination by any Participant or Beneficiary at the principal office of the Plan Administrator and such other locations as may be necessary to make such information reasonably accessible to all interested parties. Subject to a reasonable charge to defray the cost of furnishing such copies, the Plan Administrator shall, upon the written request of any Participant or Beneficiary, furnish a copy of any of the above documents to the requesting party.
- (c) Benefit Statements. Upon the written request of a Participant or Beneficiary, the Plan Administrator shall provide such Participant or Beneficiary with a written statement indicating the amount of the Participant's Accrued Benefit, and the vested Accrued Benefit to which the Participant is entitled. Such statement shall be based on the latest information available and shall be provided no later than, the later of sixty (60) days after receipt of the request or one hundred twenty (120) days after the end of the Plan Year which immediately precedes the Plan Year in which the request is made (unless circumstances beyond the control of the Plan Administrator dictate otherwise in which case such information will be provided as soon as

reasonably practicable). The Plan Administrator shall not be required to furnish upon request more than one such benefit statement during any twelve (12) month period.

- (d) Claim Procedure. Any Participant or Beneficiary who believes they are entitled to a benefit for which provision is made in the Plan, shall file a written claim with the Plan Administrator and shall furnish such evidence of entitlement to benefits as the Plan Administrator may reasonably require. The Plan Administrator shall notify the Participant or Beneficiary, in writing, as to the amount of Accrued Benefit to which such person is entitled, if any, the duration of such benefit, the time the benefit is to commence and other pertinent information concerning the benefit. If a claim for benefit is denied by the Plan Administrator, in whole or in part, the Plan Administrator shall provide adequate notice in writing to the Participant or Beneficiary whose claim for benefit has been denied within a period of ninety (90) days following receipt of the claim by the Administrator. If, under special circumstances, the Plan Administrator requires an extension of time for processing the claim, written notice of the extension may be furnished to the claimant prior to the termination of the initial ninety (90) day period. In no event shall such extension exceed a period of ninety (90) days from the end of such initial period. If written notice of the denial is not furnished in accordance with the above, the claim shall be deemed denied and the claimant may proceed with an appeal of the denial, as provided below. The written notice, if any, regarding the benefit denied shall set forth (a) the specific reason or reasons for the denial; (b) specific reference to pertinent Plan provisions on which the denial is based; (c) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and (d) a statement that any appeal of the denial must be made in writing to the Plan Administrator, within sixty (60) days after receipt of the notice, and include a full description of the pertinent issues and the basis of the appeal. If the Participant or Beneficiary fails to appeal such action to the Plan Administrator in writing within the prescribed period of time, the Plan Administrator's determination shall be final, binding and conclusive.
- (e) Appeal of Denial of Claim. If the Plan Administrator receives from a Participant or a Beneficiary, within the prescribed period of time, a notice of an appeal of the denial of a claim for benefit, such notice shall be submitted to the Board of Trustees. The Board of Trustees or a committee it may appoint may hold a hearing or otherwise ascertain such facts as it deems necessary and shall render a decision which shall be binding upon both parties. The decision of the Board of Trustees shall be in writing and a copy thereof shall be sent to each party within sixty (60) days after the receipt by the Plan Administrator of the notice of appeal, unless special circumstances require a reasonable extension of such sixty (60) day period, but in any event, not later than one hundred twenty (120) days after such receipt. If

written notice of the denial on appeal of a claim for benefits is not received within the sixty (60) or one hundred twenty (120) day period, as applicable, then the claim shall be treated as a claim denied on appeal.

ARTICLE VII – ADMINISTRATION

7.1 Plan Administrator. The Plan Administrator shall act in accordance with the express terms and conditions hereof.

7.2 Resignation and Removal; Appointment of Successor. The Plan Administrator may resign at any time by delivering to the Board of Trustees a written notice of resignation, to take effect at a date specified therein, which shall not be less than thirty (30) days after the delivery thereof. The Plan Administrator may be removed by the Board of Trustees, with or without cause, by the Board's tendering to the Plan Administrator written notice of removal to take effect at a date which shall be specified therein and shall not be less than thirty (30) days after delivery thereof, except where removal is for cause (as determined by the Board of Trustees). Upon receipt of such notice of resignation or upon tendering such notice of removal, the Board may designate a successor. In the event the Board fails to designate a successor, the CHA shall act as the Plan Administrator until a successor Plan Administrator has been appointed and has accepted such an appointment.

7.3 Duties and Responsibilities. The primary responsibility of the Plan Administrator is to administer the Plan for the exclusive benefit of the Participants and their Beneficiaries, subject to the specific terms of the Plan, under the control and direction of the Board of Trustees. The Plan Administrator shall administer the Plan and shall construe and determine all questions of interpretation or policy in a manner consistent with the Plan and, except as provided in Section 6.6(e), its construction or determination in good faith shall be final and conclusive. The Plan Administrator may correct any defect, supply any omission, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan; provided, however, that any interpretation or construction shall be done in a nondiscriminatory manner and shall be consistent with the intent that the Plan shall continue to be deemed a qualified plan pursuant to the Code. The Plan Administrator shall have all powers necessary or appropriate to accomplish its duties under the Plan, including but not limited to:

- (a) The duties of the Plan Administrator regarding the general administration of the Plan shall include, but shall not be limited to the following:
 - (1) to determine all questions relating to the eligibility of Employees to participate in the Plan or remain a Participant thereunder;
 - (2) to obtain from the CHA and the Employees such information as shall be necessary for the proper administration of the Plan;
 - (3) to determine the amount, manner and time of payment of benefits under the Plan and to direct the Trustees with respect to the distribution of Plan assets to Participants and Beneficiaries;

- (4) to maintain accurate and detailed records and accounts of Participants and of their rights hereunder and of all investments, receipts, disbursements, transfers and other transactions concerning Plan assets. Such accounts, books and records relating thereto will be open at all reasonable times to inspection and audit by the Trustees and by persons designated thereby; and to do such other acts reasonably required to administer the Plan in accordance with its provisions or as may be provided for or required by law.
- (b) The Plan Administrator must furnish to each Participant and to each Beneficiary who is entitled to receive benefits under the Plan, such information and reports as required by law or by the terms of the Plan.

7.4 Plan Actuary. The Plan's actuary will provide such actuarial and advisory services as the Board of Trustees may request, including analysis of the experience of the Plan from time to time, the preparation of actuarial tables for the making of computations thereunder and such other information as may be requested by the Trustees. The actuary, who shall be appointed by the Trustees to serve for as long as it is agreeable to the Trustees and the actuary, will be a consultant who is, or a consulting organization which has on its staff, a Fellow of the Society of Actuaries.

ARTICLE VIII – FUNDING OF TRUST

8.1 Funding Policy. The Plan has been established for the sole purpose of providing benefits to Participants and their Beneficiaries. In determining its investments hereunder, the Trustees shall take account of the advice provided by the Plan Administrator as to funding policy and the short and long range needs of the Plan based on the evident and probable requirements of the Plan as to the time benefits shall be payable and the requirements thereof. Benefits may be provided through any combination of investment media designed to provide the requisite liquidity, growth and security appropriate to the Plan.

8.2 Contributions.

- (a) Employer Contributions. The CHA shall contribute to the Plan an amount determined using sound actuarial assumptions in accordance with the report of the actuaries for the Plan but in no case will the contribution for each Plan Year be less than the greater of (a) five percent (5 %) of the Compensation of Participants during such Plan Year, or (b) the minimum amount actuarially determined as necessary to support the benefits under the Plan as determined by the actuaries for the Plan.
- (b) Participant Contributions. Effective the first payroll period ending on or after July 1, 2024, each Participant employed by the CHA shall contribute to the Plan an amount equal to three percent (3.0%) of their Compensation. Participant Contributions shall be made by means of payroll deduction on each pay date. The CHA shall remit all Participant Contributions, including Contributions required to be made pursuant to a salary reduction agreement authorized by Section 2.7(d), to the Plan no later than the 15th business day of the month following the month in which the Participant Contributions amounts would otherwise have been payable to the Participant.

Any person or entity in possession of Participant Contributions after the date they are due to be remitted to the Plan shall be deemed to be in possession of Plan assets and therefore a fiduciary with respect to those assets.

- (c) One-time Optional Contribution. A Participant who is employed by CHA on or after July 1, 2024, and has attained at least fifty-five (55) years of age with at least ten (10) years of Continuous Service, may qualify for a retirement benefit under Section 3.1(b)(1)(B) by making a one-time lump-sum contribution on or before June 30, 2026. The contribution required by this section shall be an amount equal to the value of all Participant Contributions, including projected increases to Compensation, the Participant would be required to make between July 1, 2024, and June 30, 2026, as determined by the Plan actuary, minus all Participant Contributions actually received by the Plan for such Participant prior to the date the Participant makes the one-time optional contribution.

- (d) No Participant shall have any right to withdraw any contributions previously made by him or by the CHA so long as he remains in the Continuous Service of the CHA.

8.3 No Reversion to Employer. The CHA shall have no right, title or interest in the assets of the Trust Fund or in any part thereof, and no contributions made thereto shall revert to the CHA, except such part of the assets of the Trust Fund, if any, which remains therein after the satisfaction of all liabilities to persons entitled to benefits under the Plan, as described in Section 15.4 hereof.

8.4 Trust Fund Assets. The Trust Fund shall consist of (i) contributions by Participants in accordance with the Plan, (ii) contributions by the CHA under the Plan and (iii) assets purchased by the Trustees, together with earnings and increases in value less disbursements therefrom and decreases in value. No assets shall be transferred out of the Trust Fund without the prior written consent of the Trustees.

8.5 Form of Contributions. The Trustees shall receive any contributions paid to the Trust Fund in cash or in the form of such other property as may be permitted by the Plan or as the Trustees may from time to time deem acceptable and which shall be delivered to them. The Trustees shall be under no duty to require payment of any contributions to the Trust Fund, to inquire into the source of any funds or property transferred to the Trust Fund, to see that any payment made to the Trust Fund is computed in accordance with the provisions of the Plan, or otherwise be responsible for the adequacy of the Trust Fund to meet and discharge any liabilities under the Plan.

8.6 Contribution Schedule. Each contribution or deposit that is delivered to the Trust Fund shall be accompanied by a written schedule prepared by the CHA showing the period and calculations upon which the contribution or deposit is being made.

ARTICLE IX - TRUSTEES

9.1 Members of Board of Trustees. The Board of Trustees shall consist of nine (9) members as follows:

- (a) The Chairperson of the CHA or a person appointed in his or her place by the Chairperson.
- (b) The Chief Executive Officer of the CHA or a person appointed in his or her place by the Chief Executive Officer.
- (c) The Chief Financial Officer of the CHA.
- (d) The Chairperson of the CHA shall appoint an additional person as Trustee.
- (e) The Chief Executive Officer of the CHA shall appoint an additional person as Trustee who shall be employed with the CHA in a position below that of Director.
- (f) The Chief Legal Officer of the CHA or a person appointed in his or her place by the Chief Legal Officer.
- (g) The employee who is in charge of Human Resources at the CHA.
- (h) The unions whose members are Employees of the CHA which participate in the Plan shall be entitled to appoint one union member who is an active Employee of the CHA or of the union as a Trustee, provided that if no Trustee is appointed within the first four (4) months of the first calendar year of the two year term, then the Trustee who is the Chairperson of the CHA shall appoint a Trustee to fill this position for the remainder of the term.
- (i) The designated representative of an organization of retired Employees of the CHA who participates in the Plan and receives benefits from the Trust Fund or an annuity contract issued to him or her by the Trust, shall serve as Trustee, provided that said organization has been recognized as such by the CHA, and provided further that if no designated representative is appointed as Trustee within the first four (4) months of the first calendar year of the two year term, then the Trustee who is the Chairperson of the CHA shall appoint a Trustee to fill this position for the remainder of the term.

Each appointment hereunder shall be made in a written instrument delivered to the Board.

9.2 Term. Each Trustee shall serve for a two year term with the exception of the Trustee under Section 9.1(e), who shall serve a one year term. Trustees serving under Section 9.1(a), (c), (f) and (i) shall have terms ending December 31, 2017 and each odd

numbered year thereafter. Trustees serving under Section 9.1(b), (d), (g) and (h) shall have terms ending December 31, 2018 and each even numbered year thereafter.

9.3 Qualifications. Each person appointed shall become a Trustee upon being sworn into office at the next meeting following his or her appointment and having read and signed the Code of Conduct-Ethics Policy. Such oath and Code of Conduct-Ethics Policy shall be in the form established by the Board of Trustees and shall require each Trustee to comply with his or her fiduciary obligations.

9.4 Succession. Each person serving as Trustee may be reappointed to serve one or more additional terms.

9.5 Officers. At the first regular meeting of each calendar year, and at such other times as it may find necessary, the Board of Trustees shall designate a member of the Board to act as Chairperson for the succeeding year, a second member of the Board to act as its Vice Chairperson for the year, and third member of the Board to act as its Secretary for the year. The Board of Trustees shall also appoint an individual to act as Plan Administrator (who need not be a member of the Board of Trustees).

- (a) The Chairperson shall be the chief executive officer of the Board; shall preside at all meetings; shall appoint the chairs and members of all special committees and shall be an ex-officio member of the special committees. The Trustees who are the Chairperson and the Chief Financial Officer of the CHA shall sign all contracts and agreements upon authorization of the Board.
- (b) The Vice-Chairperson shall serve as the presiding officer at all meetings in the absence of the Chairperson. If a vacancy occurs in the office of Chairperson, the Vice-Chairperson shall act as Chairperson until the election of a successor. In the absence of the Chairperson, the Vice-Chairperson shall appoint the chairs and members of all special committees. The Vice-Chairperson shall perform such other duties as the Board may assign.
- (c) The Secretary shall ensure that there is a record of the proceedings of each Board meeting and shall provide copies to the Trustees. The Secretary shall cause to be published proper and timely notices of all Board meetings. The Secretary shall authenticate any Board resolutions and shall perform such other duties as the Board may assign.

9.6 Meetings.

- (a) Meetings Open to Public. Board meetings and any other meetings in which a majority of Trustees are present and discussing Board business shall be open to the public in accordance with the Open Meetings Act.

- (b) Regular Meetings. The Board of Trustees shall meet at least twice per year and shall give public notice of its schedule of regular meetings at the beginning of each calendar or fiscal year. All meetings shall be held at specified times and places which are convenient and open to the public. Public notice of any rescheduled regular meeting shall be given at least 48 hours before such meeting, which notice shall also include the agenda for the rescheduled regular meeting.
- (c) Special Meetings and Notice. Special meetings of the Board may be called by the Chairperson or by written action of a majority of the Trustees, given by personal delivery, electronic mail or facsimile to the business and/or e-mail address of each Trustee as shown in the records of the Board of Trustees. Public notice of any special meeting except a meeting held in the event of a bona fide emergency shall be given at least 48 hours before such meeting, which notice shall also include the agenda for the special meeting.
- (d) Due Diligence Meetings. At least annually, there shall be periodic meetings for the purpose of a due diligence review of each Investment Manager. A regular meeting may include due diligence reviews. A subcommittee may also be created for the purpose of conducting due diligence reviews. The subcommittee shall report to the full Board of Trustees at the Board meeting following the subcommittee meeting.
- (e) Quorum. A majority of the Trustees who have taken the oath of office established pursuant Section 9.3 must be physically present at each Trustees' meeting to establish quorum and for any business to be transacted. Quorum shall be constituted based upon the number of members of the Board of Trustees as set forth below. In no event shall a quorum consist of less than three Trustees.

<u>Number of Sworn Trustees</u>	<u>Number needed for Quorum</u>
Nine	Five
Eight	Five
Seven	Four
Six	Four
Five	Three
Four	Three
Three	Three
One or Two	Cannot be a quorum

- (f) Attendance by Other Than Physical Presence. If a quorum of the members of the Board of Trustees is physically present at a meeting, a majority of the Board of Trustees may allow a Trustee to attend the meeting via video or audio conference if the Trustee is prevented from physically attending because of: (i) personal illness or disability; (ii) employment purposes or

the business of the public body; (iii) a family or other emergency; or (iv) unexpected childcare obligations. The absentee Trustee must notify the Recording Secretary or his/her assistant before the meeting unless advance notice is impractical. A Trustee who is not physically present at a meeting and who is allowed to participate via video or audio conferencing shall not be considered present for purposes of a quorum, but shall be considered in attendance for all other purposes and allowed to vote on matters before the Board.

Pursuant to Section 7(e) of the Open Meetings Act, 5 ILCS 120/7(e), an open or closed Board meeting may be conducted by audio or video conference, without the physical presence of a quorum of the Board, so long as the requirements of Section 7(e)(1)-(10) of the Open Meetings Act are followed.

- (g) Action. Action may be taken by the vote of a majority of Trustees in attendance at a meeting where a quorum is present. In the event of any vote which is evenly divided, the Chairperson (if present and eligible under this ARTICLE to vote on such matter, and, if not, the Vice Chairperson) shall cast the deciding vote.
- (h) Roll Calls. On all motions or resolutions required by law or involving an expenditure of money or the creation of a liability greater than \$10,000, the vote of each Trustee on the motion or resolution shall be recorded in the minutes of the meeting. On any other motion or resolution, such record shall be made at the request of any Trustee in attendance.
- (i) Recusal for Interest. The Board of Trustees shall direct that a Trustee be excluded from discussion and vote upon any contract or matter in which the Board determines that
 - (1) such Trustee has or may have a conflict of interest, or
 - (2) such Trustee's participation in consideration of such matter may give rise to an appearance of impropriety.
- (j) Voting. Each Trustee shall have one vote on any question coming before the Board at any meeting at which the Trustee is in attendance. The adoption of a main motion shall require the concurring affirmative votes of a majority of those in attendance and voting (not abstaining). An abstention shall be considered a non-vote and Trustees abstaining shall not be counted when determining the majority required for adoption of a main motion or resolution.
- (k) Rules and Procedures. The Board of Trustees shall establish such rules and procedures as are necessary and appropriate to carry on its

responsibilities.

9.7 Bonding. Each Trustee shall be bonded to the extent such protection is available at a cost which is reasonable under the circumstances, as determined in the sole discretion of the CHA.

9.8 Committees. The Board of Trustees may appoint such committees as it may find useful to carry out its duties and responsibilities. In any resolution establishing a committee the Board of Trustees shall appoint a number of Trustees to serve as members of the committee and such other persons as are desired, designate a chairperson, set forth its specific purpose and responsibilities, and establish what rules of procedure shall govern its activities. Each committee shall have authority solely to study and review their assigned subject(s) and make recommendations to the full Board of Trustees.

9.9 Resignation and Removal.

- (a) Each Trustee may resign at any time by written notice to the CHA subject to the provisions of Section 9.1 hereof. The resignation shall be effective ten (10) business days after the date of the Trustee's delivery of notice to the Board, unless the Board of Trustees waives such ten (10) business day notice requirement. Each Trustee may be removed for cause, as determined by the Board of Trustees (acting pursuant to Section 9.6(g) at a meeting without participation by the person subject to a claim of cause).
- (b) In the case of the resignation or removal of a Trustee, a successor Trustee shall be appointed by the party or parties authorized to do so under the provisions of Section 9.1 hereof by delivery to the Trustees of a written instrument appointing a successor Trustee who accepts such appointment in writing and is sworn into office under Section 9.3.
- (c) The successor Trustees (individually and collectively), shall have all the powers given to their predecessors. No successor Trustees shall be personally liable for any act or omission of any predecessor Trustee. The receipt of the successor Trustee and the approval of such Trustee's final account by the CHA in the manner provided in ARTICLE XIII, shall constitute a full and complete discharge to such Trustee.

ARTICLE X – POWERS OF TRUSTEES

10.1 Investment Guidelines. The Trust Fund shall be invested by the Trustees in accordance with investment guidelines which the Trustees shall establish and maintain in writing and provide to each Investment Manager.

10.2 Powers of Board of Trustees. Subject to the provisions of ARTICLE XII and Section 13.1 hereof, and investment guidelines which it establishes, the Board of Trustees shall have exclusive authority and discretion to hold, manage, care for and protect the Trust Fund and shall have the following powers and discretion in addition to those conferred by law, but only to the extent such powers and discretion are consistent with applicable law:

(a) To invest and reinvest the principal and income of the Trust Fund, without distinction between principal and income, in such securities or in such property, real or personal, tangible or intangible, or part interest in property, wherever situated, whether or not productive of income, or consisting of wasting assets, as the Trustees deem proper, including but not limited to stocks, common or preferred, trust and participation certificates, interests in investment companies, leaseholds, fee titles, beneficial interests in any trusts, equipment trust certificates, bonds, debentures, notes, mortgages and other evidences of indebtedness or ownership irrespective of whether such securities or such property are of the character authorized by any state law from time to time for trust investments;

(b) To hold a reasonable portion of the Trust Fund (i) in cash pending investment or for the payment of expenses and benefits, for a reasonable time (without liability for interest), (ii) in obligations issued or fully guaranteed as to payment of principal or interest by the U.S. Government, (iii) in commercial paper, (iv) in variable amount demand notes or (v) in accounts (bearing a reasonable rate of interest) of a bank acting as a fiduciary would with respect to the Plan assets that it holds or invests;

(c) To cause any securities or other property, real or personal, belonging to the Trust Fund to be deposited with any depository and to be held or registered in the Trustees' name or in the name of a nominee or in such other form as the Trustees deem best; but the books and records of the Trustees shall at all times show that all such investments are part of the Trust Fund;

(d) To vote, either in person or by general or limited proxy, or refrain from voting, any corporate securities for any purpose; to exercise or sell any option, subscription or conversion rights; to consent to or join in any voting trust, reorganization, consolidation, merger, foreclosure or liquidation, and in that connection to deposit securities with or under the direction of any protective committee; and to accept and hold any securities or other property received through the exercise of any of the foregoing powers;

(e) To lease or grant options to lease the Trust Fund property for any period of

time even though commencing in the future and even though extending beyond the term of the Agreement;

(f) To borrow money, extend or renew any existing indebtedness and mortgage or pledge any property in the Trust Fund (although no mortgagee shall be obliged to see to the application of any mortgage money), but only after prior written notice to the CHA except in the case of temporary overdrafts;

(g) To convey, assign, transfer, exchange, partition, grant options with respect to, sell at a public or private sale or otherwise dispose of any or all of the Trust Fund and any reinvestments from time to time for such price and upon such terms as the Trustees see fit; no purchaser shall be obliged to see to the application of any purchase money or to inquire into the validity, expediency or propriety of any sale or other disposition;

(h) To employ and delegate any powers granted under this Agreement to agents, attorneys, accountants, brokers, and employees, and to pay their reasonable compensation and expenses except that the Trustees may not delegate its responsibilities as to the management or control of the assets of the Trust Fund;

(i) To settle, compromise, contest, prosecute or abandon claims in favor of or against the Trust Fund;

(j) To pay any estate, inheritance, income or other tax, charge or assessment that the Trustees may be required to pay out of the Trust Fund for the account of the person whose interests under this Agreement may be liable for such tax, subject to the provisions of Section 401(a)(13) of the Code;

(k) To perform any and all other acts necessary or appropriate for the proper administration of the Trust Fund and, in the exercise of any power or discretion, to execute and deliver all proper and necessary instruments and give full receipts and discharges;

(l) To purchase, enter, sell, hold, and generally deal in any manner in and with contracts for the immediate or future delivery of financial instruments or of any other property; to grant, purchase, sell, exercise, permit to expire, permit to be held in escrow, and otherwise to acquire, dispose of, hold and generally deal in any manner with and in all forms of options in any combination; and in connection with its exercise of the powers hereinbefore granted, to retain any form of securities or other property received as a result of the exercise of any of the foregoing powers which property may consist of or maybe invested in securities or other property of different types of the securities held by it hereunder, whether or not investment in such securities or other property is otherwise authorized under this Agreement;

(m) To ratify the benefits approved between Trustees' meetings by the Chairperson, or his or her designee, and the Chief Legal Officer of the CHA, in their capacity as Trustees, to Participants and/or designated beneficiary(ies); and

(n) To consult with counsel, who may be counsel for the CHA, or independent counsel selected by the Trustees, with respect to any of their duties and obligations under this Agreement, and shall be fully protected in acting or refraining from acting in accordance with the written advice of such counsel.

10.3 Insurance Policies. The Trustees may acquire and maintain policies and contracts with any legal life insurance company licensed as such under the laws of more than one state in a separate Insurance Contracts Account in accordance with the following terms:

(a) The Trustees shall execute the application for any Insurance Contract to be applied for under the Plan;

(b) The Trustees shall be the absolute owner of all Insurance Contracts which shall be held in the Trust Fund;

(c) The Trustees shall pay from the Trust Fund premiums, assessments, dues, charges and interest to acquire or maintain any Insurance Contracts held in the Trust Fund. If the cash available in the Trust Fund is not sufficient to pay all of the sums with respect to the Insurance Contracts, the Trustees shall immediately notify the CHA of the amount of deficiency; the Trustees shall be under no duty or obligation to make any such payments unless and until the Trustees shall be in possession of a contribution from the CHA or other cash to use for that purpose;

(d) The Trustees shall be empowered, without the consent of any other person, to collect and receive all dividends or other payments of any kind payable with respect to, under, or arising out of, any Insurance Contracts held in the Trust Fund or to leave the same with the issuing insurance company; to convert from one form of Insurance Contract to any other form of Insurance Contract; to change the person or persons designated in any Insurance Contract to receive the proceeds; to designate any mode of settlement of the proceeds of any Insurance Contract held in the Trust Fund; to sell or assign any Insurance Contract held in the Trust Fund; to surrender for cash any Insurance Contract held in the Trust Fund; to borrow sums of money from the issuing insurance company upon any Insurance Contract or Insurance Contracts issued by it and held in the Trust fund, provided that the Trustees shall borrow such sums only in respect of all Insurance Contracts for the time being held in the Trust Fund, and upon a pro rata and uniform basis; to agree with the insurance company issuing any Insurance Contract to any release, reduction, modification or amendment thereof; and, without limitation of any of the foregoing, to exercise any and all of the rights, options or privileges that belong to the absolute owner of any Insurance Contracts held in the Trust Fund or that are granted by the terms of any such Insurance Contracts or of this Agreement.

(e) The Trustees shall, pursuant to the terms of this Agreement, hold in the Trust Fund all payments of any kind received with respect to any Insurance Contract held in the Trust Fund, whether as a result of a sale, assignment, surrender or otherwise;

(f) The Trustees shall execute all necessary receipts and releases to any insurance company issuing any Insurance Contract or Insurance Contracts held in the Trust Fund and, shall deliver same when the proceeds of any Insurance Contract held in the Trust Fund have become payable, and in connection therewith shall make reasonable efforts to collect such sums as may appear to be due; but the Trustees shall have no duty to begin or maintain any action, suit or other legal or equitable proceeding to collect the proceeds of any Insurance Contract unless the Trustees are first in possession of funds sufficient for the purpose or unless they have been indemnified by the CHA to their satisfaction for their counsel fees, costs, disbursements and all other expenses and liabilities to which it in its judgment may be subjected as a consequence of beginning or maintaining any such action, suit or other legal or equitable proceeding. The Trustees may use the proceeds of any Insurance Contract held in the Trust Fund to defray expenses incurred in connection with enforcing payment of that Insurance Contract. The Trustees shall compromise and adjust claims arising out of the Insurance Contracts held in the Trust Fund, upon such terms and conditions as it deems just; and any such compromise shall be binding and conclusive upon all persons interested in the Trust Fund;

(g) To the extent permitted by law, neither the CHA nor the Trustees shall be liable for the refusal of any insurance company to issue, modify or convert any Insurance Contract or Insurance Contracts or to take any other action requested by the Trustees; nor shall they be liable for the form, authenticity, validity, sufficiency or effect of any Insurance Contract or Insurance Contracts held in the Trust Fund, for the act of any person or persons that may render any such Insurance Contract or Insurance Contracts null and void, for the failure of any insurance company to pay the proceeds and avails of any such Insurance Contract or Insurance Contracts as and when the same shall become due and payable, for any delay in payment resulting from any provision contained in any such Insurance Contract, or for the fact that for any reason whatsoever any Insurance Contract shall lapse or otherwise become uncollectible. Notwithstanding any other provision of this Agreement to the contrary, the CHA hereby agrees to indemnify the Trustees and hold them harmless from and against any claim or liability which may be asserted against the Trustees by reason of its acting on any direction from the CHA or failing to act in the absence of any such direction with respect to any Insurance Contract or the acquisition of any Insurance Contract or the exercise or non-exercise of any right or option thereunder.

10.4 Exclusive Purpose. In exercising their powers, the Trustees shall perform all acts within their authority for the exclusive purpose of providing benefits for Participants and their Beneficiaries under the Plan, and shall perform such acts with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. Subject to the terms of the preceding sentence and the other provisions of this Trust, the Trustees shall diversify the investments of the Trust Fund so as to minimize the risk of large losses. The Trustees shall not invest any portion of the Trust Fund in stocks, bonds, notes, debentures or other obligations issued by the CHA or any company affiliated with the CHA nor purchase any

property from or sell any property to the CHA or any company affiliated with the CHA.

10.5 Disallowed Transactions. The Trustees shall not cause the Plan to engage in a transaction concerning the following:

(a) sale or exchange, or leasing, of any property between the Plan and a party in interest including the CHA;

(b) lending of money or other extension of credit between the Plan and a party in interest including the CHA;

(c) furnishing of goods, services, or facilities between the Plan and a party in interest including the CHA;

(d) transfer to, or use by or for the benefit of, a party in interest including the CHA, of any assets of the Plan; or

(e) acquisition, on behalf of the Plan, of any employer security or employer real property. Moreover, no fiduciary who has authority or discretion to control or manage the assets of a plan shall permit the Plan to hold any employer security or employer real property if they know or should have known that holding such security or real property. A transfer of real or personal property by a party in interest to a Plan shall be treated as a sale or exchange if the property is subject to a mortgage or similar lien which the Plan assumes or if it is subject to a mortgage or similar lien which a party in interest placed on the property within the 10-year period ending on the date of the transfer.

The Trustees and other persons who are fiduciaries of the Plan shall not deal with the assets of the Plan in their own interest or for their own account; in their individual or in any other capacity act in any transaction involving the Plan on behalf of a party (or represent a party) whose interests are adverse to the interests of the Plan or the interests of its Participants or Beneficiaries, or receive any consideration for their own personal account from any party dealing with such Plan in connection with a transaction involving the assets of the Plan.

10.6 Trustee's Treatment of Separate Account. The Trustees shall not make any investment review of, consider the holding or selling property of, or vote other than as directed by the Investment Manager, any assets of the Trust Fund allocated to a Separate Account in accordance with ARTICLE XII.

10.7 Trustee Authorization. Any action required to be taken by the Trustees shall be authorized by resolution of the Trustees or by written instrument executed by one or more persons as shall be authorized by resolution of the Trustees to take such action.

10.8 No Additional Power. In no event shall the terms of the Plan, either expressly or by implication, be deemed to impose upon the Trustees any power or responsibility other than those set forth in this Agreement or by applicable law.

10.9 Trustee Expenses. Subject to applicable law, expenses incurred by the Trustees in the administration of the Trust Fund, including but not limited to expenses involved in retaining attorneys, accountants, auditors, actuaries, custodians, investment advisors and pension consultants, and all other proper charges of the Trustees and of their agents shall be paid from the Trust Fund except to the extent that the CHA pays for such items. All taxes of any kind that may be levied or assessed under existing or future laws upon the Trust or the Trust Fund shall be paid from the Trust Fund.

10.10 Trustee Authorization. The Trustees shall have no responsibility for any error or loss that may result by reason of their exercise or non-exercise of fiduciary responsibility or the exercise or non-exercise of any fiduciary responsibility by other persons to whom it is allocated, and the CHA agrees to indemnify the Trustees, the Plan Administrator, their employees, agents and consultants ("Indemnified Persons") from any liability, including without limitation, attorneys' fees and expenses, arising therefrom. Notwithstanding the foregoing, the Indemnified Persons shall not be so indemnified for their own willful misconduct or gross negligence, or if they participate knowingly in, or knowingly undertake to conceal, an act or omission of another fiduciary, having actual knowledge that such act or omission is a breach of a fiduciary duty.

10.11 No Obligation for Other Persons. No person dealing with the Trustees shall be obligated to see to the application of any money paid or property delivered to the Trustees, nor shall any such person be required to know the provisions of this Agreement or the Plan, nor question the Trustees' authority thereunder or compliance therewith, and may rely upon the statement of the Trustees that the Trustees are acting in accordance with this Agreement.

10.12 Reliance on Records. The Trustees and Plan Administrator shall be entitled to rely upon the personnel and other records, documents and information made available to them by the CHA for any and all purposes in performing their duties under the Plan and Trust.

ARTICLE XI – PAYMENTS FROM TRUST FUND

11.1 Distributions. Subject to the limitation in Section 11.4, the Trustees shall make, or cause to be made, distributions from the Trust Fund only to such persons, in such manner, at such times, and in such amounts as determined under the Plan and certified by the Plan Administrator. The Trustees shall be fully protected in making such payments as certified by the Plan Administrator without responsibility to see to their application to the extent permitted by law.

11.2 Liability for Payment. The Trustees shall not be liable for any payment made in good faith without actual notice or knowledge of the change condition or status of any recipient. If any benefit payment is not claimed, the Trustees shall apply the amount of such payment pursuant to Section 5.5. If litigation occurs or is threatened, the Trustees shall not be liable for declining to make payment until a court of competent jurisdiction makes a final adjudication of the matter or an agreement of the parties.

11.3 Compensation. The Trustees shall not be compensated, but they shall be reimbursed from the Trust Fund for all their reasonable costs and expenses.

11.4 No Diversion. Except as provided in the Plan, it shall be impossible at any time before the satisfaction of all liabilities with respect to Participants and their beneficiaries for any part of the Trust Fund to be used for or diverted to purposes other than for the exclusive benefit of the Participants and their Beneficiaries, with further exception that taxes and administrative expenses be paid from the Trust Fund.

11.5 Distributions Made Due to Mistake or Fraud. It is a fraudulent act to provide false information or documentation to establish or continue the eligibility of a person for Plan benefits who is not eligible for Plan benefits. Any such acts may result in a loss of benefits to the Participant or the Participant's Spouse, Qualified Domestic Partner and/or Beneficiary. Each Participant, Spouse, Domestic Partner and Beneficiary is responsible for promptly notifying the Plan Administrator of any changes in their eligibility for benefits under the Plan, no later than the earlier of (i) fifteen (15) days after the event resulting in such change; or (ii) the date upon which an application for benefits is made by the Participant, Spouse, Domestic Partner or Beneficiary. Each Participant, Spouse, Domestic Partner and Beneficiary will be required to return any benefits paid to or on behalf of an ineligible person, plus reasonable attorney fees expended by the Plan in collecting these benefits, provided such ineligible person received a benefit distribution from the Plan based on false or mistaken information provided by such Participant, Spouse, Domestic Partner or Beneficiary. The Plan shall be entitled to recover (by any means of recovery, including but not limited to an offset against future benefits) from any Participant, Spouse, Qualified Domestic Partner and Beneficiary any benefit payments paid to an ineligible person or any benefit payments in excess of that which is provided under the terms of the Plan.

ARTICLE XII – SEPARATE ACCOUNTS AND INVESTMENT MANAGERS

12.1 Establishment of Separate Accounts. The Trustees may direct the establishment of one or more Separate Accounts, together with any other investments of the Trust Fund, and shall designate assets of the Trust Fund to be allocated thereto, appoint or remove an Investment Manager with respect thereto and transfer assets of the Trust Fund to or from a Separate Account. The Trustees shall periodically review the performance of each Investment Manager.

12.2 Investment Manager. Any Investment Manager, other than the Trustees, shall either (i) be registered as an investment advisor under the Investment Advisors Act of 1940 (the "Act"); (ii) be a bank, as defined in the Act; or (iii) be an insurance company qualified to perform investment management services under the laws of more than one state. If investment of the Trust Fund is to be directed in whole or in part by an Investment Manager, other than the Trustees, the Trustees shall prepare a document appointing the Investment Manager and evidencing the Investment Manager's acceptance of such appointment, an acknowledgment by the Investment Manager that it is a fiduciary of the Plan and a certificate evidencing the Investment Manager's current registration under the Act, if applicable.

12.3 Purchase of Insurance Contracts. With respect to each Separate Account related to insurance contracts, the Trustees shall with the assets allocated thereto purchase or continue in effect any Insurance Contracts.

12.4 Powers of Investment Manager. Each Investment Manager shall agree to be responsible for the prudent investment of the portion of the Fund's assets which is under its direction. Each Investment Manager shall be governed by the Fund's investment policy and with respect to each Separate Account, the Investment Manager thereof shall have the investment powers granted to and the restrictions upon the Trustees hereunder, as if all references therein to the Trustees referred to the Investment Manager. The Trustees shall follow the directions of the Investment Manager regarding the investment and reinvestment of the Separate Account. The Trustees shall be under no duty or obligation to review any investment to be acquired, held or disposed of pursuant to such direction or continued retention of any such investment or the exercise or non-exercise of the powers hereunder. The Trustees shall have no liability or responsibility for acting or not acting pursuant to the direction of, or failing to act in the absence of any direction from, the Investment Manager, unless the Trustees have actual knowledge that by such action or failure to act it would be committing or participating in a breach of fiduciary duty by the Investment Manager.

12.5 Direct Purchase by Investment Manager. An Investment Manager at any time and from time to time may issue orders for the purchase or sale of securities directly to a broker. In order to facilitate such transaction, the Trustees shall execute and deliver appropriate trading authorizations upon request. The Investment Manager shall promptly give to the Trustees written notification of the issuance of each order, and the broker shall confirm by written advice to the Trustees the execution of each order. Such notification

shall be authority for the Trustees to pay for securities purchased and to deliver securities sold in accordance with industry practice, as the case may be.

12.6 Resignation of Investment Manager. If an Investment Manager resigns or is removed by the Trustees, the Trustees shall manage the Separate Account previously assigned to the Investment Manager who resigned or was removed, unless and until the Trustees appoint another Investment Manager under Section 12.1.

12.7 Segregation of Accounts. The accounts, books and records of the Trustees shall reflect the segregation, pursuant to the provisions of this ARTICLE XII, of any portion or portions of the Trust Fund into a Separate Account as may be assigned to the Investment Managers.

12.8 Notification of Investment Manager. The Trustees shall regularly notify each Investment Manager of the anticipated cash requirements for disbursements from the portion of the Trust Fund under its direction. The Investment Manager shall then direct the Trustees to hold cash funds uninvested in an amount and for a period as may appear to be reasonably necessary to meet the cash requirements.

12.9 Custodian. The Trustees shall enter into a written agreement with a custodian which shall act as the custodian of all the assets. Upon written communication from the Trustees, the Custodian may make appropriate disbursements from the assets within its custody and the custodian shall perform such duties as assigned to it from time to time by the Trustees.

ARTICLE XIII – STATEMENTS AND ACCOUNTS OF THE TRUSTEES

13.1 Maintenance of Accounts. The Trustees shall maintain accounts of all receipts and disbursements, including contributions and distributions and purchases, sales and other transactions of the Trust Fund. The accounts, and the books and records relating thereto, shall be open to inspection and audit at all reasonable times by any person or persons designated by the CHA.

13.2 Statement of Accounts. Within 120 days (a) of the removal or resignation of the Trustees or (b) after the close of each fiscal year of the Trust Fund, or (c) the close of other periods agreed on by the Trustees and the CHA, the Trustees shall render to the CHA a statement of account for the Trust Fund for the fiscal year and a list showing each asset thereof as of the close of the fiscal year and its cost and fair market value. The Trustees shall render to the CHA such additional reports covering such periods as the CHA and Trustees shall agree upon from time to time. The Trustees shall rely conclusively upon the certified determination of the issuing insurance company with respect to the fair market value of each Insurance Contract or upon the certified declaration of the issuing bank with respect to the fair market value of each Insurance Contract and upon the certified determination of the Investment Manager of each Separate Account with respect to the fair market value of those assets allocated thereto which do not have a readily ascertainable value and shall have no responsibility with respect thereto.

13.3 Review by CHA. It shall be the duty of the CHA to review such written accounts and valuations within 180 days after receipt. Such accounting shall be deemed approved, and the Trustees shall be released and discharged, as to all items set forth in such accounting except with respect to any such acts or transactions as to which the CHA shall within such 180-day period file written objections with the Trustees.

13.4 Judicial Proceedings. The Trustees shall have the right to have their accounts settled by judicial proceedings if they so elect, in which event only the Trustees and the CHA shall be necessary parties, except as otherwise mandated by applicable law. In any such judicial proceeding, no Participant or Beneficiary shall be entitled to any notice or process. A final judgment in any such proceeding shall be binding upon the parties to the proceeding and upon all Participants and Beneficiaries.

ARTICLE XIV - MISCELLANEOUS

14.1 Acts by CHA. Any action required to be taken by the CHA shall be authorized by resolution of its governing body or by written instrument executed by such one or more persons as shall be authorized by resolution of its governing body to take such action. Any person taking action in accordance with the Plan and Trust may rely upon a certified copy of a resolution and shall have no responsibility for any action taken in accordance with any such resolution or instrument. Evidence required of anyone other than the CHA may be by certificate, affidavit, endorsement or any other written instrument signed, made or presented by the proper and duly authorized party or parties.

14.2 Consolidation or Merger. In the event of the consolidation or merger of the CHA with or into any other public housing authority, the sale of its property, or any other circumstance whereby a successor continues to carry on all or a substantial part of the CHA's business, the successor housing authority shall have the right to become a party to this Agreement by adopting it by resolution and by executing a proper supplemental agreement with the Trustees. The Trustees may, but need not, rely on the certification of any officer of the CHA and a certified copy of a resolution of the governing body of the successor housing authority reciting the facts, circumstances and consummation of such succession, and the election of such successor to continue the Plan as conclusive evidence, without requiring any additional evidence. If such housing authority does not become a party to this Agreement, the Trust shall automatically be deemed terminated as of the date of such consolidation, merger, sale or any other such circumstance and the Trust Fund shall be paid out and distributed by the Trustees in accordance with the relevant provisions of the Plan.

14.3 Non-alienation of Benefits. Except as otherwise provided in the Plan, no Participant or Beneficiary shall have any right to convey, assign, transfer, appropriate, encumber, commute or anticipate his interest in the Trust Fund, or any payments to be made under this Agreement. No Participant or Beneficiary shall have any right or interest of any kind whatsoever with respect to the Trust Fund other than the right to receive such distributions as are lawfully made out of the Trust Fund, such as when the same, respectfully, are due and payable, under the terms of this Agreement. Except as otherwise provided in the Plan, the Trustees shall not recognize any attempted alienation or encumbrance of the right or interest in the Trust Fund of any Participant or Beneficiary. Neither the Trust Fund nor any benefits under this Agreement shall be liable for or subject to the debts, contracts, liabilities, engagements, or torts of any person to whom such benefits or funds are payable, nor shall the Trust Fund or any benefits under this Agreement be considered an asset of such person in the event of his bankruptcy.

14.4 Governing Law. Subject to the provisions of the Code that apply and provide to the contrary, this Agreement, as amended from time to time, shall be administered, construed and enforced according to the laws of the State of Illinois and in courts situated in that State.

14.5 Severability. If any provision of this Agreement is held unlawful or invalid

for any reason, the illegality or invalidity shall not affect the remaining provisions of this Agreement, but shall be fully severable, and this Agreement shall be construed and enforced as if the unlawful or invalid provision had never been inserted.

14.6 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of such counterparts shall constitute one and the same instrument, to be sufficiently evidenced by any one such counterpart.

14.7 Impossibility to Perform. If it becomes impossible for the CHA or the Trustees to perform any act provided for in this Agreement, the CHA or the Trustees are authorized to perform any act to carry out the intent and purposes of this Agreement, and all interested parties shall be bound by such act.

14.8 Successors. This Agreement shall be binding on, and shall apply to, all Participants and Beneficiaries and their heirs, executors, administrators and assigns, and upon the successors and assigns of the CHA and the Trustees.

14.9 USERRA. Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code.

14.10 Heart Act. If a Participant dies while performing qualified military service (as defined in Code Section 414(u)), the Beneficiary of the Participant is entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the Participant had resumed and then terminated employment on account of death.

ARTICLE XV – AMENDMENT AND TERMINATION

15.1 Amendments. The CHA may at any time or times with the consent of the Trustees amend this Agreement in whole or in part by an instrument in writing delivered to the Trustees and effective upon the date therein; provided that no such amendment may affect any duty, right or responsibility of the Trustees without their prior written consent. Any amendment may be made retroactive which, in the judgment of the CHA, is necessary advisable so as to qualify the Plan under the requirements applicable to governmental plans under Section 401(a) of the Internal Revenue Code. Any amendment which has as its purpose or effect the enhancement of any benefits available to any Participant(s) shall not become effective without (a) an actuarial study and report specifying the additional funding required by such changes, and (b) additional contributions by the CHA to the Trust Fund in amounts sufficient to fund such increased benefits.

Notwithstanding the above, no amendment to the Plan (including a change in the actuarial basis for determining optional or early retirement benefits) shall be effective to the extent that it has the effect of decreasing a Participant's retirement benefit if such decrease would violate the laws and/or Constitution of the State of Illinois.

15.2 Termination. This Agreement may be terminated at any time by action of the CHA. The Plan shall automatically terminate upon the dissolution of the CHA without provision being made by its successor, if any, for the continuation of the Plan. Upon such termination, the Trustees may distribute the assets of the Trust in cash or in kind except that all distributions made as of one Valuation Date shall be made on the same basis. The Trustees shall have discretion in determining the manner in which the assets of the Trust Fund are to be distributed. Unless sooner terminated, this Agreement shall terminate when there shall be no funds remaining in the hands of the Trustees.

15.3 Payment of Expenses Upon Termination. If this Agreement and the Trust are terminated for any reason, the Trustees may reserve from assets of the Trust Fund such reasonable amount as the Trustees shall deem necessary to provide for payment of any expenses or taxes then or thereafter chargeable against the Trust.

15.4 Limitations Upon Early Termination of the Plan.

- (a) In the event of Plan termination, the benefit of any highly compensated employee (as defined in Code §414(q)) shall be limited to a benefit that is nondiscriminatory under Section 1.4(a) hereunder and Code Section 401(a)(4).
- (b) Upon Plan termination, the monthly payments to a highly compensated employee who is one of the twenty-five (25) highest paid highly compensated employees shall be limited to an amount equal to the monthly payments that would be made on behalf of such individual under a straight life annuity that is the Actuarial Equivalent of the sum of such individual's

Accrued Benefit and any other benefits under the Plan. However, the limitation of this Section 15.4 shall not apply if:

- (1) after payment to an individual described above of all benefits payable to such individual under the Plan, the value of Plan assets equals or exceeds 110 percent of the value of current liabilities, as defined in Code Section 412(l)(7), or
- (2) the value of the benefits described in subparagraph (1) above for such individual described above is less than one percent (1) of the value of current liabilities before distribution.

15.5 Distribution of Trust Fund Upon Termination. Upon termination of the Plan, the Trust Fund shall be apportioned and distributed in accordance with the following procedure:

- (a) Each Participant having a past-service annuity benefit under the Prior Plan shall receive an annuity certificate from the insurer providing him with an annuity equal to his Prior Plan past-service annuity benefit.
- (b) The Trustees shall determine the date of distribution and the amount of assets of the Trust Fund to be distributed, after taking into account the expenses of such distribution.
- (c) The Trustees shall determine the method of distribution of the Trust Fund for each class of Participants and other persons entitled to benefits under the Plan, as specified in Section 15.5(d) below.
- (d) The Trustees shall apportion the Trust Fund as of the date of termination in the manner set forth below.
 - (1) With respect to each Participant in the active employment of the CHA on the date of termination of the Plan, an amount equal to the benefit to which he would have been entitled under the provisions of Section 4.1 hereof had his Continuous Service terminated as of the date of the termination of the Plan will be determined and the amounts determined with respect to all such Participants will be apportioned from the Trust Fund. Such Trust Fund, if insufficient to provide such amounts in full, will be apportioned among such Participants in proportion to the amounts determined with respect to them.
 - (2) If there be any assets of the Trust Fund remaining after the apportionment under (1) above, appointment shall next be made in respect of each Participant who has by such date, become eligible for normal retirement but has not yet retired, in the amount required in excess of the amount, if any, apportioned under (1) above, to

provide each such normal retirement benefit; provided that, if the remaining Trust Fund be less than the aggregate of such amounts, such amounts shall be proportionately reduced so that the aggregate of such reduced amounts will be equal to such remaining assets of the Trust Fund.

- (3) If there be any assets of the Trust Fund remaining after the apportionment under (1) and (2) above, apportionment shall next be made in respect of each Participant in the service of the CHA eligible for early retirement, in the amount required in excess of the amount, if any, apportioned under (1) above, to provide the accrued normal retirement benefit payable as if the date of termination were his early retirement date; provided that, if the remaining assets of the Trust Fund be less than the aggregate of the amounts apportioned hereunder, such latter amounts shall be proportionately reduced so that the aggregate of such reduced amounts will be equal to such remaining assets of the Trust Fund.
- (4) If there be any assets of the Trust Fund remaining after the apportionments under (1), (2) and (3) above, apportionment shall lastly be made in respect of each Participant in the service of the CHA on such date who is not entitled to an apportionment under (2) and (3) above, in the amount required in excess of the amount, if any, apportioned under (1) above, to provide the accrued normal retirement benefit; provided that, if the remaining assets of the Trust Fund be less than the aggregate of the amounts apportioned hereunder, such latter amounts shall be proportionately reduced so that the aggregate of such reduced amounts will be equal to such remaining assets of the Trust Fund.
- (5) In the event that there be any assets of the Trust Fund remaining after the full apportionments specified in (1), (2), (3) and (4) above, such excess shall be returned to the CHA.

15.6 Power to Liquidate. From and after the date of the termination of this Agreement and the Trust, and until the final distribution of the Trust Fund, the Trustees shall continue to have all the powers provided under the Agreement that are necessary and expedient for the orderly liquidation and distribution of the Trust Fund.

15.7 Execution. The CHA may approve adoption of this Restatement of the Plan by means of a resolution of its Board of Commissioners. The Trustees may sign the restatement in counterpart, with each signed counterpart being treated as an original.

IN WITNESS WHEREOF, each of the Trustees has executed this Agreement and has thereby caused this Agreement to be effective as of the day and year first above written.

TRUSTEES OF THE CHICAGO HOUSING
AUTHORITY RETIREMENT TRUST

By: _____

By: _____

By: _____

By: _____

By: _____

By: _____

By: _____

By: _____

By: _____