FPPA
Fire & Police Pension Association of Colorado

# Statewide Money Purchase Plan Document

**Adopted on emergency basis, effective August 12, 2026.**
**Adopted permanently, effective November 1, 2026.**

For more information please also refer to the FPPA Plan Brochure as well as the FPPA Rules and Regulations. The FPPA Plan Brochure and Rules and Regulations may be viewed and/or downloaded from our web site at www.fppaco.org or by requesting copies from the address below.

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**FIRE AND POLICE PENSION ASSOCIATION**

**STATEWIDE MONEY PURCHASE PENSION PLAN**
**AND BENEFIT FUND**

WHEREAS, pursuant to the provisions of C.R.S. §§31-31-501 and 31-31-502, as amended, the Board of the Fire and Police Pension Association is authorized to develop, maintain and amend a Statewide Money Purchase Pension Plan to provide retirement benefits to the Members of those Employers which have withdrawn from the Statewide Retirement Plan and predecessor Statewide Defined Benefit Plan pursuant to C.R.S. §31-31-501(1), as amended, or terminated a local money purchase plan pursuant to C.R.S. §31-31-502(6), as amended; and

WHEREAS, pursuant to the provisions of C.R.S. §§31-31-502(2)(c), as amended, and 31-31-303, the Board shall act as the trustee of the Statewide Money Purchase Pension Plan, and have those fiduciary duties to the Plan and the members of the Plan as are expressly provided by law; and

WHEREAS, Employers who withdraw from the Statewide Retirement Plan and employers with local money purchase plans applying for coverage under the Statewide Money Purchase Plan may participate in the Fire and Police Pension Association Statewide Money Purchase Pension Plan by executing an Affiliation Agreement to cover their Members hereunder; and

WHEREAS, Employers may make voluntary contributions to the Statewide Money Purchase Pension Plan on behalf of employees who have entered the Deferred Retirement Option Plan (DROP) by executing a DROP Affiliation Agreement to cover these individuals; and

WHEREAS, the Board hereby adopts the Fire and Police Pension Association Statewide Money Purchase Pension Plan, which is a defined contribution qualified retirement plan under Section 401(a) of the Internal Revenue Code of 1986, and a governmental plan exempt from the provisions of Title I of the Employee Retirement Income Security Act of 1974 pursuant to § 4(b)(1) of that Act; to be effective January 1, 1995; and

WHEREAS, to comply with changes in State and Federal law, the Board has taken action to amend and restate this Plan effective January 1, 2023.

## ARTICLE I. DEFINITIONS

**I.1** **Definitions**: The following words and phrases, when used herein, unless their context clearly indicates otherwise, shall have the following respective meanings:

(a) Affiliation Agreement: An agreement between the FPPA and the Employer which, upon execution by the Employer and acceptance by the Board, obligates the Employer to provide retirement benefits to its Members under this Plan.

(b) Affiliation Resolution: A resolution adopted by the Employer in accordance with the requirements of C.R.S. §31-31-501(1), as amended.

(c) Authorized Leave of Absence: includes a military leave of absence and a medical leave of absence, and means an absence during which the employee does not receive compensation for one month or more, but less than two years, during which the employee has not been terminated from employment.

(d) Aggregate Account: The value of all accounts maintained on behalf of a Member, whether attributable to Employer or Member contributions.

(e) (1) Base Salary (also known as "Pensionable Earnings"): Base salary means the total base rate of pay for the Member's fixed, periodic scheduled hours, including Member contributions to the Statewide Retirement Plan or Statewide Money Purchase Plan which are "picked up" by the employer, and shall also include:

(A) longevity pay, sick leave pay taken in the normal course of employment, vacation leave pay taken in the normal course of employment, shift differential, and mandatory overtime that is part of the member's fixed, periodic compensation.

(B) accumulated vacation leave pay if a Member completes the service requirement for purposes of Normal retirement while exhausting accumulated vacation leave.

(C) In the event an employer has established or does establish a deferred compensation plan in addition to the Statewide Retirement Plan, the amount of the member's salary that is deferred shall be included in the member's base salary.

(D) Any amounts voluntarily contributed to an Internal Revenue Code Section 125 "Cafeteria Plan" shall be included in the member's base salary.

(2) Base Salary shall not include overtime pay (except as noted in subparagraph (1)(A) above), step-up pay or other pay for temporarily acting at a higher rank (a Member is deemed temporarily acting at a higher rank if the appointment to the rank is anticipated to last less than six months), uniform allowances, payout for accumulated sick leave, payout for accumulated vacation leave (except as noted in subparagraph (1)(B) above), and other forms of extra pay (including Member contributions which are paid by the employer and not deducted from the Member's salary).

(3) Compensation Limitation. For any Plan Year beginning after December 31, 1995, the Employer shall take into account no more Base Salary than the limitation prescribed by Code § 401(a)(17). The Compensation Limitation in effect for any Plan Year is the Compensation Limitation in effect at the beginning of that Plan Year. For a Plan Year of less than 12 months, the Compensation Limitation is a prorated dollar amount

determined by multiplying the Compensation Limitation by a fraction equal to the number of months in the short period divided by 12.

(f) Board: The Board of Directors established as the governing body of the Fire and Police Pension Association of Colorado.

(f)(1) Civil Union: A relationship established by two eligible persons pursuant to C.R.S. §14-15-101, et seq., the Colorado Civil Union Act, that entitles them to receive the benefits and protections and be subject to the responsibilities of spouses, as a matter of state law.

(g) Code: The Internal Revenue Code of 1986, as amended and including all regulations promulgated pursuant thereunder.

(h) Defined Benefit Component: The Defined Benefit Component of the FPPA Statewide Retirement Plan.

(i) Designated Beneficiary: The person(s) designated by a Member in writing to the FPPA, entitled to receive benefits under this Plan after the death of a Member.

(j) Disability: A Member shall be considered to have a Disability if the Member is found by the Board of Directors to be eligible for disability benefits as a result of such Member's becoming totally disabled or occupationally disabled as provided under and defined in C.R.S. §31-31-802(3), (4), (6) and (7).

(k) DROP Affiliation Agreement: Employers may voluntarily elect to make contributions to the Employer Account for DROP Participants by submitting a DROP Affiliation Agreement. The DROP Affiliation Agreement must apply to all individuals employed by that Employer who participate in DROP.

(l) DROP Participant: An individual who participates in DROP under the FPPA Statewide Retirement Plan and whose Employer has adopted and submitted a DROP Affiliation Agreement. DROP Participants do not submit Member Contributions to the Statewide Money Purchase Pension Plan. DROP Participants receive Employer Contributions into an Employer Account.

(m) Earnings: The net gain or loss of the Fund from investments, as reflected by interest payments, dividends, realized and unrealized gains and losses on securities, and other investment transactions of the Fund. In determining Earnings of the Fund for any period, assets shall be valued on the basis of their fair market value.

(n) Effective Date: As restated during the 2002 Plan Year is January 1, 2002.

(o) Eligible Retirement Plan: An individual retirement account described in Code §408(a), an individual retirement annuity described in Code §408(b), a qualified trust described in Code §401(a), an annuity contract described in Code §403(b), a Code §457(b) plan 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, a Code §401(k) plan, a Roth IRA under Code §408A, or a SIMPLE IRA under Code §408(p). 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 Relations Order ("QDRO") as defined in Code §414(p), including a domestic relations order as allowed by Colorado law.

(p) Employer: Any municipality, special district, fire authority or county improvement district offering fire or police protection service and employing one or more Members which

adopts the Plan to provide retirement benefits for its Members which satisfies the requirements of Code §414(d).

(q) Employer Account: The account maintained for a Member to record the Member's share of contributions by the Employer and adjustment for Earnings and Expenses.

(r) Expenses: The administrative, legal, investment, banking and consulting fees and expenses of the Plan.

(s) Forfeitures: The portion of a Member's Employer Account and Employer Voluntary Account which is forfeited because of termination of employment before full vesting.

(t)(1) Forms: Any forms including but not limited to photocopies, printed forms, web forms, and any forms described in the FPPA Rules and Regulations and plan documents.

(u) FPPA: The Fire and Police Pension Association, a corporate body and political subdivision of the State of Colorado, created pursuant to C.R.S. §31-31-201.

(v) Fund: The Fire and Police Members' Self-Directed Investment Fund.

(w) HEART: means the Heroes Earning and Assistance Relief Act of 2008.

(x) Hours of Service: Each hour for which a Member is:

(1) Directly or indirectly paid, or entitled to payment, by an Employer for the performance of duties;

(2) Directly or indirectly paid, or entitled to payment, by an Employer on account of a period during which no duties are performed due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military service or Authorized Leave of Absence; and

(3) Entitled to back pay (irrespective to mitigation of damages) which is awarded, or agreed to, by an Employer on behalf of a Member.

Hours of Service under (1) shall be credited to a Member for the period in which the duties are performed, and Hours of Service under (2) and (3) shall be credited for the period to which they relate, but there shall be no duplication of Hours of Service credited.

(y) Inactive Member: A Member whose employment with the Employer has terminated but who has a vested account balance under the Plan which has not been paid in full.

(z) Member: Unless otherwise provided by Employer resolution, an active employee who is a full-time salaried employee of a municipality, fire protection district, fire authority or county improvement district normally serving at least one thousand, six hundred (1,600) hours in any calendar year, a part-time employee as provided by Employer resolution, and whose duties are directly involved in the provision of police or fire protection, as certified by the Employer. The term also includes any former employee who is retired, is disabled, or is eligible for a benefit as provided in Part 4 of C.R.S §31-31.5. The term Member, where applicable, includes DROP Participants. The term does not include clerical or other personnel whose services are auxiliary to police or fire protection or any volunteer firefighters (unless otherwise provided by Employer resolution) as such term is defined in C.R.S. §31-30-1102(9). For the purpose of eligibility for disability or survivor benefits, Member includes any employee on an Authorized Leave of Absence.

(aa) Member Account: The account maintained for a Member to record mandatory Member contributions to the Plan and any adjustment for Earnings and Expenses.

(bb) Member Rollover Account: The account maintained for a Member to hold and account for the contributions rolled over or directly transferred by a Member from the Statewide Retirement Plan, or any other qualified rollover from an Eligible Retirement Plan and including any adjustment for Earnings and Expenses.

(cc) Normal Retirement Age: The Normal Retirement Age for this Plan is age 55.

(dd)(1) Partner in a Civil Union or Party to a Civil Union: A person who has established a civil union pursuant to C.R.S. §14-15-101, et seq. For purposes of state law, a partner in a civil union or a party to a civil union is included in any definition or use of the terms "dependent", "family", "heir", "spouse", and any other term that denotes the familial or spousal relationship, as those terms are used throughout Colorado Revised Statutes, Title 31, Articles 30, 30.5, 31 & 31.5, including Member Approved Plan Amendments, and of the Plan Documents and Rules and Regulations adopted thereunder.

(ee) Plan: The Fire and Police Pension Association Statewide Money Purchase Pension Plan as initially adopted and as subsequently amended.

(ff) Plan Year: A 12 consecutive calendar month period beginning January 1 and ending December 31.

(gg) Plan Administrator: The entity, as designated by the Board, responsible for record keeping, administering the fund, and establishing the investment choices of members, and distributing benefits under the Plan.

(hh) Valuation Date: The Plan Administrator or its designee shall value the assets in the Aggregate Account each business day based on acceptable industry practices. All daily transactions shall be based on that day's closing market values.

(ii) Voluntary Account:

(1) Member Voluntary Account: The account maintained for a Member to record voluntary Member contributions to the Plan;

(2) Employer Voluntary Account: The account maintained for a Member to record voluntary Employer contributions to the Plan.

(jj) **Repealed September 30, 2021**

**I.2 Construction**: The masculine gender, where appearing in this Plan and Fund, shall be deemed to include the feminine gender, unless the context clearly indicates to the contrary.

## ARTICLE II. PARTICIPATION

**II.1 Eligibility for Participation**: A Member shall become eligible for membership in the Plan on the first day of employment, provided that the Employer withholds Member contributions on behalf of the Member and the necessary forms for administration of the Plan are completed and submitted to the FPPA. DROP Participants are eligible to participate in the Plan if their Employer has adopted and submitted to FPPA a DROP Affiliation Agreement. DROP Participants participate in the Plan through Employer Contributions which are contributed to the Employer Account.

**II.2** **Reemployment**: A Member who terminates employment and is thereafter reemployed by an Employer which has withdrawn from the Statewide Retirement Plan or the predecessor Statewide Defined Benefit Plan, or had a local money purchase plan and applied to participate in this Plan, shall participate in the Plan beginning on the first date of the Member's reemployment provided that the Employer withholds Member contributions on behalf of the Member and the necessary forms for administration of the Plan are completed and submitted to the FPPA.

**II.3** **Cessation of Membership**: Membership in the Plan will cease upon distribution of a Member's entire Aggregate Account balance.

## ARTICLE III. CONTRIBUTIONS, TRANSFERS INTO THE PLAN, AND FORFEITURES

**III.1** **Member Contributions**: Every Member covered under the Plan for normal retirement benefits shall pay, as a contribution to the Plan, a percentage of the Member's Base Salary. The percentage shall be eight percent of the Member's Base Salary or such higher amount as approved locally pursuant to the provisions of C.R.S. §31-31-502(4), as amended. Such Member contributions shall be "picked up" by the Employer pursuant to Code § 414(h)(2) and will be designated as employer contributions for federal tax purposes. Member contributions may not be picked up on a retroactive basis.

**III.2** **Employer Contributions**: (a) Every Employer who employs Members **covered** by the Plan shall pay the eight percent of Base Salary for each Member or such higher amount as approved locally as set forth in C.R.S. §31-31-502(4)(b) as amended, as an Employer contribution to the Plan.

(b) The percent of Base Salary for DROP Participants shall be determined by the Employer and specified in the DROP Affiliation Agreement. An Employer that submits a DROP Affiliation Agreement shall contribute the same percentage for all DROP Participants employed by that Employer.

**III.3** **Rollover Contributions and Direct Transfers**: The Plan will accept eligible rollover contributions and direct transfers as provided in Code § 402(c), from an Eligible Retirement Plan as defined in Section I.1(m). Such contributions may include the transfer of a Member's vested Aggregate Account balance within the Plan when a Member has service with successive Employers while covered under the Plan for normal retirement benefits. Such rollover and direct transfer amounts are fully vested at all times and are not Annual Additions under Code § 415. Members with an established account may transfer eligible retirement funds into their Fire and Police Members' Self-Directed Investment Fund account through a plan-to-plan transfer.

**III.4** **Retired Members from the Statewide Retirement Plan who participate in this Plan**

Effective January 1, 2025, the minimum contribution rates for Members who participate in the Statewide Money Purchase Plan under Rule 205 of the FPPA Rules and Regulations shall be as follows:

(a) The rates in effect under the Defined Benefit Component if the employer enrolls new hires in the Defined Benefit Component; or

(b) The rates in effect under the Hybrid Component if the employer enrolls new hires in the Hybrid Component; or

(c) Eight percent for the employer and eight percent from the Member if the employer enrolls new hires in the Social Security Component.

**III.5** **Transfer From the Statewide Retirement Plan**: Pursuant to the provisions of C.R.S. §§31-31-501 and 502, as amended, Member Contributions and Employer reserves under the Statewide Retirement Plan will be transferred to the Plan and allocated to the accounts of the Employer's Members. Such transferred amounts are fully vested at all times and are not Annual Additions under Code § 415.

**III.6** **Payment of Contributions**: Payments shall be made by one voucher for the aggregate amount deducted for all members and shall be made no later than ten days following the date of payment of salary to the member. An interest charge of one-half of one percent per month may be levied against any unpaid amount and added to the Employer payments required. FPPA may waive the interest charge on delinquent contributions mandated by C.R.S. §31-31.5-309, as amended, where the amount is found to be de minimis, or for good cause. The FPPA may designate a depository bank for the receipt of such contributions.

**III.7** **Disposition of Forfeitures**: Upon termination of employment, a **Member's** Employer Account and Employer Voluntary Account shall be maintained and will continue to receive allocations for Earnings and Expenses pursuant to Section IV.2, until the assets of the account are distributed.

**III. 8** **Voluntary Contributions**: Any active Member and any Employer may make voluntary contributions to the plan by payroll deduction. Voluntary Member contributions are not subject to the Employer pickup provisions of Code § 414 (h). Any voluntary contributions from a Member on military leave must be ceased for 6 months following an early withdrawal by a Member who is performing qualified military service (as defined in Chapter 43 of Title 38, United States Code).

## ARTICLE IV. ALLOCATIONS TO MEMBERS' ACCOUNTS

**IV.1** **Individual Accounts**: The Board shall create and maintain adequate records to disclose the interest of each Member, Inactive Member and Beneficiary of the Plan. Such records shall be in the form of individual accounts, and credits and charges shall be made to such accounts in the manner herein described. A Member shall have multiple separate accounts, namely an Employer Account, a Member Account, Employer Voluntary Account, Member Voluntary Account, and Member Rollover Account(s), as necessary. The maintenance of individual accounts is only for accounting purposes, and a segregation of the assets of the Fund to each account shall not be required. Distribution and withdrawals made from an account shall be charged to the accounts as of the date payment is made.

**IV.2** **Account Adjustments**: The accounts of Members, Inactive Members and Beneficiaries shall be adjusted in accordance with the following:

(a) Allocation of Earnings: The Earnings will be determined on the fair market value of the assets in the Plan. The Earnings will be allocated according to the Member's time-weighted pro-rata share of the investment option.

(b) Contributions: Contributions shall be allocated to the Employer Account, Employer Voluntary Account, Member Account, and Member Voluntary Account of each eligible Member not less than monthly, according to the amount that is actually contributed on behalf of each Member in accordance with Section III.2.

(c) Expenses: The Expenses of the Plan shall be paid from penalties received, settlement proceeds, other sources of revenue received, and Forfeitures pursuant to Section III.6, and then shall be allocated to and deducted from the Member and/or Employer Accounts. Expenses which are incurred as a direct result of the investments held in the Fund shall be deducted from the interest, dividends and net income of the appropriate investment prior to allocating each month's Earnings to Members. General Expenses shall be deducted from the accounts of all Members according to the Member's time-weighted pro-rata share of the Fund. The Association may also assess a periodic record keeping fee and an administrative fee.

**IV.3 Investments**:

(a) Investments: The Board may create and is authorized to offer to each Member of the Plan, various investment options, including at least three alternatives, each of which is diversified in itself, that allow a Member a broad range of investments and a meaningful choice between risk and return in the investment of the Member's Aggregate Account.

(b) Contributions: One hundred percent (100%) of each Aggregate Account may be invested as directed by the Member in any one or a combination of the designated investment options. If no investment election is made by the Member, all monies will be invested in a balanced fund option designated by the Board.

(c) Timing of Investment Reallocation: Members may redirect the investment of the Member's Aggregate Account at any time and may reallocate monies in existing funds as may be allowed by the Plan Administrator.

**IV.4 Maximum Additions**: Notwithstanding anything contained herein to the contrary, the total Annual Additions made to the Employer and Member Accounts of a Member for any Plan Year shall not exceed the lesser of: (i) the dollar amount as adjusted for increases in the cost-of-living under Code § 415(d), or (ii) 100% of the Member's Compensation for such year ("Maximum Permissible Amount"). For Plan Years beginning after December 31, 1994, but before January 1, 2002, the maximum Annual Additions limitation shall be equal to the lesser of $30,000 (as adjusted for cost-of-living increases without regard to the Code §415(b) limitation) or 25% of the Member's Compensation for such Year. For purposes of this Section IV.4:

(a) The term "Annual Additions" means the sum of the following amounts allocated on behalf of a Member for a Plan Year: (i) all Employer contributions; (ii) all Forfeitures; and (iii) all Member contributions.

(b) "Annual Additions" do not include "rollovers" or direct transfers from other Eligible Retirement Plans as defined in the Internal Revenue Code.

(c) If Annual Additions exceed the Maximum Permissible Amount, the contributions made by the Member for the Plan Year, shall be timely distributed in accordance with guidance from the Internal Revenue Service, as may be amended from time to time.

(d) The term "Compensation" means, for the purposes of this Section IV.4 only, a Member's Base Salary and the Member's elective deferrals, provided that for Plan Years beginning before January 1, 1998, elective deferrals shall not be included in Compensation for the purpose of applying the limitations on allocations and benefits under Code § 415. For the purposes of this Section IV.4, "elective deferrals" shall mean the sum of all Employer contributions made on behalf of an employee pursuant to an election to defer under any qualified cash or deferred arrangement as described in Code § 401(k), any qualified transportation fringe benefit plan as described in Code § 132(f)(4) (for Plan Years commencing after December 31, 2000), any simplified employee pension cash or deferred arrangement as described in Code § 402(h)(1)(B), any eligible deferred Compensation plan under Code § 457,

any plan described under Code § 501(c)(18) and any Employer contributions made on the behalf of a the Member for the purchase of an annuity contract under Code § 403(b) pursuant to a salary reduction agreement, and any other elective deferrals as defined in Code § 402(g)(3).

For purposes of this Section IV.4, compensation paid by the later of 2½ months after severance from employment or the end of the limitation year that includes such severance from employment shall be included in compensation if it is payment that, absent a severance from employment, would have been paid to the Member while the Member continued in employment with the Employer and is regular compensation for services during the Member's regular working hours, or compensation for services outside the Member's regular work hours (such as overtime or shift differential), commissions, bonuses, or other similar payments, and the compensation would have been paid to the Member prior to a severance from employment if the Member had continued employment with the Employer.

Any payment to a Member paid by the Employer not described above is not considered compensation if paid after severance from employment, even if it is paid within 2½ months following severance from employment except as otherwise provided under Section V.7.

(e) For Plan Years commencing on or after December 31, 1999, the benefit limitations of Code §415(e) are repealed and shall not apply to the Plan.

## ARTICLE V. VESTING

**V.1 Member Contributions**: From the first day of membership in the Plan, a Member is 100% vested in the Member Account, Member Voluntary Account, and any Member Rollover Account(s).

**V.2 Employer Contributions**:

(a) Death or Disability Retirement: In the event of Permanent Occupational or Total Disability retirement pursuant to C.R.S. §§31-31-804 and 31-31-805 or death as an active member, a Member shall be 100% vested in the Member's Employer Account and Employer Voluntary Account. Benefits payable under the Statewide Death and Disability plan to a Permanently Occupationally Disabled retiree or to a Totally Disabled retiree or to a survivor of an active Member shall be reduced by an amount that is the actuarial equivalent of the benefits such Member or survivor of an active Member receives from the Statewide Money Purchase Plan, whether the benefits received from the Statewide Money Purchase Plan are paid on a periodic basis or in a lump sum. No such reduction shall exceed the Actuarial Equivalent of the Statewide Money Purchase Plan benefits if such benefits had been funded at the rate of sixteen percent (16%) of salary.

(b) Normal Retirement: A Member shall be 100% vested in the Member's Employer Account and in the Employer Voluntary Account upon and after attaining Normal Retirement Age (if employed by the Employer on or after that date).

(c) REPEALED and reenacted September 30, 2021. Vesting: As of January 1, 2022, all remaining Members in the Plan are fully vested in benefits under the Plan. From the first day of membership in the Plan, a Member is 100% vested in the Member Account, Employer Account and Employer Voluntary Account.

(d) Purchase of Service Credit: If a part-time Member becomes eligible to participate in the FPPA Defined Benefit System and elects to transfer the money purchase account balance to the FPPA Defined Benefit System for the purpose of purchasing service credit, a Member shall be 100% vested in the Member's Employer Account and the Employer's Voluntary Account.

(e) Forfeitures: Upon distribution, the portion of a Member's Employer Account and the Employer Voluntary Account which are not vested shall be treated as a Forfeiture.

**V.3 Repealed September 30, 2021**

**V.4 Repealed September 30, 2021**

**V.5 Repealed September 30, 2021**

**V.6 Repealed January 1, 2026**

**V.7 Qualified Military Service and HEART**: Notwithstanding any provisions of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service shall be provided in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA") [as codified at Chapter 43, Title 38, of the United States Code]; Code Section 414(u); and, effective January 1, 2007, Code Section 401(a)(37), as amended from time to time.

For purposes of this Section V.7, "qualified military service" means any service in the uniformed services as defined in USERRA by any individual if such individual is entitled to reemployment rights under USERRA with respect to such service.

A Member, whose employment is interrupted by qualified military service or who is on a leave of absence for qualified military service, may elect to make-up Member contributions to the Plan in accordance with Code Section 414(u) if the Member resumes employment with the Employer in accordance with USERRA. Except to the extent provided under Code Section 414(u), this right applies for five (5) years following such resumption of employment (or, if the leave period is 3 months or less, up to one year following such resumption of employment). Such contribution by the Member may only be made during such period and while the Member is employed by the Employer. If the Member elects to make such contributions, then the Employer shall make-up the related Employer contributions which would have been required had such contributions actually been made during the period of qualified military service reduced by Employer Contributions**,** if any, actually made for the Member during the period of the interruption or leave. The make-up contributions will be made in at the same time and manner as normally provided under the Plan.

Effective January 1, 2007, if a Member incurs a Disability while performing qualified military service, the Member shall be treated as if the Member timely resumed employment in accordance with reemployment rights under USERRA, on the day preceding such Disability and terminated employment on the actual date of Disability. In the case of such treatment, any full or partial compliance with respect to benefit accrual requirements under Code Section 414(u)(8) with respect to such individual shall be treated for purposes of Code Section 414(u)(1) as if such compliance was required under USERRA. Such treatment shall apply to all individuals performing qualified military service with respect to the Employer.

Effective January 1, 2007, to the extent provided under Code Section 401(a)(37), in the case of a Member whose employment is interrupted by qualified military service and who dies while performing qualified military service, the survivor of such Member shall be entitled to any additional benefit (other than benefit accruals) provided under the Plan as if the Member timely resumed employment in accordance with USERRA and then terminated employment on account of death.

Effective January 1, 2009, a Member whose employment is interrupted by qualified military service or who is on a leave of absence for qualified military service and who receives a

differential wage payment within the meaning of Code Section 414(u)(12)(D) from the Employer, shall be treated as an employee of the Employer who is a Member eligible to receive Employer contributions during such service and the differential wage payment shall be treated as Base Salary and Compensation under Article IV. The differential pay received by Members during any leave of absence, by itself, is not pensionable. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

A Member must be on a leave to perform qualified military service (as defined in Chapter 43 of Title 38, United States Code) for a minimum of 30 days before a Member is allowed to take an early distribution of voluntary member contributions as provided by the HEART Act.

## ARTICLE VI. BENEFITS

**VI.1 Eligibility for Distribution**: A Member's vested Aggregate Account balance will become eligible for distribution upon the Member's death, Permanent Occupational or Total Disability and subject to Section VI.11, Normal Retirement or termination of employment.

**VI.2 Types of Distributions**: Upon becoming eligible for distribution and upon approval of the FPPA, a Member, or the beneficiary in the event of the death of the Member before distribution of the Member's Aggregate Account and subject to Section VI.11, may elect to receive the balance of the Member's Aggregate Account in one of the following methods: lump sum, periodic payments, an annuity or any combination of payments. A Member may elect to defer payment within the parameters of Section VI.11 herein below.

**VI.3 Lump Sum**: The Member may choose a lump sum payment of all or a portion of the Member's Aggregate Account.

**VI.4 Annuity**: The Member may elect to have the value of all or a portion of the Aggregate Account used to purchase an annuity contract, with a term and in a form as the Member shall elect. If the Member has elected distribution in the form of an annuity, any benefit payable as a result of the Member's death shall be determined solely under the terms of the annuity contract.

**VI.5 Periodic Payments**: The Member may elect to have all or a portion of the Member's Aggregate Account distributed in substantially equal monthly payments over a period not to exceed the joint life expectancy of the Member and the Designated Beneficiary (or until the account is exhausted). This maximum period shall be determined under the applicable IRS tables at the time the initial monthly installment payment becomes payable and shall be subject to any limits under Code Section 401(a)(9) or corresponding Treasury Regulations.

**VI.6 Rollover of Distributions**: For distributions made on or after January 1, 1993, and notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section VI.6, a distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an Eligible Retirement Plan specified by the distributee in a direct rollover.

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: (i) any distribution that is one of a series of substantially equal period 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; (ii) any distribution to the extent such distribution is required under Code § 401(a)(9); (iii) any hardship distribution as described in Code §401(k)(2)(b)(i)(IV) and made after December 31, 1999; and (iv) 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).

For the purposes of this Section VI.6, a "distributee" includes an employee or former employee. In addition, the employee's or former employee's surviving spouse or partner in a civil union, and the employee's or former employee's spouse or partner in a civil union, or former spouse or former partner in a civil union, who is the alternate payee under a qualified domestic relations order, as defined in Code § 414(p), are distributees with regard to the interest of the spouse or partner in a civil union, or former spouse or former partner in a civil union. Effective January 1, 2007, a distributee also includes a non-spouse beneficiary who is a designated beneficiary as defined by Code § 401(a)(9)(E). However, a non-spouse beneficiary may rollover the distribution only to an individual retirement annuity established for the purpose of receiving the distribution and the account or annuity shall be treated as an "inherited" individual retirement account or annuity.

For the purposes of this Section VI.6, a "direct rollover" is a payment by the plan to the Eligible Retirement Plan specified by the distributee.

**VI.7 Taxability of Distributions**: All distributions will be made in compliance with the Code including any allowed tax-free payments due to on-duty disability status.

**VI.8 Timing of Distributions**: Distributions will not be made until all contributions and allocations for Earnings and Expenses have been made to the Member's Aggregate Account and in accordance with the IRS notice and withholding requirements. This period shall not exceed 90 days after receipt of all necessary forms, allocations, and FPPA approval. All distributions will comply with the timing requirements under Code section 401(a)(9) and the corresponding Treasury Regulations.

**VI.9 Distributions Upon Death**:

(a) Designation of Beneficiary: Each Member from time to time may designate any person or persons (who may be designated contingently or successively and who may be an entity other than a natural person) as the Member's Designated Beneficiary or beneficiaries to whom Plan benefits are paid if the Member dies before receipt of all such benefits. Each beneficiary designation shall be in the form prescribed by the FPPA, or the Plan Administrator, and will be effective only when filed with the Plan Administrator during the Member's lifetime. Each beneficiary designation filed with the Plan Administrator will cancel all beneficiary designations previously filed with the FPPA or the Plan Administrator.

(b) When No Beneficiary/Unable to Locate Beneficiary: If the Member has not designated a beneficiary or the Plan is unable to locate the beneficiary upon death, the Member's remaining interest will be paid in a lump sum to the Member's estate.

(c) Unclaimed Accounts or Interests: If the account or interest of any Member remains unclaimed after December 31 of the calendar year containing the fifth anniversary of the Member’s death, any remaining account balance, distributions, or other interest of the Member shall revert to the Plan for the purpose of payment of benefits and expenses of the Plan. The unclaimed account shall be reinstated if a successor or beneficiary is later identified, and the successor or beneficiary claims the account or interest.

(d) Investment Options: Upon the death of the Member, the beneficiary may elect to allocate the investment of the Member's Aggregate Account as provided for in Section IV.3. If no notice of reallocation is received, the Member's Aggregate Accounts will remain invested as previously allocated during the Member's lifetime.

**VI.10 In-Service Withdrawals**: No loans or in-service withdrawals are permitted from the Plan with the exception of amounts from a Member's Rollover Account which have been transferred as an Eligible Rollover Distribution from another Eligible Retirement Plan.

**VI.11 Required Minimum Distribution Rules:**

(a) **General Rules**.

(1) Effective Date. The provisions of this Section VI.11 will apply for purposes of determining required minimum distributions for calendar years beginning with the 2020 calendar year. Distributions made prior to the 2020 calendar year are subject to Code Section 401(a)(9) and the Regulations thereunder, as in effect for the year of distribution. For Members who turned age 72 before 2023, the applicable age is age 72 (or age 70 ½ if they were born before July 1, 1949). For Members who will turn age 72 after 2022 and age 73 before 2033, the applicable age is age 73. For Members who will turn age 74 after 2032, the applicable age now is age 75.

(2) Precedence. The requirements of this Section VI.11 will take precedence over any inconsistent provisions of the Plan.

(3) Requirements of Treasury Regulations Incorporated. All distributions required under this Section VI.11 will be determined and made in accordance with a reasonable and good faith interpretation of the Treasury Regulations under Code § 401(a)(9).

(b) **Death of Member Before Distributions Begin**. If the Member dies before distributions begin, and has turned age 72 before 2023, the Member's entire interest will be distributed, or begun to be distributed, no later than as follows:

(1) If the Member's surviving spouse by marriage is the Member's sole Designated Beneficiary, then the surviving spouse by marriage may elect to begin distributions by December 31 of the calendar year immediately following the calendar year in which the Member died, or by December 31 of the calendar year in which the Member would have attained age 72 (or age 70 1/2 if the Member was born before July 1, 1949), if later. For Members who attained the age 72 after 2022 and age 73 before 2033, the Spouse Designated Beneficiary may delay the commencement of benefits until December 31 of the calendar year the Member would have attained age 73. For Members who would have attained age 74 after 2032, the Spouse Designated Beneficiary may delay the commencement of benefits until December 31 of the calendar year the Member would have attained the age of 75.

(2) If the Member's surviving spouse by marriage is not the Member's sole Designated Beneficiary, then distributions to the Designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Member died.

(3) If there is no Designated Beneficiary as of September 30 of the year following the year of the Member's death, the Member's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Member's death.

(4) If the Member's surviving spouse by marriage is the Member's sole Designated Beneficiary and the surviving spouse dies after the Member but before distributions to the surviving spouse begin, this Section VI.11(b), other than Section VI.11(b)(1), will apply as if the surviving spouse were the Member.

(5) For purposes of this Section VI.11(b) and Section VI.11(d), unless Section VI.11(b)(4) applies, distributions are considered to begin on the Member's required beginning date. If Section VI.11(b)(4) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Section VI.11(b)(1). If distributions under an annuity purchased from an insurance company irrevocably commence to the Member before the Member's required beginning date (or to the Member's surviving spouse before the date distributions are required to begin to the surviving spouse under Section VI.11(b)(1)), the date distributions are considered to begin is the date distributions actually commence.

(c) **Required Minimum Distributions During Member's Lifetime**.

(1) Amount of Required Minimum Distribution For Each Distribution Calendar Year. During the Member's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:

(A) the quotient obtained by dividing the Member's account balance by the distribution period in the Uniform Lifetime Table set forth in § 1.401(a)(9)-9 of the Treasury Regulations, using the Member's age as of the Member's birthday in the distribution calendar year; or

(B) if the Member's sole Designated Beneficiary for the distribution calendar year is the Member's spouse by marriage, the quotient obtained by dividing the Member's account balance by the number in the Joint and Last Survivor Table set forth in § 1.401(a)(9)-9 of the Treasury Regulations, using the Member's and spouse's attained ages as of the Member's and spouse's birthdays in the distribution calendar year.

Required minimum distributions will be determined under this Section VI.11(c) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Member's date of death.

(d) **Required Minimum Distributions After Member's Death**.

(1) Death On or After Date Distributions Begin.

(A) Member Survived by Designated Beneficiary. If the Member dies on or after the date distributions begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Member's death is the quotient obtained by dividing the Member's account balance by the longer of the remaining life expectancy of the Member or the remaining life expectancy of the Member's Designated Beneficiary, determined as follows:

(i) The Member's remaining life expectancy is calculated using the age of the Member in the year of death, reduced by one for each subsequent year.

(ii) If the Member's surviving spouse by marriage is the Member's sole designated beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Member's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Member's surviving spouse by marriage is not the Member's sole Designated Beneficiary, the Designated Beneficiary's remaining life expectancy is calculated using the age of the beneficiary in the year following the year of the Member's death, reduced by one for each subsequent year.

(B) No Designated Beneficiary. If the Member dies on or after the date distributions begin and there is no Designated Beneficiary as of September 30 of the year after the year of the Member's death, the minimum amount that will be distributed for each distribution calendar year after the year of the Member's death is the quotient obtained by dividing the Member's account balance by the Member's remaining life expectancy calculated using the age of the Member in the year of death, reduced by one for each subsequent year.

(2) Death Before Date Distributions Begin.

(A) Member Survived by Designated Beneficiary. If the Member dies before the date distributions begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Member's death is the quotient obtained by dividing the Member's account balance by the remaining life expectancy of the Member's Designated Beneficiary, determined as provided in Section VI.11(d)(1).

(B) No Designated Beneficiary. If the Member dies before the date distributions begin and there is no Designated Beneficiary as of September 30 of the year following the year of the Member's death, distribution of the Member's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Member's death.

(C) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Member dies before the date distributions begin, the Member's surviving spouse by marriage is the Member's sole Designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under Section VI.11(b)(1), this Section VI.11(d)(2) will apply as if the surviving spouse by marriage were the Member.

(e) **Member Deaths After December 31, 2021.** Notwithstanding any contrary provisions, effective for Member deaths after December 31, 2021, the following distribution provisions shall take effect; provided, however, that such provisions shall be subject to any regulations or other guidance issued under the Setting Every Community Up For Retirement Enhancement Act ("SECURE Act") and the Setting Every Community Up For Retirement Enhancement Act ("SECURE Act 2.0"):

(1) If the Member dies before the distribution of the entire account (regardless of whether any distributions had begun before the Member's death) and the Member has a Designated Beneficiary:

(A) The entire account shall be distributed to the Designated Beneficiary by December 31 of the calendar year containing the tenth anniversary of the Member's death.

(B) Notwithstanding paragraph (A), if the Designated Beneficiary is an Eligible Designated Beneficiary, then the Eligible Designated Beneficiary may elect for the Member's account(s) to be distributed:

(i) by December 31 of the calendar year containing the tenth (10th) anniversary of the Member's death; or

(ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Member died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary.

If the Eligible Designated Beneficiary is the surviving spouse, payment under item (ii) is not required until the later of December 31 of the calendar year immediately following the calendar year in which the Member died or December 31 of the calendar year in which the Member would have attained age seventy-two (72) (age seventy and one-half (70 ½) with respect to a Participant who would have attained age seventy and one-half (70 ½) before January 1, 2020). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Member's account(s) shall be distributed in accordance with item (ii).

(C) Upon either (i) the death of an Eligible Designated Beneficiary before distribution of the Member's entire account or (ii) the attainment of the age of majority for an Eligible Designated Beneficiary who is a minor child under subsection VI.11(f)(6), paragraph (B) shall no longer apply, and the remainder of the account shall be distributed under paragraph VI.11(e)(1)(A).

(2) If the Member dies before distributions of the account begin and the Member has no Designated Beneficiary, the Member's account under the Plan shall be distributed to the Member's estate by December 31 of the calendar year containing the fifth (5th) anniversary of the Member's death. If the Member dies after distribution of the account begins and the Member has no Designated Beneficiary, any remaining portion of the account shall continue to be distributed at least as rapidly as under the method of distribution in effect at the time of the Member's death.

(3) Any distribution required under the incidental death benefit requirements of Code Section 401(a) shall be treated as distributions required under this subsection VI.11(e).

(f) **Definitions**. The following definitions apply to this Section VI.11.

(1) Designated Beneficiary. A Beneficiary designated by a Member, or by the Plan, who is a "designated beneficiary" under Code § 401(a)(9) and § 1.401(a)(9)-4, Q&A-1, of the Treasury Regulations.

(2) Distribution Calendar Year. A calendar year for which a minimum distribution is required. For distributions beginning before the Member's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Member's required beginning date. For distributions beginning after the Member's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section VI.11(b). The required minimum distribution for the Member's first distribution calendar year will be made on or before the Member's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Member's required beginning date occurs, will be made on or before December 31 of that distribution calendar year.

(3) Life Expectancy. Life expectancy as computed by use of the Single Life Table in § 1.401(a)(9)-9 of the Treasury Regulations.

(4) Member's Account Balance. The balance of the Member's Aggregate Account as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the Aggregate Account as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The Aggregate Account balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

(5) Required Beginning Date. The latest date for commencement of distributions for a Member, as determined under this Article VI of the Plan.

(6) Eligible Designated Beneficiary. A Designated Beneficiary who, as of the date of the death of the Member, is:

(A) the surviving spouse of the Member;

(B) a child of the Member who has not reached the age of majority;

(C) disabled within the meaning of Code Section 72(m)(7);

(D) chronically ill within the meaning of Code Section 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or

(E) any other individual who is not more than ten (10) years younger than the Member. Notwithstanding the preceding, a child described in (B) above shall cease to be an Eligible Designated Beneficiary as of the date he or she reaches the age of majority.

**VI.12 Deferral of Distribution**: Notwithstanding the foregoing, an Inactive Member may elect to defer receipt of all or part of the Aggregate Account. Such Inactive Member shall receive allocations of Earnings and Expenses pursuant to Section IV.2 until the balance of the Inactive Member's Aggregate Accounts has been distributed. An Inactive Member may make application for distribution of the Aggregate Accounts in accordance with the procedures contained in this article.

**VI.13 Domestic Relations Orders:** Any disbursements made to alternate payees under Domestic Relations Orders shall be made within 120 days of receipt of the Domestic Relations Order by FPPA. An alternate payee must withdraw the share of all funds from a Member's defined contribution account either as a fixed lump sum or as a percentage of the Member's account as of the date of the decree. A distribution to a former spouse or partner in a civil union pursuant to a Domestic Relations Order is a distribution to the Member for the purposes of C.R.S. §31-31-812(2).

**VI.14 Claims after Distribution:** Upon distribution of all or any part of a Member's Aggregate Account, the Member or beneficiary shall have no further claim to benefits from the Plan for that portion of the Member's Aggregate Account distributed.

**VI.15 In-Service Plan-to-Plan Transfers:** Notwithstanding any other Plan provision, distribution of amounts in a Member's Rollover Account may be transferred prior to a separation from service to an Eligible Retirement Plan within the meaning of Code § 402(c) of

which the Member is a participant if the plan receiving such amounts provides for their acceptance.

**VI.16 Distribution of DeMinimis Accounts:** If any Member, beneficiary or alternate payee has an aggregate account balance of $1,000 or less, the Plan Administrator may distribute the aggregate account balance to the Member, beneficiary or alternate payee without receiving any request for distribution.

## ARTICLE VII. ADMINISTRATION OF THE PLAN

**VII.1 Powers and Duties of the Board**: The Board is responsible for the overall administration and management of the Fund. The Board shall have the following powers and duties:

(a) To establish investment options for the Members and to designate a balanced fund in which to invest all monies not otherwise invested by Members.

(b) To construe and interpret the provisions of the Plan, and decide all questions of eligibility.

(c) To maintain and provide such reports, schedules, descriptions and individual account statements as are required by law.

(d) To obtain from the Employer such information as shall be necessary for the proper administration of the Plan.

(e) To determine the amount, manner and time of payment of benefits hereunder.

(f) To appoint and retain such agents, investment managers, legal counsel and accountants for the proper administration of the Plan as the Board determines to be necessary.

(g) To distribute the assets of the Fund only for payments of the expenses of the Plan, payment of survivor, disability or retirement benefits, or for purposes of investment.

(h) To determine eligibility, status and rights of all persons under the Plan and in general to decide any dispute concerning the Plan.

(i) To adjust the account of any Member in order to correct errors and rectify omissions.

(j) To promulgate such rules and regulations as may be necessary to implement the provisions of this Plan.

(k) 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.

**VII.2 Contributions to Fund**: All contributions under this Plan shall be paid to the FPPA and deposited in the Fund. All assets of the Fund, including investment income, shall be retained for the exclusive benefit of Members, Inactive Members, and beneficiaries and shall be used to pay benefits to such persons or to pay administrative expenses of the Plan and Fund to the extent not paid by the Employer and shall not revert to or inure to the benefit of the Employer.

Notwithstanding anything herein to the contrary, upon the Employer's request, a contribution which was made by a Mistake of Fact shall be returned by the FPPA to the Employer, under such terms and conditions are established under the Code and as interpreted by the Plan Administrator.

## ARTICLE VIII. AMENDMENT OR TERMINATION OF THE PLAN

**VIII.1** **Right and Restrictions**: The Board may amend the Plan to the extent such amendments are necessary to comply with federal and state law. Any other amendments to the Plan may be made by the Board only upon the approval of at least sixty-five percent of the then active Members in the Plan who vote for the amendment, and more than fifty percent of the Employers having active Members covered by the Plan. Each such Employer will be assigned one vote, except that Employers having both active police and fire Members in the Plan shall be assigned two votes. No amendment may increase the Employer contribution rate above the rate specified in C.R.S. §31-31-502(4)(a). No amendment shall have the effect of (1) diverting for the benefit of any persons, other than Members or their Beneficiaries, amounts attributable to contributions by an Employer, or (2) decreasing the nonforfeitable percentage or amount in any Member's Aggregate Account. On the complete or partial termination of the Plan, or complete discontinuance of contributions by the Employer under the Plan, the accrued benefit of each of the affected Member's Aggregate Account shall be nonforfeitable and shall be distributed pursuant to Section VI.2.

**VIII.2** **Merger or Consolidation of the Plan**: In the event of any merger or consolidation of the Plan with, or transfer of assets or liabilities of the Plan to, any other plan, each Member shall be entitled to receive a benefit immediately after such merger, consolidation or transfer (determined as if such other plan had then terminated) which is equal to or greater than the benefit he would have been entitled to receive immediately before such merger, consolidation or transfer (if the Plan had then terminated).

**VIII.3** **Plan Amendments**: Notwithstanding the provisions of Article VIII.1 above, and pursuant to the authority under C.R.S. §31-31-502(5) as amended, the Board may amend the Plan without further approval of the active members of the Plan, as it deems prudent and necessary to efficiently administer benefits under the Plan.

## ARTICLE IX. MISCELLANEOUS

**IX.1** **Nonguarantee of Employment**: Nothing contained in this Plan shall be construed as a contract of employment between the Employer and any Member, or as a right of any Member to be continued in the employment of the Employer, or as a limitation of the right of the Employer to discharge any of its Members, with or without cause.

**IX.2** **Rights to Trust Assets**: No Member or Beneficiary shall have any right to, or interest in, any assets of the Fund upon termination of employment or otherwise, except as provided from time to time under this Plan, and then only to the extent of the benefits payable under the Plan to such Member out of the assets of the Fund. All payments of benefits as provided for in this Plan shall be made solely out of the assets of the Fund and no fiduciary shall be liable therefore in any manner.

**IX.3** **Non-alienation of Benefits**: Except for assignments for child support purposes as provided in C.R.S. §§14-10-118(1) and 14-14-107, as they existed prior to July 1, 1996, for writs of garnishment which are the result of a judgment taken for arrearages for child support or for child support debt, and for payments made in compliance with a properly executed court order approving a written agreement entered into pursuant to C.R.S. §14-10-113(6), benefits payable under this Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution, or levy or legal process of any kind, either voluntary or involuntary, prior to actually being received by the person entitled to the benefit under the terms of the Plan, and any attempt to anticipate, alienate, sell,

transfer, assign, pledge, encumber, charge or otherwise dispose of any right to benefits payable hereunder, shall be void. The Fund shall not in any manner be liable for, or subject to, the debts, contracts, liabilities, engagements or torts of any person entitled to benefits hereunder.

**IX.4** **Payments to Minors or Persons of Unsound Mind**: If any person entitled to receive any payment hereunder is a minor, or a person of unsound mind, whether formally adjudicated so or not, such payment shall be made to or for the benefit of such minor or person of unsound mind in any of the following ways, as the Board, in its sole discretion, shall determine: (a) to the legal representative of such person; (b) directly to such person; (c) to some near relative of such person; (d) in such other manner as the Board may deem appropriate under the circumstances. The Board shall not be required to see to the proper application of any such payment made to any person pursuant to the provisions of this Section IX.4.

**IX.5** **Disposition of Unclaimed Payments**: If the Board is unable to make any payment due under the Plan to any person because it cannot ascertain the identity or whereabouts of such person after making such written or telephonic inquiries as the Board, in its sole discretion, deems reasonable, the Board within seven (7) years after such payment was due shall suspend all further payments to such person until the identity or whereabouts of the person is known to the Board. The Board shall declare such payment, and all remaining payments due such person, to be forfeited as of the expiration of such seven-year period. However, such forfeited amounts shall be reinstated to the Member once the Member's whereabouts are known to the Board.

**IX.6** **Severability of Provisions**: If any provision of this Plan is held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions, and this Plan shall be construed and enforced as if such provision had not been included.

**IX.7** **Fund and Plan to be Tax Exempt**: The Fund and the Plan are intended to qualify under Code § 401(a) and to be tax exempt under Code § 501(a), respectively, and are each a "Governmental Plan" within the meaning of Code § 414(d) and §§ 3(32) and 4(b)(1) of the Employee Retirement Income Security Act of 1974. The Plan and Fund have been established with the expectation that the Fund will be irrevocable and in the belief that the Plan and Fund will be amended and operated in order to meet the requirements for a qualified plan under the Code and the applicable Treasury Regulations thereunder.

**IX.8** **Governing Law**: The Plan contained herein shall be deemed executed and governed under the laws of the State of Colorado. Should any provision of the laws of the State of Colorado be in conflict with the express powers, duties and responsibilities of the Board as set forth in this instrument, in such event the terms of this instrument shall control. For the convenience of the parties hereto, this Plan may be executed in multiple identical counterparts, each of which is complete in itself and may be introduced in evidence or used for any other purpose without the production of any other counterpart.

IN WITNESS WHEREOF, the Chair has hereunto affixed his signature this __th day of _____, effective _____, 2026.

BOARD OF DIRECTORS OF THE FIRE AND POLICE PENSION ASSOCIATION

By:_____
Jason Mantas, Chair