

**TITLE 590. OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM
CHAPTER 25. DEFERRED COMPENSATION**

SUBCHAPTER 1. GENERAL PROVISIONS

590:25-1-3. Definitions

The following words, terms, or phrases, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

"Account" means any of the accounts established for a Participant under the Plan, as described in Section 8 of Subchapter 5 of Chapter 25.

"Amendments, alterations and changes" means all Annuities, Mutual Fund(s), and Savings contracts can be altered, amended, changed or substituted for, from time to time by action of a majority of the Board and such altered, amended, changed, or substituted contract or contracts thereafter shall be used in the Plan.

"Beneficiary" means beneficiary or beneficiaries designated by the Participant in his Agreement with the Employer. If more than one designated beneficiary survives the participant, payments shall be made equally to the surviving beneficiaries unless otherwise provided in the Agreement. Nothing herein shall prevent the Participant from designating primary and secondary beneficiaries.

"Board" means the Oklahoma Public Employees Retirement System Board of Trustees, acting by and through the Plan Administrator.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Contracts and savings" means any deferred fixed annuity, variable annuity, mutual fund, common trust fund, savings account, or any combination thereof, authorized by applicable law or regulation to be sold or made available in the State of Oklahoma by any company or companies approved by the Board.

"Deferral" means a postponement of recognition of income taxes to be paid on salary withheld and invested with the Oklahoma State Employees Deferred Compensation Plan.

"Deferred compensation" means that portion of the Participant's compensation which the Participant and the Employer mutually agree to defer until the conditions set forth in the Deferred Compensation Plan are met.

"De-minimis account" means an inactive plan account that does not exceed the amount allowed by the Internal Revenue Code.

"Disability" means an actual and continuous physical or mental incapacity which causes the Participant to be retired with a disability retirement under the Participant's retirement plan.

"Emergency withdrawals" means withdrawals of amounts because of an unforeseeable emergency and are only permitted to the extent reasonably needed to satisfy the emergency need.

"Employee" means any officer or employee of the executive, legislative, or judicial branches of the Employer who is an active member of a public retirement system of this state, but does not include:

- (A) Employees of the public elementary, secondary, or area vocational school districts;
- (B) Employees of The Oklahoma State System of Higher Education except employees of the Oklahoma State Regents of Higher Education, the employees of the governing boards and the employees at the George Nigh Rehabilitation Institute or the Medical Technology and Research Authority of Oklahoma who remain participating members of OPERS;

(C) Persons on temporary, student, internship, or other limited-term appointments except for Executive Fellows in the Carl Albert Public Internship Program;

(D) Persons employed pursuant to Section 1.6a of Title 53 of the Oklahoma Statutes or Section 1806.1 of Title 74 of the Oklahoma Statutes.

"Employer" means The State of Oklahoma, its agencies and any duly constituted authority or instrumentality of the State of Oklahoma.

"Gender and number" Except when otherwise indicated by the context, any masculine terminology herein shall also include the feminine, and the definition of any terms herein in the singular may also include the plural.

"Normal retirement age" means not later than April 1 of the calendar year following that in which the Participant attains age ~~seventy (70) years and six (6) months~~ 72 or such other date as may permitted by the federal Internal Revenue Code if the Participant is no longer employed by the Employer or April 1 of the calendar year following that in which the Participant severs employment after attaining the age ~~seventy (70) years and six (6) months~~ 72 or such other date as may permitted by the federal Internal Revenue Code and beginning no earlier than the earliest age at which the Participant can retire under any state retirement system with full benefits.

"Participant" means an individual who is eligible and agrees to defer compensation under the Plan.

"Plan" means the current Oklahoma State Employees Deferred Compensation Plan and as it may be amended from time to time.

"Plan Administrator" means the person or persons appointed by the Executive Director of the Oklahoma Employees Retirement System to administer the Plan pursuant to Section 1 of Subchapter 13 of this Chapter 25.

"Plan Year" means the twelve month period ending on June 30.

"Recordkeeper" means the company designated by the Board to perform recordkeeping, administrative, and/or investment services to the Plan.

"Retirement" means the first date upon which each of the following shall have occurred: Separation from Service and attainment of Normal Retirement Age.

"Termination of service" means the severance of the Participant's employment relationship with the Employer prior to his retirement, death or disability.

"Trust" means the provisions of this document that comprise the trust established hereunder, effective January 1, 1998.

"Trust Fund" means the fund established under the Trust, with the Board of Trustees as trustee, and held by said trustee in accordance with this Plan and Trust, to which deposits and Deferred Compensation under this Plan and Trust will be made and out of which benefits under this Plan and Trust will be provided.

"Trustee" means the individuals appointed to the Board of Trustees to administer the Trust Fund in accordance with this Plan and Trust.

"Valuation Date" means each business day of the calendar year. On each Valuation Date, the Recordkeeper shall determine the value of the Trust Fund.

"Unforeseeable emergency" means severe financial hardship to the Participant, resulting from a sudden and unexpected illness or accident of the Participant or of a dependent of the Participant, loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant.

(A) The circumstances that will constitute an unforeseeable emergency will depend upon the facts of each case, but, in any case, payment may not be made to the extent that such hardship is or may be relieved:

- (i) Through reimbursement or compensation by insurance or otherwise.
- (ii) By liquidation of the Participant's assets, to the extent the liquidation of these assets would not itself cause severe financial hardship, or
- (iii) By cessation of deferrals under the Plan.

(B) Foreseeable personal expenditures normally budgetable, such as a down payment for a home, mortgage payments, rent, credit card debt, the purchase of an automobile, college or other schooling expense, etc., will not constitute an unforeseeable emergency.

"Variable annuity contract" means a Group Variable Annuity Contract approved for sale in the State of Oklahoma by any company or companies approved by the Board.

SUBCHAPTER 9 - BENEFITS

590:25-9-1. Commencement of benefits

The payment of amounts deferred under the Plan will become payable:

- (1) No earlier than thirty (30) days after the Participant separates from service with the State, through termination or retirement; or
- (2) No later than April 1 of the calendar year after the year the participant attains age ~~70~~ 70 1/2 ~~years of age~~ 72 or such other date as may permitted by the federal Internal Revenue Code, except as provided in 590:25-9-5.

590:25-9-5. Late retirement

If the Participant continues his employment after attaining ~~70 1/2~~ 72 years of age, all benefits payable under the Plan may be deferred until the Participant retires, terminates his employment, dies or when the Participant is faced with an unforeseeable emergency. If the Participant is not an active State employee, the payment of benefits must begin no later than April of the calendar year following the calendar year in which the Participant attained age ~~seventy (70) years and six (6) months~~ 72 or such other date as may permitted by the federal Internal Revenue Code. No additional deferral under this Plan may be made by the Participant after termination of employment.