

CHAPTER 25. DEFERRED COMPENSATION

SUBCHAPTER 3. ELECTION TO DEFER COMPENSATION

590:25-3-3. Discontinuation and deferral change

(a) The ~~employee election of the Employee~~ to participate under this Plan and the amount of compensation to be deferred is continuous, except that the Employee may discontinue participation, change ~~his or her~~ their deferral amount, or change the amount designated as Pre-Tax Elective Deferrals or Roth Elective Deferrals, at any time during the year by giving authenticated notice ~~the month prior to the effective date of such change. Participant changes will take effect as soon as administratively possible but no later than the month after the notice is received.~~ Unless otherwise designated by the Participant, any deferrals under the Plan shall be treated as Pre-Tax Elective Deferrals.

(b) ~~An Employee who elects to discontinue participation shall not again become eligible to participate in the Plan until one (1) month has elapsed from the Discontinuation Date, or as provided in 590:25-9-12.~~

(e**b**) For purposes of this rule, authenticated notice means participant communication through the Plan's website, through the Recordkeeper's dedicated toll-free telephone service or by approved written form.

SUBCHAPTER 9. BENEFITS

590:25-9-12. Emergency withdrawals

Notwithstanding any other provisions of this ~~Chapter~~ chapter, in the event of an unforeseeable emergency or financial hardship, such event being beyond the control of the Participant, a Participant may request the ~~Plan Administrator~~ Recordkeeper to pay benefits to ~~him or her~~ them immediately. If the application and justification for payment is approved by the ~~Plan Administrator~~ Recordkeeper, payment will generally be processed by the Recordkeeper within ten (10) business days ~~upon authorization from the Plan.~~ Benefits to be paid shall be limited strictly to that amount needed to meet the emergency situation constituting financial hardship. Any remaining benefits shall be paid in accordance with this ~~Chapter~~ chapter. ~~Effective February 1, 2002, two (2) or more emergency withdrawals paid will result in cancellation of that Participant's deferrals into the Plan for a period of not less than six (6) months following payment of the emergency withdrawal. For purposes of this rule any emergency withdrawals since the Participant's initial enrollment into the Plan will be considered when applying this rule except that no cancellation will occur until the Participant has had a subsequent emergency withdrawal after February 1, 2002. The Participant will be responsible for re-establishing his deferral amount upon completion of the six-month cancellation period.~~

590:25-9-16. Rollovers and ~~In-Plan Roth Conversions~~ in-Plan Roth conversions

(a) ~~Eligible Rollover Contributions~~ rollover contributions. A Participant who is entitled to receive an eligible rollover distribution from another eligible retirement plan may request to have all or a portion of the eligible rollover distribution paid to the Plan as eligible rollover contributions, provided such rollover meets the requirements of Code Sections 402(c)(4), 403(a)(4), or 408(d)(3), or any other applicable section of the Code or regulations, unless the distributing eligible retirement plan includes funds previously transferred or rolled-over which require tax accounting or distribution rules that are different from those contained in this Plan. The Plan shall accept eligible rollover contributions, whether as a direct rollover or as a Participant contribution of an eligible pre-tax rollover distribution, from the following types of plans:

- (1) A qualified plan described in Code Sections 401(a) or 403(a);
- (2) An annuity contract described in Code Section 403(b);
- (3) An 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
- (4) An individual retirement account or annuity described in Code Sections 408(a) or 408(b), but only to the extent the distribution is eligible to be rolled over and would otherwise be includable in gross income.

(b) ~~Roth Rollover Contributions~~ rollover contributions. Notwithstanding any other provisions in the Plan to the contrary, effective June 1, 2023, the Plan shall accept Roth Rollover Contributions from a Roth account under an applicable retirement plan in accordance with Code Section 402A(e)(1) only if it is a direct rollover and only to the extent the rollover is permitted under the rules of Code Section 402(c).

(c) ~~Separate Accounts~~ accounts. The Plan shall establish and maintain for the Participant separate accounts for any:

- (1) Eligible rollover contributions or Roth Rollover Contributions paid to the Plan;
- (2) Eligible Roth rollover contributions paid to the Plan from any eligible retirement plan including an eligible governmental plan under Code Section 457(b); and
- (3) Eligible rollover contributions paid to the Plan from an eligible governmental plan under Code Section 457(b).

(d) ~~In-Plan Roth Conversions~~ conversions. The following transfers are permitted under the Plan. Any such transfer shall be treated as a qualified rollover contribution, within the meaning of Code Section 408A(e) of the Internal Revenue Code, to such Account.

- (1) Any amount held in a Pre-Tax Elective Deferral Subaccount is eligible for direct transfer to a Roth Elective Deferral Subaccount even if not otherwise distributable.

- (2) Any amount held in a subaccount of the Participant's Transfer Contribution Account holding pre-tax Transfer Contributions or after-tax Transfer Contributions is eligible for direct transfer to a subaccount of the Participant's Transfer Contribution Account holding Roth Transfer Contributions and earnings even if not otherwise distributable.
- (3) Any amount held in a subaccount of the Participant's Rollover Contribution Account holding pre-tax Rollover Contributions and earnings is eligible for direct transfer to a subaccount of the Participant's Rollover Contribution Account holding Roth Rollover Contributions and earnings.

(e) **Administrative Procedures**~~procedures~~. A Participant's election under ~~paragraph (d) of this section~~Section shall be subject to the reasonable administrative procedures established by the Board, Code Section 402A(c)(4)~~of the Internal Revenue Code~~ and the regulations thereunder, and subsequent guidance from the Internal Revenue Service.

(f) **Taxable Amounts**~~amounts~~. The taxable portion of the Participant's Accounts transferred to a Roth Contribution Account or to a subaccount of the Participant's Roth Rollover Contribution Account holding Roth Rollover Contributions and earnings pursuant to ~~paragraph (d) of this section~~Section shall be included in the Participant's gross income in the tax year in which the transfer occurs.