

PENSION AND RETIREMENT PLAN

BE IT ORDAINED BY THE LEGAL VOTERS OF THE TOWN OF STONINGTON
IN LAWFUL TOWN MEETING DULY ASSEMBLED:

a) That the comprehensive pension and retirement plan or system for the officers and employees of the Town of Stonington and their beneficiaries (excepting therefrom; a. temporary employees, as defined by the plan; b. part-time employees, as defined by the plan; c. elected officers; d. any teacher or other employee who is or has been eligible for membership in the Connecticut State Teachers' Retirement System; e. policemen) is hereby established as on file in the office of the Town Clerk of the Town of Stonington and the Selectmen, and other proper authority of the Town of Stonington are hereby directed and empowered to appoint for the Town of Stonington a Retirement Board and otherwise implement such plan without delay.

b) Subject to approval by the Internal Revenue Service the effective date of such plan shall be August 1, 1967.

(Enacted December 27, 1967)

AMMENDMENT #1 TO PENSION RETIREMENT PLAN

BE IT ORDAINED BY THE LEGAL VOTERS OF THE TOWN OF STONINGTON
IN LAWFUL TOWN MEETING DULY ASSEMBLED:

That the action of the Selectmen in amending the Comprehensive Pension and retirement plan, or system, for officers and employees of the Town of Stonington and their beneficiaries enacted December 27, 1967 is hereby approved as follows:

a. Amendment of Section 1.9 to read as follows;

"Section 1.9 Employee shall mean any person regularly employed by the Town on a permanent basis including First Selectmen, Town Clerk and Tax Collector but excluding: (1) temporary employees (customary term of employment less than ten (10) months; (2) part-time employees (customary term of employment less than thirty (30) hours per week, except cafeteria employees shall not be excluded if their customary term of employment is twenty-five (25) hours or more); (3) elected officials not included above; (4) any teacher or other employee who is or have been eligible for membership in the Connecticut State Teachers' Retirement System; or (5) Policemen."

b. Amendment of Section 4.1 (i) to read as follows:

"(i) 1.25% of such Members Final Average Compensation."

c. Amendment of the table portion of Section 7.2 as follows:

"YEARS OF SERVICE WITH TOWN"

<u>At Least</u>	<u>But Less Than</u>	<u>Percentage of Accrued Benefits</u>
10	11	50%
11	12	60%
12	13	70%
13	14	80%
14	15	90%
15 or more	--	100%

AMMENDMENT #2 TO PENSION AND RETIREMENT PLAN

"BE IT RESOLVED BY THE LEGAL VOTERS OF THE TOWN OF STONINGTON, IN LAWFUL TOWN MEETING DULY ASSEMBLED:"

That the Comprehensive pension and retirement plan or system for the officers and employees of the Town of Stonington and their beneficiaries enacted December 27, 1967 be amended in the following manner:

That Section 3.1 of Article III of said plan be amended to read as follows:

Section 3.1 Normal Retirement Date - The normal Retirement Dates of members in the Plan are as follows:

(a) Members not under the Direct Control or Supervision of the Board of Education:

- (I) Normal Retirement Date of any member shall be the first day of the month coinciding with or next following his 65th birthday except.
- (II) Normal Retirement Date shall be the first day of the month coinciding with or next following his 64th birthday if such member attains his 64th birthday between August 1, 1972 and July 31, 1973.
- (III) Normal Retirement Date shall be the first day of the month coinciding with or next following his 63rd birthday of such member attains his 63rd birthday on or after August 1, 1973 to July 31, 1974.
- (IV) Normal Retirement Date shall be the first day of the month coinciding with or next following his 62nd birthday if such member attains his 62nd birthday on or after August 1, 1974.

(b) Members under the Direct Control or Supervision of the Board of Education:

- (I) Normal Retirement Date of any member shall be the first day of the month coinciding with or next following his 65th birthday.

AMMENDMENT #3 TO PENSION AND RETIREMENT PLAN

"BE IT RESOLVED BY THE LEGAL VOTERS OF THE TOWN OF STONINGTON IN LAWFUL MEETING DULY ASSEMBLED:

That the Town of Stonington Retirement Plan be amended in the following manner:

1. That Section 1.9 of Article I of said Plan be amended by adding to the end, the following:
No person employed by any agency, fire district, authority or board affiliated with the Town, or any board performing a governmental function within the Town, shall be considered an "employee" hereunder, unless the Selectmen shall authorize the persons employed by such agency, authority, fire district, or board to be eligible for membership hereunder, which authorization shall be conditioned upon the written agreement having first been furnished to the Town by the agency, fire district, authority or board to promptly reimburse the Town for all sums of money paid by the Town to the Plan, whether a direct or indirect expense, for the inclusion of such a person in the Plan and may be conditioned upon such other terms and conditions including conditions for contributions to the Plan by such agency, authority, fire district or board, as the Selectmen shall provide.
2. That Section 31. of Article III of said plan be amended as follows: Section 31. Normal Retirement Date - The Normal Retirement Date of any Member shall be the first day of the month following his 62nd birthday, however, should his 62nd birthday be the first day of any month, the Normal Retirement Date shall be his birthday.
3. That Section 4.1 (i) of Article IV of said plan be amended as follows: (i) 1.5% of such Member's Final Average Compensation.
4. That Section 4.4 of Article IV be amended as follows: Section 4.4 Retirement at Deferred Retirement Date - The annual benefit of a Member who retires on a Deferred Retirement Date shall be based on his years of Credited Service to his Deferred Retirement Date.
5. The effective date of the above amendments shall be August 1, 1974.

AMMENDMENT #4 TO PENSION AND RETIREMENT PLAN

"BE IT RESOLVED BY THE LEGAL VOTERS OF THE TOWN OF STONINGTON IN LAWFUL MEETING DULY ASSEMBLED:

RESOLVED: that the Comprehensive Pension and Retirement Plan or system for the officers and employees of the Town of Stonington and their beneficiaries enacted December 27, 1967, be amended as follows:

1. Section 5.2 of Article V is amended by adding a new paragraph after the last paragraph under Option A-Joint and Survivor Option reading as follows: " The Participant will,

in no event be permitted to elect this option unless the present value of the amount payable to the participant determined at the time the benefit commences is more than 50% of the actuarial value of his retirement benefit at the time the benefit commences."

2. Section 12.2 of Article XII is amended by eliminating the words "Or gross insubordination."

Section 12.2 of Article XII is further amended by adding to the end the following:

"The provisions of this Section are subject to the provisions of Section 11.2 of Article XI."

PENSIONS AND RETIREMENT

BE IT RESOLVED BY THE LEGAL VOTERS OF THE TOWN OF STONINGTON IN
LAWFUL TOWN MEETING DULY ASSEMBLED:

That the Comprehensive pension and retirement plan or system for the officers and employees of the Town of Stonington and their beneficiaries enacted December 27, 1967 be amended in the following manner:

That Section 3.1 of Article III of said plan be amended to read as follows:

Section 3.1 Normal Retirement Date -

The Normal Retirement Date of any Member shall be the earlier of (a) or (b):

- (a) The first day of the month following his 62nd birthday, however, should his 62nd birthday be the first day of any month, the Normal Retirement date shall be his birthday.
- (b) The first day of the month following his completion of 35 years of Credited Service.

The effective date of this amendment shall be July 1, 1982.

(Adopted: May 17, 1982)

(Effective Date: July 1, 1982)

PENSIONS AND RETIREMENTS

BE IT RESOLVED BY THE LEGAL VOIERS OF THE TOWN OF STONINGTON IN LAWFUL MEETING DULY ASSEMBLED:

) That the Comprehensive pension and retirement plan or system for the officers and employees of the Town of Stonington and their beneficiaries enacted December 27, 1967 be amended in the following manner effective July 1, 1987:

(1) That Article VI shall be amended to read:

6.1 In the event a Participant who is vested in an Accrued Termination Benefit pursuant to Article 7 dies prior to his Normal Retirement Date and prior to commencement of retirement benefits under this plan and is survived by a spouse to whom he had been married throughout the one year period ending on the date of his death, the surviving spouse shall be entitled to a pre-retirement survivor annuity determined and paid as follows:

- (i) In the event such Participant dies after he reaches the earliest date on which he could have retired, a monthly pension benefit equal to the benefit the spouse would have received if the employee had retired on the date before his death and had his vested benefits paid in the form of a 50% Joint and Survivor Retirement Benefit. Pursuant to the election of the spouse, payment of the pre-retirement survivor annuity shall commence as of the date of the employee's death, or at another date not later than when the employee would have attained his Normal Retirement Date.
- (ii) In the event such Participant dies before he has reached the earliest date on which he could have retired, a monthly pension benefit equal to the benefit the spouse would have received if the employee had separated from service on the date of death, had survived to the earliest date on which he could have retired, had retired on that date with vested benefits paid in the form of a 50% Joint and Survivor Retirement Benefit, and had died on the day following said assumed earliest retirement date. In the case of an employee who has less than fifteen years of Credited Service at his death, his earliest retirement date shall be deemed to be the date on which he would have attained age 55 and completed fifteen years of Credited Service had he continued in employment. Pursuant to the election of the spouse, payment of the pre-retirement survivor annuity shall commence as of said assumed earliest date on which the employee could have retired, or at another date not later than when the employee would have attained his Normal Retirement Date.

A Participant who is covered by the death benefit provided under this Section 6.1 may elect instead to be covered by the death benefit provided by Section 6.2 if otherwise eligible to be covered by such death benefit; provided, however, that any such election shall not be effective unless the Participant's spouse consents in writing to such election; the terms of such consent acknowledge the effect of the election; and the election is witnessed by a representative of the Retirement Board or a notary public.

- 6.2 In the event a Participant who is eligible for Early Retirement dies while an Employee prior to his Normal Retirement Date, his designated beneficiary shall receive sixty (60) monthly payments equal to the amount the Participant would have received if the Participant had retired under the Early Retirement provision and had selected a life annuity. In the event of the death of the designated beneficiary prior to receipt of sixty (60) monthly payments, the balance of the payments shall be made to the secondary beneficiary who had been selected by the Participant.

A Participant who is covered by the death benefit provided by Section 6.1 shall receive the benefit provided thereunder and no benefit shall be payable on behalf of such Participant under this Section 6.2 unless the death benefit provided under this Section 6.2 is duly elected by the Participant with spousal consent, in lieu of the benefit provided under Section 6.1

- 6.3 In the event a Participant continued in the active service of the Company after his normal retirement date, as provided in Section 3.4 of Article III hereof, and such Participant died before his actual retirement on a deferred retirement date, the Beneficiary or Provisional Payee of such Participant shall be entitled to receive benefits as provided in Article V, whichever is applicable.

(2) A new section 4.5 is added as follows:

- 4.5 Effective July 1, 1987, the monthly retirement benefit for all Participants receiving payments as of July 1, 1987 shall be increased by 1/12 of 1% for each month from annuity commencement date to July 1, 1987, to a maximum of 120 months.

Being properly seconded, the Moderator opened the floor to discussion. Mr. George Sylvestre and Ms. Gayle Shea discussed the resolution. Ms. Gayle Shea proposed amending where the resolution stated he and his be replaced with he/she and his/her.

Being properly seconded the Moderator asked for discussion on the amendment. There being none he asked for a vote and declared the amendment passed by unanimous voice vote.

The resolution as amended, replacing he and his with he/she and his/her was passed by unanimous voice vote.

(Adopted July 27, 1987)

TOWN OF STONINGTON
RETIREMENT PLAN

ARTICLE I
DEFINITIONS

The following words and phrases as used herein have the following meanings, unless a different meaning is specified or plainly required by the context:

- SECTION 1.1 "Town" shall mean the Town of Stonington
- SECTION 1.2 "Selectmen" shall mean the Board of Selectmen of the Town of Stonington or a majority of such board.
- SECTION 1.3 "Retirement Board" shall mean the Retirement Board which shall manage and administer the Plan, as provided for in Article IX.
- SECTION 1.4 "Annual Compensation" shall mean the salary or wages paid by the Town to an Employee for his services for previous calendar year on the employee's W-2 form.
- SECTION 1.5 "Final Average Compensation" shall mean the average of the annual compensation of a Member over those five consecutive calendar years of the ten years prior to his Retirement Date which averages the highest amount.
- SECTION 1.6 "Appointing Authority" shall mean for Employees of the Board of Education, and for all other Employees, Board of Selectmen.
- SECTION 1.7 Total and Permanent Disability - shall mean a physical or mental condition arising as a result of bodily injury or disease, either occupational or non-occupational in cause which, on the basis of medical evidence satisfactory to the Retirement Board, will wholly and permanently prevent an Employee from engaging in any occupation or employment for wage or profit except such employment as is found by the Retirement Board to be for the purpose of rehabilitation or not incompatible with the finding of total and permanent disability, but excluding disabilities resulting from (1) service in the armed forces of any country

for which government disability pension is available, (2) chronic alcoholism or addiction to narcotics, (3) engaging in a felonious criminal act, or (4) an effort to bring about injury or illness of himself or another person.

SECTION 1.8 Effective Date of the Plan shall mean August 1, 1967.

SECTION 1.9 Employee shall mean any person regularly employed by the Town on a permanent basis including First Selectmen, Town Clerk and Tax Collector but excluding: (1) temporary employees (customary term of employment less than (10) months; (2) part-time employees (customary term of employment less than thirty (30) hours per week, except cafeteria employees shall not be excluded if their customary term of employment is twenty-five (25) hours or more); (3) elected officials; (4) any teacher or other employee who is or have been eligible for membership in the Connecticut State Teachers' Retirement System; or (5) Policemen. No person employed by any agency, fire district, authority or board affiliated with the Town, or any board performing a governmental function within the Town, shall be considered as "employee" hereunder, unless the Selectmen shall authorize the persons employed by such agency, authority, fire district, or board to be eligible for membership hereunder, which authorization shall be conditioned upon the written agreement having first been furnished to the Town by the agency, fire district, authority or board to promptly reimburse the Town for all sums of money paid by the Town to the Plan, whether a direct or indirect expense, for the inclusion of such a person in the Plan and may be conditioned upon such other terms and conditions including conditions for contributions to the Plan by such agency, authority, fire district or board, as the Selectmen shall provided. (Amended July 6, 1970 and July 1, 1974)

SECTION 1.10 Fund shall mean the Trust Fund provided under Article X.

SECTION 1.11 Member shall mean any Employee who qualifies and continues qualified under Article II.

SECTION 1.12 Plan shall mean the Town of Stonington Retirement Plan hereby established and as amended from time to time hereafter.

SECTION 1.13 Plan Year shall mean the fiscal year of the Plan, commencing on August 1st of a calendar year and ending on July 31st of the succeeding calendar year.

SECTION 1.14 Credited Service shall mean the total period of employment as an Employee as shown on the payroll records of the Town commencing on the date of the Employee's last employment and continuing to the date of his death, retirement or termination of such employment, except that in no event shall periods during which a member does not receive compensation from the Town be included in computation of Credited Service.

SECTION 1.15 Periods of Absence. Periods of absence to the extent provided for and as defined in this Section shall not constitute a termination of employment of a member and shall not constitute an interruption in the Credited Service of such member. Periods of absence within the meaning of this Section are:

- a. Approved leave not to exceed two years;
- b. Authorized vacation;
- c. Temporary illness or temporary disability
- d. Voluntary or involuntary active service (but not periods of re-enlistment) in the armed forces of the United States while any law requiring military service is in effect;
- e. Other absences similar in nature specifically approved by the Appointing Authority and the Retirement Board in writing.

If any employee fails to return to work on the date fixed by the Retirement Board and the Appointing Authority, with respect to any leave (or within ninety (90) days following military service or such required period as may be directed by law for the protection of his employment rights following military service), his Credited Service shall be determined to have ended on the date next preceding such absence.

Any member whose employment is terminated and who is rehired within six (6) months after such termination of employment shall

be deemed for purpose of this Plan to have been on an approved leave of absence. Notwithstanding anything above to the contrary, any period of absence in excess of two (2) years for any reason other than military service shall constitute an interruption of Credited Service.

SECTION 1.16 Trustee shall mean the bank or trust company designated as Trustee by the Board of Selectmen.

Wherever used in the Plan, the masculine pronoun includes the feminine pronoun and the singular includes the plural unless otherwise required by the text.

ARTICLE II
MEMBERSHIP IN THE PLAN

Section 2.1 Condition of Membership - Each Employee as the term is defined by Section 1.9 hereof, employed by the Town on the effective date of the Plan shall be eligible for membership.

Section 2.2 Each Employee hired after August 1, 1967 shall be entitled to become a member on the August 1st as of which he shall have satisfied the following conditions:

- a. he shall have completed twelve (12) months of continuous service with the Town;
- b. he was hired on or before his sixtieth (60th) birthday.

Section 2.3 Employees Declining Membership - In the event any Employee eligible for membership in the Plan declines to become a member in the Plan on the date as of which he is first eligible for membership, such Employee, provided he is otherwise still eligible for employment, may apply for membership as of any subsequent August 1st prior to his attaining his fifty-fifth (55th) birthday, but all benefits provided such an Employee under this Plan shall be determined by reference only to his Credited Service after the August 1st as of which he becomes a member in the Plan.

SECTION 2.4 Pensioners Under Special Acts - No person receiving or entitled Under to receive any retirement benefit under the provisions of any special legislation enacted in consideration of his services to the Town, shall be a member in this Plan, and no such person shall receive any benefits by reason of the existence of this Plan.

ARTICLE III
RETIREMENT DATES

SECTION 3.1 Normal Retirement Date - The Normal Retirement Date of any member in the Plan shall be the earlier of (a) or (b):

a. The first day of the month following his 62nd birthday, however, should his 62nd birthday be the first day of any month, the Normal Retirement date shall be his birthday.

b. The first day of the month following his completion of thirty-five (35) years of Credited Service. (Amended July 6, 1970 and May 17, 1982)

SECTION 3.2 Earlier Retirement Date - Any Member who has attained his fifty-fifth (55th) birthday and completed fifteen (15) years of Credited Service may elect to retire as of the first day of any month thereafter, which date shall be hereinafter termed the "Earlier Retirement Date", and at his option, commence to receive his benefits commencing on such Earlier Retirement Date, or the first day of any subsequent month but not later than his Normal Retirement Date.

SECTION 3.3 Disability Retirement Date - Any member who has attained his fiftieth (50th) birthday and who has completed fifteen (15) years of Credited Service, or who has attained his fifty-fifth (55th) birthday and completed ten (10) years of Credited Service or who has attained his sixtieth (60th) birthday and completed five (5) years of Credited Service and who is determined to be totally and permanently disabled by the Retirement Board, may

retire and commence to receive his benefits, (herein referred to as Disability Retirement Date), prior to his Normal Retirement Date, which date may be the first day of any month six (6) months subsequent to the date of such determination.

SECTION 3.4 Deferred Retirement Date - With the approval of the Retirement Board and the Members' Appointing Authority on a year to year basis, a member able to satisfactorily perform his duties may remain in active employment after his Normal Retirement Date. The first day of the calendar month following such actual retirement shall be his Deferred Retirement Date.

ARTICLE IV

AMOUNT OF BENEFIT

SECTION 4.1 Retirement at Normal Retirement Date - A Member who retires on his Normal Retirement Date, shall receive an annual retirement benefit equal to:

- (i) 1.5% of such Member's Final Average Compensation (Amended July 5, 1972 and July 1, 1974)
- (ii) The amount determined in (i) shall be multiplied by such Member's years of Credited Service to such Member's Retirement Date (including 1/12th of a year for completed months in excess of completed years).

SECTION 4.2 Retirement at Earlier Retirement Date - The annual retirement benefit of a Member who retires on an Earlier Retirement Date and who elects to have retirement benefits commence on his Normal Retirement Date shall be computed in accordance with Section 4.1 based on his Credited Service to the Earlier Retirement Date. In the event a Member elects to have retirement benefit payments commence prior to his Normal Retirement Date, such retirement benefit shall be computed as though it were to have commenced on his Normal Retirement Date, but shall be actuarially reduced for the earlier commencement of payments.

SECTION 4.3 Retirement at Disability Retirement Date - The annual retirement benefit of a Member who retires on a Disability Retirement Date shall be computed in accordance with Section 4.1 based on his Credited Service to his Disability Retirement Date. The annual retirement benefit so computed will be reduced by any payments received under the Workmen's Compensation Act.

SECTION 4.4 Retirement at Deferred Retirement Date - The annual benefit of a Member who retires on a deferred retirement date shall be based on his years of Credited Service to his Deferred Retirement Date. (Amended July 1, 1974.)

*Amended
Added Sect. 4.5
7/27/87*

ARTICLE V
OPTIONS

SECTION 5.1 STANDARD RETIREMENT BENEFITS - The retirement benefits provided for in Article IV herein, shall be a monthly life annuity commencing as of the time specified in Article III and such retirement benefits shall terminate with the monthly payment coinciding with or next preceding the date of death of the Participant. This form of annuity is sometimes herein referred to as the "Standard Retirement Benefit".

SECTION 5.2 Optional Retirement Benefits - In lieu of the "Standard Retirement Benefit", a Participant may, subject to the provisions hereof, elect a form of benefit under Option A or Option B described herein. No Participant retiring on a disability retirement date shall be allowed to elect any form of optional retirement benefit and all such participants shall be retired on the Standard Retirement Benefit.

Option A - Joint and Survivor Option

A Participant may elect to receive a reduced retirement benefit payable monthly during his lifetime, after his retirement pursuant to the Plan, with Payments to continue after his death in the same amount to a Provisional Payee designated by the

Participant and terminating with the first day of the month coinciding with or next preceding the date of death of the Provisional payee. Such election shall be made in writing on a form prescribed by the Retirement Board and delivered to it one year prior to retirement or his normal retirement date, whichever is earlier. The reduced retirement benefit shall be the actuarial equivalent of (i) the standard retirement benefit payable at retirement on his normal retirement date; or (ii) the reduced amount payable at retirement on his earlier retirement date, as the case may be. The Participant will in no event be permitted to elect this option unless the present value of the amount payable to the participant determined at the time the benefit commences is more than 50% of the actuarial value of his retirement benefit at the time the benefit commences. (Amended July 1, 1974)

If the Provisional Payee dies before the Participant's normal or earlier retirement date, whichever is applicable, the election of this option shall be void, and the Participant's retirement benefit shall be payable as if such election has not been made.

If the Participant dies after his normal retirement date, but prior to his deferred retirement date, the retirement benefit payable to his Provisional Payee under this Option A shall be in the amount as if the Participant had retired on the day before his death, and payments shall commence on the first day of the month coinciding with or next following the date of death of the Participant.

If the Provisional Payee dies after the Participant's normal retirement date, but prior to his deferred retirement date, the Participant shall receive commencing upon retirement, the retirement benefit he would have received under this Option A if his Provisional Payee were alive at his actual retirement. The election of this Option A may be rescinded or the designation of a Provisional Payee may be changed by the Participant by delivery to the Retirement Board of evidence satisfactory to it of the good health of the last previously designated Provisional Payee.

Any benefit payable to a joint annuitant shall not exceed that purchasable by an amount equal to but no greater than the reserve which would be required to fund an annuity of equal monthly benefits for the spouse of a Participant of such other joint annuitant whose age is no more than five years less than the Participant's age at retirement.

Option B - 120 Months Certain Option

A participant may elect to receive a reduced retirement benefit which shall be payable monthly during his lifetime after his retirement pursuant to the Plan and continuing to the first day of the month in which the Participant's death occurs, provided, however, that not less than 120 monthly payments, as the Participant shall elect, shall be made to the Participant and/or his surviving Beneficiary. Such election shall be made in writing upon a form prescribed by the Retirement Board and delivered to it one year prior to the earlier of the Participant's normal or earlier retirement date. The reduced retirement benefit shall be the actuarial equivalent of: (i) the standard retirement benefit payable at retirement on his normal or deferred retirement date, or (ii) the reduced amount payable at retirement on his early retirement date, as the case may be. At the time of making an election in accordance with this Option, the Participant shall designate to the Retirement Board in writing, on a form prescribed by the Retirement Board and delivered to it, a Beneficiary to receive the retirement benefit payable under this Option B in the event of the Participant's death after his retirement, but before he has received the number of retirement benefit payments elected.

The election of this Option B may be rescinded at any time by the Participant prior to his retirement on his normal or earlier retirement date. The designation of a Beneficiary may be revoked, amended or changed at any time prior to the Participant's death. Any such action shall be evidenced in writing on a form prescribed by the Retirement Board and delivered to it. In the event of the death of the Participant

and his Beneficiary or Beneficiaries before the full number of payments elected have been made, the computed value of the balance of such payments shall be paid in a lump sum to the executor or administrator of the estate of the survivor of the Participant and his Beneficiary. If a Participant dies while on deferred retirement and has elected this Option B, his named Beneficiary shall be entitled to receive the reduced retirement benefit as though he had retired on the day before his death, payable for 120 months, and payments shall commence on the first day of the month coinciding with or next following the date of death of the Participant.

SECTION 5.3 Binding Effect of Election - If the election of any of the options is not made within the above time limitation, such election may, nevertheless, be made at any time prior to the Participant's retirement or his normal retirement date, whichever is earlier, provided the Participant furnishes the Retirement Board with evidence satisfactory to it of his good health. If the Participant elects an option and dies before his normal or earlier retirement date, whichever is applicable, no retirement benefit shall be payable to his Provisional Payee or Beneficiary.

SECTION 5.4 Payment of Small Benefits - Notwithstanding any provisions in this Plan for the monthly payment of standard or optional retirement benefits to a Participant, a Provisional Payee or a beneficiary, if such monthly payment is less than \$10.00, such payment may be made quarterly, semi-annually or annually in adjusted amounts, or in a lump sum actuarial equivalent, as the Retirement Board may determine.

7/27/87
amended
ARTICLE VI
DEATH BENEFITS

SECTION 6.1 In the event of the death of a Participant prior to his retirement under this Plan, such Participant shall not be

entitled to any benefit under this Plan unless the Participant, as of the date of his death, had continued in the active service of the Company after his normal retirement date.

SECTION 6.2 In the event a Participant continued in the active service of the Company after his normal retirement date, as provided in Section 3.4 of Article III hereof, and such Participant died before his actual retirement on a deferred retirement date, the Beneficiary or Provisional Payee of such Participant shall be entitled to receive benefits as provided in Article V, whichever is applicable.

ARTICLE VII
TERMINATION OF EMPLOYMENT

SECTION 7.1 Benefit Upon Termination - subject to the provisions of Article XII hereof, a Member whose employment with the Town is terminated for any reason other than death or retirement shall be entitled, at his election, either to the accrued termination benefit described in Section 7.2 below commencing at Normal Retirement Date, or at Earlier Retirement Date on an actuarially reduced benefit.

SECTION 7.2 Accrued Termination Benefit - The accrued termination benefit shall be an annual benefit commencing at Normal Retirement Date equal to the accrued percentage set forth below of the retirement benefit contained in Section 4.1 hereof, based upon Credited Service of such Member to the date of his termination of employment.

The accrued percentage pursuant to the preceding sentence shall be based upon years of service of such Member with the Town as follows:

YEARS OF SERVICE WITH THE TOWN

<u>At Least</u>	<u>But Less Than</u>	<u>Percentage of Accrued Benefit</u>
10	11	50%
11	12	60%
12	13	70%
13	14	80%
14	15	90%
15 or more	—	100%

(Amended July 6, 1970)

SECTION 7.3 Re-Employment After Termination - If a Member's employment with the Town terminates for any reason other than retirement and he is later re-employed, he shall be considered a new employee for all purposes of the Plan.

ARTICLE VIII

CONTRIBUTIONS

SECTION 8.1 Town's Contributions - The Town shall contribute such amounts as may be determined by its actuarial advisor as sufficient to provide the retirement benefits provided under the Plan. Payments by the Town shall be subject to annual budgetary and appropriation requirements of the Connecticut General Statutes and/or any Charter adopted by the Town, and the Town shall incur no liability to make such payments and shall not be under any liability to any person for the failure to make such payment or payments. The Town shall not directly or indirectly receive any refund of any contribution made by it, nor shall the Town directly or indirectly participate in the distribution by the trustee, at any time prior to the satisfaction of all liabilities to members and their beneficiaries.

ARTICLE IX

ADMINISTRATION OF THE PLAN

SECTION 9.1 The general administration of the Plan and the responsibility for carrying out the provisions of the Plan shall be placed in the Retirement Board consisting of five (5) members. The members of the Retirement Board shall be appointed by the Board of Selectmen, except that two (2) members thereof shall be nominated by the Board of Education and one (1) member by the Board of Finance. All members shall be appointed for five (5) year terms and the term of each member shall continue for such period. Upon the death or resignation of any member prior to the expiration of his term, the Board of Selectmen shall appoint a replacement for the remainder of such member's term. The members of the Retirement Board shall select one of their members to act as Chairman. Members of the Retirement Board shall serve without compensation for acting as such.

SECTION 9.2 The Retirement Board may construe this Plan and its constructions hereof and action hereon in good faith shall be final and conclusive. It may correct any defect or supply any omission or reconcile any inconsistency in such manner and to such extent as it shall deem expedient to carry the same into effect.

SECTION 9.3 The Retirement Board shall provide rules and regulations not inconsistent with the terms and provisions hereof for the administration of the Plan and from time to time may amend or supplement such rules and regulations.

SECTION 9.4 The Retirement Board may retain employees, agents, actuarial advisors and counsel who may, but need not be, counsel for the Town.

SECTION 9.5 The Retirement Board shall act by a majority vote of its members at a meeting.

SECTION 9.6

The Retirement Board may authorize one of its members or elect a Secretary to perform routine acts and to sign documents in its behalf. No member of the Retirement Board, however, shall vote or act upon or sign any documents relating to his own membership in the Plan.

ARTICLE X
TRUST FUND

SECTION 10.1

Fund - All contributions hereunder made by the Town shall be held and administered by the Trustee in trust for use in accordance with the Plan. The responsibility for the holding and investment of the fund shall lie with the Trustee and not with the Retirement Board.

SECTION 10.2

Designation of Trustee - The Trustee shall be a bank or trust company having the power to act as Trustee in the State of Connecticut. The designation of such bank or trust company shall be made by the Selectmen.

SECTION 10.3

Designation of Funds - The Trustee shall hold contributions made hereunder by the town upon being forwarded to the Trustee by the Town Treasurer in accordance with the terms of a written agreement between the Town and the Trustee. The Trustee shall have all rights, privileges, duties and immunities conferred upon it by the Trust Agreement.

SECTION 10.4

Rights in Fund - No part of the corpus or income of the Fund, shall be used for, or directed or diverted to, any purpose, subject to the payment of expenses, other than for the exclusive benefit of the Members and their Beneficiaries prior to the satisfaction of all liabilities for benefits under the Plan; and provided further that no person shall have any interest in or right to any part of earnings or principal of the Fund, or any rights in, to, or under the Trust Agreement, except as and to the extent expressly provided in the Plan and in the Trust Agreement.

SECTION 10.5

Expenses of Plan - Expenses of administration of the Plan including actuarial fees shall be paid out of the Trust Fund upon direction by the Retirement Board.

ARTICLE XI

AMENDMENT AND TERMINATION

SECTION 11.1

Amendment - The town shall have the right by action of the Selectmen (which action shall not be effective until approved by the legislative body of the Town) to amend the Plan at any time provided that no amendment shall: (i) cause or permit any portion of the Fund to become the property of the Town until liabilities to Members and Beneficiaries are satisfied, or (ii) deprive any Member or Beneficiary retroactively of rights already accrued under the Plan.

SECTION 11.2

Termination - The Town shall have the right by action of the Selectmen to terminate the Plan at any time, subject to the following:

- (a) If the Plan is terminated in its entirety, or if the Town contributions are discontinued (not merely a suspension thereof), the Fund shall be used subject to the payment of expenses, for the benefit of Members and Beneficiaries and for no other purpose until all liabilities to Members and Beneficiaries for benefits under the Plan to the date of termination or discontinuance of contributions have been satisfied.
- (b) If the Fund is sufficient to satisfy all liabilities in full, then the assets of the Fund shall be applied in the following order:
 - FIRST: To provide retirement benefit payments to retired Members, and other Members who have attained Normal Retirement Date;
 - SECOND: To provide retirement benefit payments to Members who are eligible to retire at Earlier Retirement Date but have not retired;
 - THIRD: To provide retirement benefit payments to Members who have terminated employment with the Town, or could have terminated such employment, with a right to Termination Benefits for themselves or their Beneficiaries under Article VII hereof; and

FOURTH: To provide retirement benefit payments to all remaining Members. Each of the foregoing four categories with the exception of the FIRST shall be determined as of the date of termination of the Plan, and such categories are hereinafter referred to as "Classes".

- (c) If upon the application of the assets of the Fund in the order of priority to provide payment in part of liabilities to Members and Beneficiaries in one of the three (3) classes, there are assets available for that Class but not sufficient to satisfy such liabilities in full, the assets available for that Class shall be applied on the basis of the proportions which the available assets bear to the present values of the accrued retirement benefits of all members and Beneficiaries in that Class.
- (d) Upon the termination of the Plan, the Fund may be continued in existence and the assets applied to the benefit of the several Classes above set forth, or the Fund may be distributed in the manner set forth in Classes 1 and 2 below, or in a combination thereof:
1. By the distribution to each Member or Beneficiary of the present value of what such Member or Beneficiary is entitled to receive, either in one lump sum or in installments over a period of not more than five (5) years; or
 2. By the purchase of annuity contracts of such type(s) as the Retirement Board shall determine for the members and Beneficiaries from an insurance company or companies.

SECTION 11.3

Provision to Prevent Discrimination -

(a) In the event that the Plan is terminated, or the full current cost thereof has not been met at any time before August 1, 1977, the value of benefits which any of the twenty-five (25) highest paid employees, as hereinafter determined, may receive, shall not exceed the larger of the following amounts:

- (1) \$20,000.; or
- (2) Twenty (20%) percent of the first \$50,000. of the Employee's average annual compensation for the first five (5) years preceding the date of termination multiplied by the number of years since August 1, 1967.

(b) These conditions shall not restrict the current payment of full retirement benefits of any retired Member while the Plan is in full effect and its full current costs have been met. In the event that any funds are realized by operation of the restrictions set forth herein, they shall be used to reduce subsequent Town contributions of the Plan, but if the Town has ceased its contributions, they shall be used for the benefit of Members other than the twenty-five (25) highest paid Employees on a basis which shall not result in substantial discrimination in favor of the more highly compensated Employees.

(c) For the purpose of this section, the twenty-five (25) highest paid Employee shall mean the twenty-five (25) highest paid Employees as of August 1, 1967, including any such highly paid Employees who are not Members at that time but who may later become Members, but excluding any Employee whose annual retirement benefit provided by the Town contributions will not exceed \$1,500.

SECTION 11.4 Funds Remaining After Distribution of all Benefits - After the fulfillment of all obligations to Members and their Beneficiaries provided for in this Article XI, any portion of the Fund remaining as a result of actuarial error may be returned to the Town.

ARTICLE XII
MISCELLANEOUS

SECTION 12.1 Minors and Incompetents - If any person to whom a benefit is payable from the Fund is a minor, or if the Retirement Board determines that any person to whom such benefit is payable is incompetent by reason of physical or mental disability, any payment due (unless a proper claim therefor shall have been made by a duly appointed guardian, conservator or legal representative) may be made to the spouse, a child, a parent or a

brother or sister of such person, or to any person deemed by the Retirement Board to have incurred expenses for such person otherwise entitled to payment. Any such payment shall be a complete discharge of any liability for such payment under the Plan.

SECTION 12.2 Fraud and Dishonesty - If any Member in the course of employment with the Town shall commit any act of fraud, or dishonesty resulting in involuntary termination of employment, in the discretion of the Retirement Board, he shall forfeit to the Fund any and all payments and benefits due or becoming due to him from the Fund.

Any forfeiture under the provisions of the paragraph shall be forfeited to the Town and treated thereafter as amounts contributed by the Town in the current or next succeeding year. The provisions of this Section are subject to the provisions of Section 11.2 of Article XI. (Amended July 1, 1974)

SECTION 12.3 Non-Assignability of Benefits - Members and Beneficiaries shall be entitled to all the benefits specifically set out under the terms of the Plan, but to the extent permitted by law, said benefits or any of the property rights therein shall not be assignable or distributable to any creditor or other claimant of such Member or his Beneficiary. No Member or his Beneficiary shall have the right to anticipate, assign, pledge, accelerate, or in any way dispose of any of the monies or benefits or other property which may be payable to him.

SECTION 12.4 Non-Liability of Town - All benefits under the Plan shall be paid or provided for solely from the Fund and the Town assumes no liabilities or responsibilities therefor.

SECTION 12.5 Tenure of Employment - Neither the action of the Town in the establishment of the Plan nor any action taken by it or by the Retirement Board hereunder shall be construed as giving any Employee the right to be retained in the employ of the Town or any other right whatsoever except to the extent of the benefits provided by the Plan to be paid or made available from the Fund.

SECTION 12.6 Separability of Provisions - If any provisions of this Plan shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts of the Plan but the Plan shall be construed and endorsed as if said illegal or invalid provisions had never been inserted herein.

BE IT RESOLVED BY THE LEGAL VOIERS OF THE TOWN OF STONINGTON IN LAWFUL MEETING DULY ASSEMBLED:

That the Comprehensive pension and retirement plan or system for the officers and employees of the Town of Stonington and their beneficiaries enacted December 27, 1967 be amended in the following manner effective July 1, 1987:

(1) That Article VI shall be amended to read:

6.1 In the event a Participant who is vested in an Accrued Termination Benefit pursuant to Article 7 dies prior to his Normal Retirement Date and prior to commencement of retirement benefits under this plan and is survived by a spouse to whom he had been married throughout the one year period ending on the date of his death, the surviving spouse shall be entitled to a pre-retirement survivor annuity determined and paid as follows:

- (i) In the event such Participant dies after he reaches the earliest date on which he could have retired, a monthly pension benefit equal to the benefit the spouse would have received if the employee had retired on the date before his death and had his vested benefits paid in the form of a 50% Joint and Survivor Retirement Benefit. Pursuant to the election of the spouse, payment of the pre-retirement survivor annuity shall commence as of the date of the employee's death, or at another date not later than when the employee would have attained his Normal Retirement Date.
- (ii) In the event such Participant dies before he has reached the earliest date on which he could have retired, a monthly pension benefit equal to the benefit the spouse would have received if the employee had separated from service on the date of death, had survived to the earliest date on which he could have retired, had retired on that date with vested benefits paid in the form of a 50% Joint and Survivor Retirement Benefit, and had died on the day following said assumed earliest retirement date. In the case of an employee who has less than fifteen years of Credited Service at his death, his earliest retirement date shall be deemed to be the date on which he would have attained age 55 and completed fifteen years of Credited Service had he continued in employment. Pursuant to the election of the spouse, payment of the pre-retirement survivor annuity shall commence as of said assumed earliest date on which the employee could have retired, or at another date not later than when the employee would have attained his Normal Retirement Date.

A Participant who is covered by the death benefit provided under this Section 6.1 may elect instead to be covered by the death benefit provided by Section 6.2 if otherwise eligible to be covered by such death benefit; provided, however, that any such election shall not be effective unless the Participant's spouse consents in writing to such election; the terms of such consent acknowledge the effect of the election; and the election is witnessed by a representative of the Retirement Board or a notary public.

6.2 In the event a Participant who is eligible for Early Retirement dies while an Employee prior to his Normal Retirement Date, his designated beneficiary shall receive sixty (60) monthly payments equal to the amount the Participant would have received if the Participant had retired under the Early Retirement provision and had selected a life annuity. In the event of the death of the designated beneficiary prior to receipt of sixty (60) monthly payments, the balance of the payments shall be made to the secondary beneficiary who had been selected by the Participant.

A Participant who is covered by the death benefit provided by Section 6.1 shall receive the benefit provided thereunder and no benefit shall be payable on behalf of such Participant under this Section 6.2 unless the death benefit provided under this Section 6.2 is duly elected by the Participant with spousal consent, in lieu of the benefit provided under Section 6.1

6.3 In the event a Participant continued in the active service of the Company after his normal retirement date, as provided in Section 3.4 of Article III hereof, and such Participant died before his actual retirement on a deferred retirement date, the Beneficiary or Provisional Payee of such Participant shall be entitled to receive benefits as provided in Article V, whichever is applicable.

(2) A new section 4.5 is added as follows:

4.5 Effective July 1, 1987, the monthly retirement benefit for all Participants receiving payments as of July 1, 1987 shall be increased by 1/12 of 1% for each month from annuity commencement date to July 1, 1987, to a maximum of 120 months.

Being properly seconded, the Moderator opened the floor to discussion. Mr. George Sylvestre and Ms. Gayle Shea discussed the resolution. Ms. Gayle Shea proposed amending where the resolution stated he and his be replaced with he/she and his/her.

Being properly seconded the Moderator asked for discussion on the amendment. There being none he asked for a vote and declared the amendment passed by unanimous voice vote.

The resolution as amended, replacing he and his with he/she and his/her was passed by unanimous voice vote.

(Adopted July 27, 1987)

PENSION & RETIREMENT PLAN

BE IT HEREBY RESOLVED, BY THE LEGAL VOTERS OF THE TOWN OF STONINGTON IN LAWFUL TOWN MEETING DULY ASSEMBLED THAT,

The Town of Stonington Retirement Plan ("Plan") is hereby amended, effective July 1, 1999, unless otherwise specified, pursuant to Section 11.1 of the Plan as follows:

1. Section 1.4 is amended as follows:
"Annual Compensation" shall mean the total salary of wages paid by the Town to an Employee, including Member Contributions under this Plan, over a twelve month consecutive period.
2. Section 1.13 is amended as follows:
"Plan Year" shall mean the fiscal year of the Plan, commencing on July 1 and ending on June 30 of the succeeding calendar year.
3. Section 1.15 is amended as follows:
Periods of Absence. Periods of absence to the extent provided for and as defined in this Section shall not constitute a termination of employment of a member and shall not constitute an interruption in the Credited Service of such member. Periods of absence within the meaning of this Section are:
 - a. Approved unpaid leave not to exceed five (5) years;
 - b. Unpaid temporary illness or temporary disability;
 - c. Voluntary or involuntary active service (but not periods of re-enlistment) in the armed forces of the United States while any law requiring military service is in effect;
 - d. Other absences similar in nature specifically approved by the Appointing Authority and the Retirement Board in writing.

If any employee fails to return to work on the date fixed by the Retirement Board and the Appointing Authority with respect to any leave (or within ninety (90) days following military service or such required period as may be directed by law for the protection of his employment rights following military service), his Credited Service shall be determined to have ended on the date next preceding such absence.

Any member whose employment is terminated and who is rehired within thirty-six (36) months after such termination of employment shall be deemed for purposes of this Plan to have been on an approved leave of absence. Notwithstanding anything above to the contrary, any period of absence in excess of five (5) years for any reason other than military service shall constitute an interruption of Credited Service.

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(continued) PENSION & RETIREMENT PLAN

4. Section 2.2 is amended as follows:

A member of the Plan on June 30, 1999 will continue as a Member of the Plan as amended effective July 1, 1999 provided the Member satisfies the definition of Employee in Section 1.9. Each Employee who is not a Member of the Plan on June 30, 1999 will become a Member of the Plan as amended effective July 1, 1999, on the later of July 1, 1999, or the date he becomes an Employee, as defined in Section 1.9.

5. Section 2.3 is amended as follows:

a. Member Contributions: Each Member (i) who is not represented by a collective bargaining unit and (ii) who is represented by a collective bargaining unit that has agreed to require contributions by Members is required to contribute 3% of his or her Annual Compensation beginning on the July 1 on which an Employee becomes a Member, and continuing during active employment ("Member Contributions"). Except as provided below, Members may not elect to receive the amount due as Member Contributions directly rather than having such amount contributed to the Plan.

Pursuant to the provisions of Section 414(h)(2) of the Internal Revenue Code, the Town shall pick up and pay Member Contributions through regular payroll deduction and such contributions will continue until the Member terminates employment. Members are not required to contribute during periods of unpaid leaves of absence.

b. Credited Interest on Member Contributions: Member Contributions shall be paid by the Town to the Trust Fund and shall be accumulated therein with Credited Interest. Credited Interest on Member Contributions means interest for the number of full months from the July 1 following the date such contributions were made to the date to which it is being computed. Credited Interest will be at the rate of 5% per year, compounded annually for full years. For periods of less than a full year, simple interest will be used.

6. Section 3.2 is amended as follows:

Any member who has attained his 50th birthday and completed fifteen (15) years of Credited Service may elect to retire as the first day of any month thereafter, which date shall be hereinafter termed the "Earlier Retirement Date", and at his option, commence to receive his benefits commencing on such Earlier Retirement Date, or on the first day of any subsequent month, but not later than his Normal Retirement Date.

7. Section 4.1(i) is amended as follows:

(i) (a) With respect to Members who make Member Contributions, 1.75% of such Member's Final Average Compensation.

(b) With respect to Members who do not make Member Contributions, 1.5% of such Member's Final Average Compensation.

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(continued) PENSION & RETIREMENT PLAN

8. Section 4.5 is amended by adding the following paragraph:
The monthly retirement benefits for all Participants receiving payment as of July 1, 1999 shall be increased by 1/12 of 1% for each month from annuity commencement date to July 1, 1999 to a maximum of 120 months.
9. The following new Section 6.4 is added:
In the event a Member or terminated Member, who is not covered under the Survivor's Benefit described in Section 6.1 or 6.2, dies before becoming eligible for Early or Normal Retirement, such Member shall not retain any non-forfeitable rights hereunder, other than the return of any member Contributions with Credited Interest, payable to his Beneficiary.
10. Section 7.1 is amended by adding the following new paragraph at the end thereof:
A terminated Member not entitled to a benefit under Section 7.2 below will receive as soon as practical following termination of employment, a return of his or her Member Contributions with Credited Interest calculated as of the first of the month preceding distribution of such Member Contributions.
11. The second paragraph of Section 7.2 is amended as follows:
The accrued percentage of a Member who does not make Member Contributions shall be based upon year of service of such Member with the Town as follows:
12. Section 7.2 is amended by adding the following at the end thereof:
The accrued percentage of each member who makes Member Contributions shall be based upon years of service of such Member with the Town as follows:

Years of Service with the Town		Percentage of Accrued Benefit
At Least	But Less Than	
5	6	50%
6	7	60%
7	8	70%
8	9	80%
9	10	90%
10 or more		100%

13. Section 7.3 is amended as follows:
Re-employment After Termination - If a Member's employment with the Town terminates for any reason other than retirement and the Member is re-employed after a consecutive period of five (5) full years, such Member shall be considered a new employee for all purposes of the Plan.

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(continued) PENSION & RETIREMENT PLAN

If a Member returns to employment with the Town within a consecutive period of five (5) full years, such Member will continue to be a Member for all purposes of the Plan. In this event, the Credited Service earned after July 1, 1999 and prior to the Member's termination of employment will be credited to the Member so long as the Member reimburses the Fund for any distribution of Member Contributions and Credited Interest received by the Member. If no reimbursement is made to the Fund, Credited Service prior to termination of employment and after July 1, 1999 will not be credited to the Member.

14. Section 12.10 is deleted in its entirety.

Amended February 23, 1999

Effective July 1, 1999