

## AMENDMENT NO. 1

### TO THE AMENDED AND RESTATED CITY OF CARSON PUBLIC AGENCY RETIREMENT SYSTEM (PARS) PLAN DOCUMENT

**THIS AMENDMENT TO THE CITY OF CARSON PUBLIC AGENCY RETIREMENT SYSTEM (PARS) PLAN DOCUMENT** (“Amendment No. 1”) is effective as of the 15<sup>th</sup> day of September, 2020.

#### RECITALS

A. The City of Carson (“Employer”) adopted that certain Public Agency Retirement System (PARS) Plan Document (“the Plan”) effective January 1, 1992, whereby by the Employer adopted a Public Agency Retirement System.

B. On January 1, 2007, the Employer adopted that certain Amended and Restated City of Carson Public Agency Retirement System Alternate Retirement System (PARS-ARS) (“First Restated Plan”). The First Restated Plan constituted a full and complete amendment and restatement of the Plan. Without limitation, the First Restated Plan made certain clarifications related to distributions and annual addition limits.

C. Pursuant to Section 8.3 of the First Restated Plan, the Employer has the right to amend the Plan.

D. On March 13, 2020, the President of the United States declared the ongoing coronavirus pandemic of sufficient severity and magnitude to warrant a nationwide emergency declaration.

E. On March 27, 2020, the President of the United States signed into law the Coronavirus Aid, Relief, and Economic Security Act, or CARES Act (the “Act”). The Act includes a number of tax provisions that affect retirement plans.

F. Employer now desires to amend the Plan to allow Coronavirus related distributions and temporary waive the Required Minimum Distributions, enacted by the Act.

#### **TERMS**

1. **Plan Changes.** The First Restated Plan is amended as provided herein.

A. **Section 6.9, “Coronavirus-Related Distributions,” is hereby added to Article VI of the First Restated Plan, and shall now read as follows:**

##### **“6.9 Coronavirus-Related Distributions**

(a) This Section 6.9 which provides for “Coronavirus-Related Distributions” as described below supersedes any Plan provision to the

contrary. Section 6.9 is intended to comply with Section 2202 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) and the regulations thereunder and will be interpreted accordingly.

(b) A Qualified Individual means a Participant or a Beneficiary or an alternate payee with an Account under the Plan.

(c) The Employer may make Coronavirus-Related Distributions to a Qualified Individual from his or her vested Account under the Plan on or after January 1, 2020 and before December 31, 2020, under one of the following conditions:

(i) The Qualified Individual is diagnosed with the virus SARS-CoV-2 or with coronavirus disease 2019 (COVID-19) by a test approved by the Centers for Disease Control and Prevention;

(ii) The Qualified Individual’s spouse or dependent (as defined in section 152 of the Code) is diagnosed with such virus or disease by such a test; or

(iii) The Qualified Individual, Qualified Individual’s spouse or member of the Qualified Individual’s household who experiences adverse financial consequences as a result of being quarantined, being furloughed or laid off or having work hours reduced due to such virus or disease, being unable to work due to lack of childcare due to such virus or disease, closing or reducing hours of a business owned or operated by the Qualified Individual, Qualified Individual’s spouse or member of the Qualified Individual’s household due to such virus or disease, or other factors as determined by the Secretary of the Treasury (or the Secretary’s delegate). A member of the Qualified Individual’s household is someone who shares the Qualified Individual’s principal residence.

(d) The Employer may rely on the Qualified Individual’s certification that he or she satisfies the conditions above, in Section (c), in determining whether any distribution to the Qualified Individual is a Coronavirus-Related Distribution.

(e) The aggregate amount of Coronavirus-Related Distributions received by a Qualified Individual under this Plan, for any taxable year, shall may not exceed \$100,000.

(f) Section 72(t) of the Code shall not apply to any Coronavirus-Related Distributions. For purposes of sections 401(a)(31), 402(f), and

3405 of the Code, Coronavirus-Related Distributions shall not be treated as eligible rollover distributions.

(g) In the case of any Coronavirus-Related Distribution, unless the Qualified Individual elects otherwise, any amount required to be included the Qualified Individuals taxable income will be included ratably over the three taxable years following the distributions beginning with the taxable year of the distribution.

(h) A Qualified Individual who receives a Coronavirus-Related Distribution may, at any time during the three year period beginning on the day after the date on which such distribution was received, make one or more contributions in an aggregate amount not to exceed the amount of such distribution to an Eligible Retirement Plan of which such Qualified Individual is a beneficiary (including this Plan if the Qualified Individual is then a Participant or Beneficiary) and to which a rollover contribution of such distribution could be made under Sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16) of the Code. Such repayments shall be subject to section 2202(a)(3) of the CARES Act.”

**B. Subsection (d), “Temporary Waiver of Required Minimum Distributions,” is hereby added to Section 6.1 of the First Restated Plan, and shall now read as follows:**

“(d) Temporary Waiver of Required Minimum Distributions. Notwithstanding any contrary provision in this Section 6.1, in accordance with section 2203 of the CARES Act, a Participant or Beneficiary who would have been required to receive required minimum distributions for the 2020 calendar year, but for the enactment of the CARES Act (“2020 RMDs”), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2020 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2020 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant’s designated Beneficiary, or for a period of at least 10 years (“Extended 2020 RMDs”), will not receive those distributions for 2020.”

2. **Continuing Effect of First Restated Plan.** Except as amended by this Amendment No. 1, all provisions of the First Restated Plan shall remain unchanged and in full force and effect. From and after the date of this Amendment No. 1, whenever the term “Plan” appears in the First Restated Plan, it shall mean the First Restated Plan, as amended by this Amendment No. 1.

**ADOPTION OF AMENDMENT NO. 1 TO AMENDED AND RESTATED  
CITY OF CARSON  
PARS ALTERNATIVE RETIREMENT SYSTEM PLAN DOCUMENT**

This Amendment No. 1 to the Amended and Restated City of Carson PARS Alternate Retirement System Plan Document is hereby adopted.

Faye Moseley  
Signature of Plan Administrator

Name: Faye Moseley

Title: Director of H.R. & Risk Mgmt.

Date: 09/18, 2020