

TOWN OF OLD SAYBROOK

FIRE COMPANY NO. 1

RETIREMENT PLAN

Amended and Restated

Effective as of January 28, 2020

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INTRODUCTION

WHEREAS, the Town of Old Saybrook has by action of its Board of Selectmen adopted the Town of Old Saybrook Fire Company No. 1 Retirement Plan ("Plan") for its Volunteer Firefighters effective January 1, 1993; and

WHEREAS, under Article XII of said Plan the right to amend such Plan at any time was reserved by the Town; and

WHEREAS, the Town now desires to amend and restate the Plan; and

NOW, THEREFORE, the Selectmen acting for the Town of Old Saybrook hereby adopt and publish this amended and restated Plan for its Volunteer Firefighters entitled to participate herein pursuant to the provisions hereof effective July 1, 2014. Eligibility for and amount of benefit payments for any Member or the Beneficiary of any Member who retired, died, became disabled or terminated employment prior to July 1, 2014 shall be determined in accordance with provisions of the Plan in effect at the time of such retirement, death, disability or termination of employment and shall not be affected by any provision of this amendment and restatement, except as otherwise specifically provided in the Plan. The Plan is intended to be a bona fide length of service award as defined in Code Section 457(e) (11). The Plan is maintained for exclusive benefit of eligible Members and their beneficiaries.

ARTICLE 1

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 **"Appointing Authority"** shall mean the Chief of the OSFC.

SECTION 1.2 **"Code"** shall mean the Internal Revenue Code of 1986, as it may from time to time be amended.

SECTION 1.3 **"Effective Date of Plan"** Shall mean January 1, 1993, except that the provisions of this amended and restated Plan shall be effective July 1, 2014 except as otherwise provided herein.

SECTION 1.4 **"Fund"** shall mean the Trust Fund provided under Article XI.

SECTION 1.5 **"Member"** shall mean any Volunteer Firefighter who qualifies and continues to be qualified under Article II.

SECTION 1.6 **"OSFC"** shall mean the Old Saybrook Fire Company No. 1.

SECTION 1.7 **"Plan"** shall mean the Town of Old Saybrook Fire Company No. 1 Retirement Plan hereby established and as amended from time to time hereafter.

SECTION 1.8 **"Plan Year"** shall mean the fiscal year of the Plan, commencing on July 1st of a calendar year and ending on June 30th of the succeeding calendar year. The earned points by the OSFC are based on the Calendar Year.

SECTION 1.9 **"Retirement Board"** shall mean the Old Saybrook Pension and Benefits Board which shall manage and administer the Plan provided for in Article X.

SECTION 1.10 **"Selectmen"** shall mean the Board of Selectmen of the Town.

SECTION 1.11 **"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 an occupation or employment for wages 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 a government disability pension is payable, (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 1.12 **"Active"** shall mean a Member that is still on Active Duty for the OSFC and earning points for additional Plan Years.

SECTION 1.13 **"Inactive"** shall mean a Member that is no longer on Active Duty for the OSFC and is not earning points for additional Plan Years.

SECTION 1.14 **"In the Line of Duty"** shall mean while performing official actions as an Old Saybrook Firefighter as determined by the Appointing Authority and the Retirement Board.

SECTION 1.15 **"Town"** shall mean the Town of Old Saybrook, Connecticut.

SECTION 1.16 **"Trustee"** shall mean any bank, trust, company, or insurance company who may be designated as a Trustee by the Board of Selectmen.

SECTION 1.17 “Officer Incentive” shall mean credit earned for time served as a Line Officer or Chief in the OSFC.

SECTION 1.18 “Year of Service” shall mean a member shall require 150 points as stipulated by the bylaws of OSFC during each calendar year. Points shall be provided for service as follows:

1. 3 points for training class attended less than six hours in a day.
2. 6 points for training class attended exceeding six hours in a day.
3. 3 points for each fire/emergency/public service or other official fire department response.
4. 1 point for each work detail, company meeting, or committee meeting.
5. Additional points are provided for members based upon Years of Service as follows:
 - 10-19 years = 15 points
 - 20-29 years = 30 points
 - 30-39 years = 45 points
 - 40 + years = 150 points
6. Points shall be maintained and certified by the OSFC by the Appointing Authority

The Chief of the OSFC certifies this information in writing to the Retirement Board annually listing each member by Last Name, First Name, charting each individual year since 1994 and showing the total years the Member has earned credit. The listing shall also include all years that the Member may have earned Officer Incentive Credit and how much credit for that year as well as in total. Any new Members to the plan will require the Member’s date of birth. All Members

who have earned credit in the plan should be included in the listing. Those on Active Duty should be highlighted.

Service Prior to January 1, 1993: All members as of the date the plan in enacted shall receive credit for all past years served. However, no member shall receive any benefit until two (2) Years of Service are provided from the enactment date. Such time is not required to be consecutive.

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 RETIREMENT PLAN

SECTION 2.1 Conditions of Membership – Volunteers who were Members of the Plan prior to July 1, 2014 shall continue to be Members in accordance with the provisions of the Plan.

Those Volunteers joining the OSFC after July 1, 2014 shall become Members of the Plan on the January 1st after the calendar year in which they earn the required 150 Points.

ARTICLE III

RETIREMENT DATES

SECTION 3.1 Normal Retirement Date – The “Normal Retirement Date” of Members in the Plan shall be the first day of the month coinciding with or next following the Member’s sixth-fifth (65th) birthday.

SECTION 3.2 Early Retirement Date – Any Member who has attained his fifty-fifth (55th) birthday and completed fifteen (15) Years of Service may elect to retire as of the first day of any month thereafter (hereafter termed “Early Retirement Date”) and, at his option commence to receive his benefits commencing on such Early Retirement Date, or the first day of any subsequent month but not later than his Normal Retirement Date. Such benefit will be reduced by 6% per year for each year that Early Retirement Date precedes Normal Retirement Date. This reduction includes any Officer Incentive Benefits earned.

SECTION 3.3 Disability Retirement Date – Any Member who has completed ten (10) Years of Service and who is determined to be totally and permanently disabled by the Retirement Board, may elect, prior to his Normal Retirement Date, to retire as of the first day of any month six (6) months subsequent to the date of such determination (hereinafter termed “Disability Retirement Date”) and commence to receive his benefits. There is no minimum of Years of Service required for Line of Duty related Disability Retirement.

SECTION 3.4 Deferred Retirement Date – A Member who is satisfactorily able to 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”. If his Deferred Retirement Date is after the date on which the Member reaches age 70 1/2, the benefit shall commence at that time. As long as the Member continues employment, the benefit will be recomputed annually to reflect Years of Service.

SECTION 3.5 Retired while on Active Duty – Due to the nature of a volunteer fire department, it is common for a Member to remain on Active Duty while receiving Benefits due to their having reached the age of Retirement. In these cases, the following special circumstances occur.

- a) For members who are Retired with less than thirty (30) years of service, the Appointing Authority will notify the Town each January of additional Years of Service so that the Member can receive an additional \$270 annually in their Pension Benefit until they reach the maximum years of service allowed in Section 4.1
- b) Members who opt to take Early Retirement while still on Active Duty, and who do not have (30) years of service will receive reduced benefits for every year earlier than Normal Retirement based on Section 4.2. As those members obtain additional years of service prior to reaching Normal Retirement Age, each of those new Years of Service will continue to have reduced benefits. Any years earned after Normal Retirement Age will receive the full \$270 annually in benefit. Example: An early retirement at age 63

with 25 years of service would receive a 12% reduction (2 years reduction). The 26th year at age 64 would receive a 6% reduction (1 year reduction). The 27th, 28th, 29th and 30th years after age 65 would not be reduced since they were earned after the Normal Retirement Date. These rules would also apply to Officer Incentive earned during the same scenario.

- c) Retired Members who are on Active Duty will receive Cost of Living increases in their Benefit Payment on the Payment which follows the effective date of the increase.

ARTICLE IV

RETIREMENT BENEFITS

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

- a) \$270 multiplied by the Years of Service, up to a maximum of thirty (30) years. Those who became Inactive prior to July 1st 2014 will receive an amount equal to \$215 multiplied by the Years of Service, up to a maximum of twenty-five (25) years. Those who became inactive prior to July 1, 2003 will receive an amount equal to \$174 multiplied by the Years of Service, up to a maximum of twenty-five (25) years.
- b) Starting January 1, 2011 an Officers Incentive Benefit will be added to the Pension Benefit and paid monthly during retirement based on time served as a Line Officer or Chief Officer. For the rank of Lieutenant \$2.00 per month for each year of service. For the rank of Captain \$4.00 per month for each year of service. For the rank of Assistant Chief \$6.00 per month for each year of service. For the rank of Deputy Chief \$8.00 per month for each year of service. For the rank of Chief \$10 per month for each year of service. For partial years of service, partial credit will be provided based on the rank incentive divided by the twelve (12) and multiplied by the number of full months of service given in

that year. Members who were on Active Duty on January 1, 2011 and served time as a Line Officer or Chief Officer are eligible for the Officer Incentive and will accrue their benefit.

SECTION 4.2 Retirement at Early Retirement Date – The annual retirement benefit of a Member who retires on an Early 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 Years of Service to the Early 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 reduced, however, by one-half percent (1/2%) for each month by which such Member's Early Retirement Date precedes his Normal Retirement Date. This reduction is also applied to any Officer Incentive Benefits earned.

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 Years of Service at his Disability Retirement Date.

SECTION 4.4 Retirement at Deferred Retirement Date – The annual benefit of a Member who retires on a Deferred Retirement Date shall be determined in the same manner as his Normal Retirement Date benefit but based on his Years of Service completed to his Deferred Retirement Date.

SECTION 4.5 Retirement Benefits – The Members annual retirement benefit payable under this Article IV shall be distributed in monthly payments equal to one-twelfth (1/12th) of the Member's annual amount.

ARTICLE V

PAYMENT OF BENEFITS

SECTION 5.1 Normal Form of Payment – The “Normal Form of Benefit” shall be a retirement benefit payment equal to one-twelfth (1/12) of Member’s annual retirement benefits payable monthly commencing on the Member’s Early, Disability, Normal or Deferred Retirement Date or the date a Member who had retired on an Early Retirement Date elects to have such payments commence, and continuing to the first day of the month in which the Member’s death occurs.

SECTION 5.2 Election of Joint Annuity – In lieu of the Normal Form of Benefits set forth in Section 5.1 above, a retiring Member (except Members electing Disability Retirement) may elect to receive a “Joint Annuity Option”, which shall be a *reduced* retirement benefit to commence at the same time as the Normal Form of Benefit, payable monthly during his lifetime, with payments to continue after his death to his designated Joint Annuitant, in full or in a percentage (not in excess of 100%) specified by the Member, until the death of such Joint Annuitant. The reduced retirement benefit shall be the equivalent actuarial value of the retirement benefit the Member would otherwise have been entitled to receive in accordance with Article IV of the Plan.

If the Joint Annuitant is the spouse of the Member or if the Joint Annuitant is any other person not more than thirty (30) years younger than the Member, the retirement benefit payable under this Joint Annuity Option is payable without restriction. If however, the Joint Annuitant is a person other than the spouse of

the Member and is more than thirty (30) years younger than the Member, the retirement benefit otherwise payable under this Joint Annuity Option to the Joint Annuitant shall not be less than fifty percent (50%) of the value of the Member's total original retirement benefit, both calculated as of the Member's actual retirement date.

A Member may, by written notice to the Retirement Board, make or revoke his election under this Joint Annuity Option at any time prior to his Normal or Early Retirement Date, provided, however, that a Member may not elect this Joint Annuity Option within one (1) year of his Normal or Early Retirement Date unless at the time of making such election, he furnishes to the Retirement Board evidence of his good health which is satisfactory to the Retirement Board.

If a Member elects this Joint Annuity Option and the Joint Annuitant dies before the Member's Normal or Early Retirement Date, the Member's election under this Joint Annuity Option shall be automatically cancelled.

If a Member who has elected this Joint Annuity Option should die after his Normal Retirement Date and prior to his Deferred Retirement Date, the Joint Annuitant, if living shall become a Survivor Annuitant and shall be entitled to benefits payable for such survivor Annuitant's further lifetime in a monthly amount equal to the amount which would have been payable to the Joint Annuitant had the Member retired on the date of his death with the Joint Annuity Option operative.

If a Member elects this Joint Annuity Option for a Joint Annuitant other than his spouse and the Joint Annuitant dies after the Member's Early or Normal Retirement Date, predeceasing the Member, there shall be paid only the *reduced* retirement benefit payable to the Member in accordance with this Joint Annuity

Option. If the Joint Annuitant is a Member's spouse and the Joint Annuitant dies after the Member's Early or Normal Retirement Date, predeceasing the Member, the Member shall thereafter be paid in accordance with the Normal Form of Benefit payment under Section 5.1 of this Article V.

ARTICLE VI

DEATH BENEFITS

SECTION 6.1 Designation of a Beneficiary – Each Member shall designate a Beneficiary or Beneficiaries on a form prescribed by the Retirement Board to receive any payments which may become payable to any person in accordance with this Plan. The Member may change such designation by signing such form as may be furnished by the OSFC.

SECTION 6.2 Failure of Beneficiary to Survive – In the event there is a death benefit payable under this Plan and there is no Beneficiary surviving the Member, no death benefit shall be paid.

SECTION 6.3 Death Benefits After Retirement – Death Benefits after retirement shall reflect only the payment option elected by the retiring Member in accordance with Section 5.2, if any. If the joint Annuitant does not outlive the Member, no other payments shall be made after the Member's death.

SECTION 6.4 Pre-Retirement Spouse's Death benefit – Upon the non-service related death of an active Member who has attained age fifty-five (55) and completed fifteen (15) Years of Service, this surviving spouse shall receive a Death Benefit. The amount of such Death Benefit shall be equal to the deceased Member's retirement as described in Section 4.1 of Article IV hereof, determined as of the first day of the month coincident with the next following the Member's

date of death. Fifty percent (50%) of this benefit shall be payable to the deceased Member's surviving spouse until death or remarriage.

Upon the Line of Duty death of an Active Duty Member the surviving spouse shall receive a Death Benefit. The amount of such Death Benefit shall be equal to the accrued benefit under Section 4.1(a), based on the benefit multiplier in effect on the Member's date of death, multiplied by the maximum Years of Service applicable on the Member's date of death. If the Member is a Line or Chief Officer at the time of the Line of Duty death, full credit for the year will be given for the Officer Incentive. This will be payable to the spouse for life, beginning as of the first day of the month coincident with or next following the Member's date of death. Future cost of living increases in Section 4.1 will be applied to the spouse's payments when they go into effect in the plan. Payments to the Spouse will be for life. In the event that the Member is not married, but has children the payment will be divided by the number of children and will be payable until they reach the age of 26.

ARTICLE VII

INACTIVE MEMBERS

SECTION 7.1 Inactive Benefit – A Member whose Years of Service with the Town is ten (10) years or more as of the date of his change of status from Active Duty to Inactive in volunteer service shall be entitled to an annual retirement benefit commencing at his Normal or Early Retirement Date, if applicable, equal to his retirement benefit as computed in Sections 4.1 or 4.2 hereof, whichever is applicable based upon his Years of Service to the date of Inactive Service. An Inactive Member shall not be eligible for the Death Benefit as described in Section 6.4 of Article VI hereof.

SECTION 7.2 Returning to Active Duty from Inactive Status – If a Member returns to Active Duty, he shall be considered a new Member for all purposes of the Plan; however, such Active Duty Members shall be entitled to receive credit for all Years of Service which accrued prior to going to Inactive Status, provided such Member, upon status change with OSFC completes three (3) additional years of volunteer service. Members who were not Active Duty on January 1, 2011 but have served prior time as a Line or Chief Officer can obtain the Officers Incentive by returning to Active Duty.

ARTICLE VIII

FUNDING – TOWN CONTRIBUTIONS

SECTION 8.1 Town's Contributions – The Retirement Board shall, at least once every two (2) years, be required to have an actuarial valuation by an actuary of the assets and liabilities of the Plan and of the required contributions from the Town, which will be adequate to finance the benefits under the Retirement Plan. On the basis of such valuation, the Town shall pay each year to the Retirement Board an amount which will meet the actuarial cost of current service and, until it is amortized, the unfunded actuarial accrued liability. The annual appropriation by the Town for each of the fifteen (15) Plan Years, beginning July 1, 1993, shall be the sum of the normal cost for the year and the annual payment that would be required, on a level basis, to amortize the unfunded actuarial accrued liability over fifteen (15) years from July 1, 1993. The appropriation for each Plan year thereafter shall be the normal cost for the year. Any proposal which will change the benefits payable under the Retirement Plan shall be accompanied by the estimate by the Town's actuary of the additional appropriations by the Town which will be required to finance the additional normal cost and to amortize, on a level basis, the additional accrued liability over fifteen (15) years from the effective date of the change. 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

PERMANENT AND TOTAL DISABILITY

SECTION 9.1 Eligibility for a Disability Benefit – A Member who has completed at least ten (10) Years of Service and is deemed to be permanently and totally disabled by the Retirement Board as defined in Section 1.4 shall be entitled to a Disability benefit as hereinafter outlined. Line of Duty Disability has no Year of Service requirement.

SECTION 9.2 Determination of Disability – The determination of Permanent and Total Disability shall be made by the Retirement Board on competent medical advice which may include the opinion of a licensed physician. The Retirement Board may also take into consideration in its determination of such disability whether the Member has applied for, or is eligible for, Social Security disability benefits. The Retirement Board may require proof of continued disability. Such proof may be required from time to time but not more frequently than once a year.

SECTION 9.3 Amount of Disability Benefit – The annual amount of Disability Benefit payable to a Member eligible for such a benefit shall be determined in the same manner as his Normal Retirement Benefit based on the number of Years of Service as of the date of his disability.

SECTION 9.4 Duration of Disability Benefit – The Disability shall be payable monthly commencing with the first day of the month following establishment of Permanent and Total Disability and shall terminate with the last monthly payment due preceding the earliest of the following date:

- a) the date of the death of the Member, or
- b) the date the Member is deemed to be no longer permanently and totally disabled or
- c) the Member's Normal Retirement Date

Upon occurrence of the earliest of the above events, the Disability Benefit shall cease. If such occurrence is (c) above, payment of the Normal Retirement Benefit shall commence on such date in the same amount as the Disability Benefit.

Section 9.5 Permanent and Total Disability received in The Line of Duty— Members who are injured in the Line of Duty and are deemed to have Permanent and Total Disability will receive a Disability Benefit. The amount of such Disability Benefit shall be equal to the accrued benefit under Section 4.1(a), based on the benefit multiplier in effect on the Member's date of injury, multiplied by the maximum Years of Service applicable on the Member's date of Injury. If the Member is a Line Officer at the time of the Line of Duty injury, full credit for the year will be given for the Officer Incentive. Future cost of living increases in Section 4.1 will be applied to the Member's benefit.

ARTICLE X

ADMINISTRATION OF THE PLAN

SECTION 10.1 The general administration of the Plan and the responsibility for carrying out the provisions of the Plan shall be placed in the Retirement Board appointed by the Selectmen consisting of at least five (5) members but not more than seven (7), including the First Selectman. The Board of Selectmen shall appoint one member for five years, one member for four years, one member for three years, one member for one year, and the First Selectman shall be a member for his/her term of office. If the Retirement Board is expanded beyond five (5) members, the additional members appointed by the Board of Selectmen shall service for five (5) years. After the expiration of any member's term, other than the First Selectman, the Board of Selectmen shall appoint a new member(s) for a five year term(s). Upon the death or resignation of any member prior to the expiration of his term, the Board of Selectmen shall appoint a replacement to serve the remainder of such member's term. The members of the Retirement Board shall annually select one of their members to act as Chairman. Members of the Retirement Board shall serve without compensation for acting as such.

SECTION 10.2 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 10.3 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 10.4 The Retirement Board may retain employees, agents, actuarial advisors and counsel who may, but not need be, counsel for the Town.

SECTION 10.5 The Retirement Board shall act by a majority vote of its members at a meeting

SECTION 10.6 The Retirement Board may authorize one of its members or elect a Secretary to perform routine acts and to sign documents on 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 XI

TRUST FUND

SECTION 11.1 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 11.2 Designation of Trustee – The Trustee shall be a bank, trust, company, investment company, or insurance company having power to act as such in the State of Connecticut. The designation of such bank, trust company or insurance company shall be made by the Board of Selectmen.

SECTION 11.3 Designation of Funds – The Trustee shall hold contributions made hereunder by the Town upon their 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 11.4 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 extend expressly provided in the Plan and in the Trust Agreement.

SECTION 11.5 Expenses of the Plan – Expenses of administration of the Plan including actuarial fees may be paid out of the Trust Fund upon direction by the Retirement Board.

ARTICLE XII

AMENDMENT AND TERMINATION

SECTION 12.1 Amendment – The Town shall have the right by action of the Board of Selectmen 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 Members or Beneficiary retroactively of rights already accrued under the plan.

SECTION 12.2 Termination – The Town shall have the right by action of the Board of 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 insufficient to satisfy all liabilities in full, then the assets of the Fund shall be applied to 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 Early Retirement Date but have not retired;

Third: To provide retirement benefit payments to Members who have gone to Inactive status with the OSFC, with a right to go to Inactive status 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 (4) categories 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 four (4) 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 for 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 or 2 below, or 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 the period of not more than (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 12.3 Funds Remaining After Distribution of All Benefits – After the fulfillment of all obligations to the Members and their Beneficiaries provided for in this Article XII, any portion of the Fund remaining as a result of actuarial error may be returned to the Town

ARTICLE XIII

MISCELLANEOUS

SECTION 13.1 Minors and Incompetents – If any person to whom a benefit is payable from the fund and 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 thereof 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 a person otherwise entitled to payment. Any such payment shall be a complete discharge of any liability for such payment under the Plan.

SECTION 13.2 Fraud and Dishonesty – If any Member in the course of service with the OSFC shall commit any act of fraud or dishonesty 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 this paragraph shall be forfeited to the Town and treated thereafter as amounts contributed by the Town in the current or next succeeding year. In the event of the termination of the service of a Member for any of the reasons set forth in this paragraph, the Retirement Board shall notify such Member in writing that his retirement benefits under this plan have been forfeited and the reason or reasons

therefor. Any Member who deems himself aggrieved by such decision may, within thirty (30) days of the date of such notice, in writing request a hearing on the question of the forfeiture of his retirement benefits. The Retirement Board and the Member shall each thereupon nominate a hearing officer and those two shall nominate a third hearing officer. These three shall constitute a Hearing Board which shall arrange for and hold a hearing at such time and place as the Hearing Board shall determine, first giving reasonable notice to the Member and the Town and the Retirement Board. The Hearing Board shall receive such evidence and other information as it shall deem necessary. The Hearing Board shall in writing within thirty (30) days after such hearing advise the Member, the Town and the Retirement Board of its decision which shall be final and from which no appeal shall lie.

SECTION 13.4 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 13.5 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 13.6 Tenure of Employment – Neither the action of the Town in the establishment of this Plan nor any action taken by it or by the Retirement Board hereunder shall be construed as giving any Member 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 13.7 Separability of Provisions – If any provisions of this Plan shall be held illegal or invalid for any reason, such 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 inserted herein.

SECTION 13.8 Unclaimed Benefits – Whenever reasonable efforts fail to locate any Member or Beneficiary entitled to benefits under the Plan within seven (7) years from the time notice is first received that he is not to be found at the address in the records of the Town, or the Trustee, the Retirement Board may direct that any benefits to which he may be entitled

shall thereupon be cancelled and no payment shall be made thereafter to anyone with respect to the benefits so canceled.

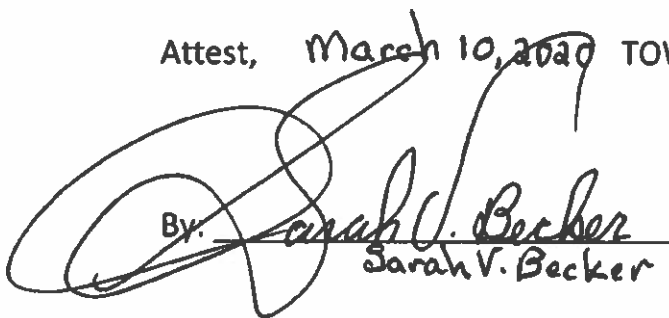
SECTION 13.9 Forfeitures – Forfeitures arising from death, termination of volunteer service or otherwise under the Plan shall not be applied to increase the benefit any Member would otherwise receive under the Plan prior to the Plan's termination but shall be used as soon as possible to reduce the Town's contribution.

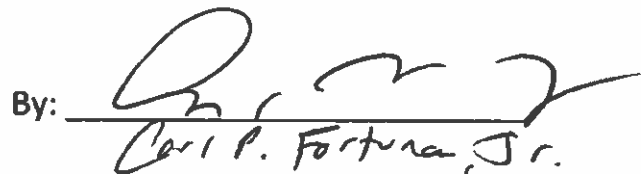
SECTION 13.10 Applicable Law – The validity of the provisions of this Plan shall be determined under and said provisions shall be construed according to the laws of the State of Connecticut

Executed this 10 day of March, 2020

At Old Saybrook, Connecticut

Attest, March 10, 2020 TOWN OF OLD SAYBROOK, CONNECTICUT

By: 
Sarah V. Becker

By: 
Carl P. Fortuna, Jr.

Official Title Town Clerk

Official Title: First Selectman