

**TOWNSHIP OF WEST BRADFORD  
RESOLUTION 11-10**

**A RESOLUTION TO AMEND THE TOWNSHIP OF WEST BRADFORD 457 PLAN**


**WHEREAS**, the Township of West Bradford does offer certain employees an option to participate in a deferred compensation plan, the Township of West Bradford 457 Plan (hereinafter "457 Plan"), so to better provide for the long-term financial needs of said employees and their families; and,

**WHEREAS**, the Township did request an amendment to the 457 Plan so to allow for Roth Elective Deferrals, pursuant to Exhibit A attached hereto.

**NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED** by the Board of Supervisors for the Township of West Bradford that the Roth Deferral Amendment to the 457 Plan effective on this date, and presented at this meeting, is approved and adopted, and that the proper representatives of the Township are hereby authorized to execute and to deliver to the Administrator of the 457 Plan one or more counterparts of the Amendment.

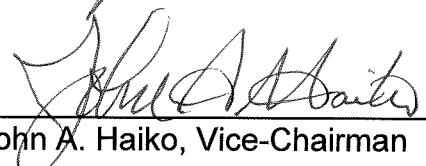
*Resolved this 10<sup>th</sup> day of May, 2011.*

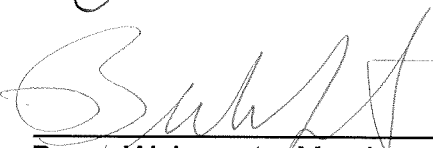
ATTEST:

  
\_\_\_\_\_  
Tommy Ryan, Secretary

TOWNSHIP OF WEST BRADFORD  
BOARD OF SUPERVISORS

  
\_\_\_\_\_  
Mark J. Blair, Chairman

  
\_\_\_\_\_  
John A. Haiko, Vice-Chairman

  
\_\_\_\_\_  
Bruce W. Lavery, Member

**GOVERNMENTAL 457(b) PLAN  
ROTH DEFERRAL AMENDMENT**

**PREAMBLE**

- 1.1 Adoption and effective date of amendment. The Employer adopts this Amendment to reflect Code Section 402A, as amended by the Small Business Jobs Act of 2010 ("SBJA"). This Amendment is intended as good faith compliance with the requirements of Code Section 402A and guidance issued thereunder, and this Amendment shall be interpreted in a manner consistent with such guidance. This Amendment shall be effective as of the date selected below.
- 1.2 Eligible governmental 457 plan. The Employer is an eligible employer as defined in Code §457(e)(1)(A).
- 1.3 Supersession of inconsistent provisions. This Amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment.

**ARTICLE II  
ADOPTION AGREEMENT ELECTIONS**

- 2.1 **Effective Date.** Roth Elective Deferrals are permitted under the Plan as of May 1, 2011 (enter a date no earlier than January 1, 2011).
- 2.2 **Unforeseeable emergency.** If the Plan permits distributions of Elective Deferrals on account of an unforeseeable emergency, may a Participant receive such a distribution of Roth Elective Deferrals?
- a.  N/A. The Plan does not permit distributions of Elective Deferrals on account of an unforeseeable emergency.
- b.  No, Roth Elective Deferrals may not be withdrawn on account of an unforeseeable emergency.
- c.  Yes, Roth Elective Deferrals may be withdrawn on account of an unforeseeable emergency subject to the same conditions that apply to Pre-tax Elective Deferrals.

**ARTICLE III  
ROTH ELECTIVE DEFERRALS**

- 3.1 Roth Elective Deferrals are permitted. The Plan's definitions and terms shall be amended as follows to allow for Roth Elective Deferrals as of the effective date entered at 2.1. Roth Elective Deferrals shall be treated in the same manner as Elective Deferrals for all Plan purposes except as provided in Article II of this amendment. The Employer may, in operation, implement deferral election procedures provided such procedures are communicated to Participants and permit Participants to modify their elections at least once each Plan Year.
- 3.2 Elective Deferrals. "Elective Deferral" means a contribution the Employer makes to the Plan pursuant to a Participant's Salary Reduction Agreement. As of the effective date entered at 2.1, the term "Elective Deferrals" includes Pre-tax Elective Deferrals and Roth Elective Deferrals.
- 3.3 Pre-Tax Elective Deferrals. "Pre-Tax Elective Deferrals" means a Participant's Elective Deferrals which are not includible in the Participant's gross income at the time deferred and have been irrevocably designated as Pre-Tax Elective Deferrals by the Participant in his or her deferral election. A Participant's Pre-Tax Elective Deferrals will be separately accounted for, as will gains and losses

attributable to those Pre-Tax Elective Deferrals. All Elective Deferrals prior to this amendment are Pre-Tax Elective Deferrals.

- 3.4 Roth Elective Deferrals. "Roth Elective Deferrals" means a Participant's Elective Deferrals that are includible in the Participant's gross income at the time deferred and have been irrevocably designated as Roth Elective Deferrals by the Participant in his or her deferral election. A Participant's Roth Elective Deferrals will be separately accounted for, as will gains and losses attributable to those Roth Elective Deferrals. However, forfeitures may not be allocated to such account. The Plan must also maintain a record of a Participant's investment in the contract (i.e., designated Roth contributions that have not been distributed) and the year in which the Participant first made a Roth Elective Deferral. Roth Elective Deferrals are not considered Employee Contributions for Plan purposes.
- 3.5 Ordering Rules for Distributions. The Administrator operationally may implement an ordering rule procedure for withdrawals (including, but not limited to, withdrawals on account of an unforeseeable emergency) from a Participant's accounts attributable to Pre-Tax Elective Deferrals or Roth Elective Deferrals. Such ordering rules may specify whether the Pre-Tax Elective Deferrals or Roth Elective Deferrals are distributed first. Furthermore, such procedure may permit the Participant to elect which type of Elective Deferrals shall be distributed first.
- 3.6 Corrective distributions attributable to Roth Elective Deferrals. For any Plan Year in which a Participant may make both Roth Elective Deferrals and Pre-Tax Elective Deferrals, the Administrator operationally may implement an ordering rule procedure for the distribution of Excess Deferrals (Treas. Reg. §1.457-4(e)). Such an ordering rule may specify whether the Pre-Tax Elective Deferrals or Roth Elective Deferrals are distributed first, to the extent such type of Elective Deferrals was made for the year. Furthermore, such procedure may permit the Participant to elect which type of Elective Deferrals shall be distributed first.
- 3.7 Loans. If Participant loans are permitted under the Plan, then the Administrator may modify the loan policy or program to provide limitations on the ability to borrow from, or use as security, a Participant's Roth Elective Deferral account. Similarly, the loan policy or program may be modified to provide for an ordering rule with respect to the default of a loan that is made from the Participant's Roth Elective Deferral account and other accounts under the Plan.
- 3.8 Rollovers. A direct rollover of a distribution from Roth Elective Deferrals shall only be made to a Plan which includes Roth Elective Deferrals as described in Code Section 402A(e)(1) or to a Roth IRA as described in Code Section 408A, and only to the extent the rollover is permitted under the rules of Code Section 402(c).

3.8.1 The Plan shall accept a rollover contribution of Roth Elective Deferrals only if it is a direct rollover from another Plan which permits Roth Elective Deferrals as described in Code Section 402A(e)(1) and only to the extent the rollover is permitted under the rules of Code Section 402(c). The Employer, operationally and on a uniform and nondiscriminatory basis, may decide whether to accept any such rollovers.

3.8.2 The Plan shall not provide for a direct rollover (including an automatic rollover) for distributions from a Participant's Roth Elective Deferral account if the amount of the distributions that are eligible rollover distributions are reasonably expected to total less than \$200 during a year. In addition, any distribution from a Participant's Roth Elective Deferrals are not taken into account in determining whether distributions from a Participant's other accounts are reasonably expected to total less than \$200 during a year. Furthermore, the Plan will treat a Participant's Roth Elective Deferral account and the Participant's other accounts as held under two separate plans for purposes of applying

the automatic rollover rules. However, eligible rollover distributions of a Participant's Roth Elective Deferrals are taken into account in determining whether the total amount of the Participant's account balances under the Plan exceed the Plan's limits for purposes of mandatory distributions from the Plan.

3.8.3 The provisions of the Plan that allow a Participant to elect a direct rollover of only a portion of an eligible rollover distribution but only if the amount rolled over is at least \$500 is applied by treating any amount distributed from a Participant's Roth Elective Deferral account as a separate distribution from any amount distributed from the Participant's other accounts in the plan, even if the amounts are distributed at the same time.

3.9 Automatic Enrollment. If the Plan utilizes an automatic enrollment feature (i.e., in the absence of an affirmative election by a Participant, a certain amount of Compensation will automatically be contributed to the Plan as an Elective Deferral), then such contribution shall be a Pre-Tax Elective Deferral.

3.10 Operational Compliance. The Plan Administrator will administer Roth Elective Deferrals in accordance with applicable regulations or other binding authority not reflected in this amendment. Any applicable regulations or other binding authority shall supersede any contrary provisions of this Amendment

This Amendment has been executed this 10<sup>th</sup> day of May, 2011.

Name of Plan: Township of West Bradford 457 Plan

Name of Employer: Township of West Bradford

By:  X  
EMPLOYER

**CERTIFICATE OF GOVERNMENTAL ENTITY ADOPTION RESOLUTION**

The undersigned representative of Township of West Bradford (the Employer) hereby certifies that the following resolutions were duly adopted by the Township of West Bradford on \_\_\_\_\_, 2011, and that such resolutions have not been modified or rescinded as of the date hereof;

RESOLVED, that Roth Deferral Amendment to the Township of West Bradford 457 Plan (the Amendment) effective May 1, 2011, presented at this meeting is hereby approved and adopted and that the proper representatives of the Township of West Bradford are hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Amendment.

The undersigned further certifies that attached hereto as Exhibit A, is a true copy of the Amendment approved and adopted in the foregoing resolutions.

\_\_\_\_\_  
[Representative] x

Date: \_\_\_\_\_ 5/10/2011 \_\_\_\_\_ x