

Summary of Material Modifications to the Wayne County Defined Contribution Plan

This Summary of Material Modifications updates the Summary Plan Description (employee booklet) for the Wayne County Defined Contribution Plan (“the Plan”) that was previously distributed to you. This summary should be kept with your current booklet until an updated booklet is distributed to you.

*The section of your employee booklet titled **SPECIAL DEFINITIONS** has been revised to reflect changes to several definitions that are effective **August 1, 2019**. The following definitions have been revised and will replace the current definitions found in your employee booklet:*

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- * Your "**Compensation**" means the compensation from your **Employer** that is taken into account in determining the amount of contributions that your **Employer** can make to the Plan on your behalf or that you can make to the Plan. **Compensation** for any period has the same meaning as provided by Ordinance Section 141-3 as governed by Chapter 141 of the Wayne County Code of Ordinances – Retirement Ordinances, and/or the applicable collective bargaining agreement or benefit plan document. Notwithstanding the foregoing, your **Compensation** includes:
 - * pay you receive after your termination of employment for your services before termination, including your regular pay and, if otherwise included in **Compensation**, overtime, premium pay, etc.; provided payment is made before the later of 2 1/2 months following termination or the end of the year in which termination occurs.
 - * pay you receive after termination of employment for accrued vacation or other leave; provided payment is made before the later of 2 1/2 months following termination or the end of the year in which termination occurs.

Your **Compensation** does *not* include differential pay you receive while absent because of qualified military service.

Generally, **Compensation** that you earn before you become eligible to participate in the Plan is not included in determining the amount of contributions that your **Employer** can make to the Plan on your behalf or the amount of **After-Tax Contributions** that you can elect to make to the Plan. Tax rules limit the amount of **Compensation** that may be taken into account under the Plan each year. For 2019, the maximum amount is \$280,000 (this amount may be adjusted in future years).

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- * You are an "**Employee**" covered by the Plan if you are an employee of the **Employer** and are not (1) an independent contractor, (2) a reclassified employee, (3) an employee who has selected membership in another retirement plan sponsored by the Employer, (4) as defined in Ordinance Section 141 have a position that is compensated on a basis that is not subject to withholding of federal income tax or FICA, (5) are under an employment contract, unless specifically included, (6) are a retired member, (7) are a temporary or seasonal employee as defined in county personnel and salary plan, (8) are a position appointed aide to a member of the board of commissioners unless specifically included, or (9) are employed in a position with authority whose employees are deemed to be Participants.

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- * Your "**Employer**" means Wayne County, Wayne County Airport Authority, and Wayne County Circuit Court.

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*The section of your employee booklet titled **EMPLOYER CONTRIBUTIONS** has been revised to reflect changes that are effective **August 1, 2019**. The following section has been revised and will replace the current provisions found in your employee booklet:*

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Vested Interest in Employer Contributions

Your vested interest in the value of the **Employer Contributions** (including any investment gains or losses on them) in your Plan account is determined in accordance with applicable Federal, State, or local law or under the terms of the collective bargaining agreement or Executive Benefit Plan package covering your employment.

Even if you have not otherwise completed enough years of **Vesting Service** to be 100% vested in the value of the **Employer Contributions** (including any investment gains or losses on them) in your Plan account, you will become 100% vested if you retire from employment with your **Employer** on or after your **Normal Retirement Date** or the date you become physically or mentally disabled because of a duty-related injury while you are still in the employment of your **Employer**. You are physically or mentally disabled if the **Administrator** determines, on the basis of an acceptable physician's certificate, as governed by Chapter 141 of the Wayne County Code of Ordinances – Retirement Ordinances and/or the applicable collective bargaining agreement or benefit plan document, that you are physically or mentally disabled such that you can no longer continue in the service of your **Employer**.

*The section of your employee booklet titled **LOANS FROM YOUR PLAN ACCOUNT** has been revised to reflect changes that are effective **August 1, 2019**. The following section has been revised and will replace the current provisions found in your employee booklet:*

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Collateral for Loan

If you receive a Plan loan, no more than 50% of your vested Plan account will be used as collateral for the loan. If a Plan loan is still outstanding at the time distribution of your Plan account is to be made, the amount distributed to you will be reduced by the amount of your vested Plan account that is held as collateral for the loan, but only to the extent necessary to repay the loan.

Notwithstanding the foregoing, upon your termination of employment, loan repayments may continue via personal check payable to the Plan until such time as your Account Balance is withdrawn or distributed from the Plan. After termination of employment, whether you choose to continue to repay the loan or choose not to repay the loan, the remaining loan balance will be offset against your Account upon the earlier of (1) a distribution of the Account to you, or (2) expiration of the grace period. Loans may be continue to be paid if you transfer to another entity covered under this Multiple Employer Plan.

*The section of your employee booklet titled **FORM OF PAYMENT** has been revised to reflect changes that are effective **August 1, 2019**. The following sections have been revised and will replace the current provisions found in your employee booklet:*

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You may designate a person other than your spouse to receive distribution of your Plan account..

Effect of Reemployment on Form of Payment Election

If you are reemployed by your **Employer** before distribution of the full value of your vested interest in your Plan account is made, any form of payment election that you made will be ineffective with respect to your Plan account.

*The section of your employee booklet titled **YOUR BENEFICIARY UNDER THE PLAN** has been revised to reflect changes that are effective **August 1, 2019**. The following section has been revised and will replace the current provisions found in your employee booklet:*

YOUR BENEFICIARY UNDER THE PLAN

You may designate a **Beneficiary** on the form provided by the **Administrator** to receive distribution of your Plan account if you die. Unless you marry (or remarry) or elect an annuity form of payment, your **Beneficiary** will not change until you file a new designation of **Beneficiary** form with the **Administrator** designating a different **Beneficiary**.

Beneficiary if You are Married

If you are married, your **Beneficiary** under the Plan is your spouse, unless you have designate a non-spouse **Beneficiary** on the form provided by the **Administrator**.

Effect of Election of Optional Annuity Form of Payment on Prior Beneficiary Designation

If you are married and have designated a non-spouse **Beneficiary** and if you then elect the optional annuity form of payment, your prior **Beneficiary** designation will be ineffective.

Effect of Marriage on Prior Beneficiary Designation

If you designate a non-spouse **Beneficiary** and then get married, your prior **Beneficiary** designation will be ineffective.

Beneficiary Where There is no Designated Beneficiary

If you die without designating a **Beneficiary** or if no **Beneficiary** survives you, your **Beneficiary** will be your surviving spouse or, if you have no surviving spouse, your estate.
