

**CITY OF SEWARD, NEBRASKA POLICE OFFICERS PENSION PLAN
PLAN HIGHLIGHTS**

IMPORTANT: *This is a summary of the Plan features. For full details, please refer to the Plan document.*

ADMINISTRATIVE INFORMATION

The Plan Sponsor and Plan Administrator is City of Seward, Nebraska.
Address: 537 Main Street, Seward, Nebraska 68434
Phone number: 402-643-2928
Employer Identification Number: 47-6006355

DEFINITIONS

Compensation

Plan Compensation is wages within the meaning of Code section 3401(a) and all other payments of compensation paid to an Employee by the Employer (in the course of the Employer's trade or business) for which the Employer is required to furnish the Employee a written statement under Code sections 6041(d), 6051(a)(3), and 6052 over the Plan Year.

Unless otherwise indicated below, Plan Compensation will exclude Deemed 125 Compensation and Post Year End Compensation which includes amounts earned during a year but not paid during that year solely because of the timing of pay periods and pay dates when: (i) these amounts are paid during the first few weeks of the next year; (ii) the amounts are included on a uniform and consistent basis with respect to all similarly situated Employees; and (iii) no compensation is included in more than one year for purposes of all contributions.

Disability

Disability means: disability shall mean the complete inability of the Police Officer, for reasons of accident or other cause while in the line of duty, to perform the duties of a Police Officer. For a Participant who is survived by a spouse or minor children, a retirement benefit of fifty percent (50%) of Final Average Compensation shall be paid to the surviving spouse or upon his or her remarriage or death, to the minor children during each child's minority subject to deduction of the amounts paid as Worker's Compensation Benefits on account of death. Each child shall share equally in the total pension benefit to the age of his majority, at which time benefits cease. To the extent that the Participant's Aggregate Account at the date of death exceeds the amount required to purchase or provide the specified retirement pension reduced by any amounts paid as Worker's Compensation Benefits on account of death, the excess shall be paid in the any optional manner under the Plan. If the Actuarial Equivalent of the pension benefit payable to the surviving spouse or minor children under the Section exceeds the Participant's Aggregate Account at the time of the first payment, the Employer shall contribute such additional amount as may be necessary to purchase or provide the required benefit. An alternative definition of disability shall consist of a medical examination conducted by a competent, disinterested physician who is duly licensed to practice medicine and surgery in the State of Nebraska and who certifies that the Participant is unable to perform the duties of a Police Officer. The Employer, during the first three (3) years of disability benefits, shall have the right, at reasonable times, to require the disabled Participant to undergo a medical examination at the Employer's expense to determine the continuance of the disability claimed. After such three (3) year period, the Employer may request the district court to order the Participant to submit proof of the continuance of the disability claimed if the Employer has reasonable grounds to believe the Police Officer is fraudulently receiving disability payments. The City shall have the right to demand a physical examination of the Participant by a competent, disinterested physician who is duly licensed to practice medicine and surgery in the State of Nebraska and who is chosen by the Employer. The examination shall be at the Employer's expense..

Early Retirement Age

Early Retirement Age is Participant attains age 55 AND, completes at least 25 Years of Service for vesting purposes.

Eligible Employee

All Employees are eligible to participate in the Plan except those listed below.

- All Employees not determined to be a full-time Police Officer.

Limitation Year

The Limitation Year is the Plan Year.

Normal Retirement Age

Normal Retirement Age is the attainment of age 60.

Plan Year

The Plan Year is each 12-consecutive month period ending on 12/31.

Required Beginning Date

The Required Beginning Date is the later of age 70-1/2 or retirement.

PENSION CONTRIBUTIONS

Eligibility

Eligible Employees must meet the requirements listed below to receive Pension Contributions.

Entry

Eligible Employees will enter the Plan with respect to Pension Contributions On date of hire, provided Employee agrees to make Employee Contributions to their hire date.

Contributions

Pension Contributions will be allocated in the amount of 9% to be allocated by dividing the total amount by the number of Participants eligible to share in such contribution.

Vesting

Participants will become vested in their Pension Contributions according to the schedule below.

- | | |
|--|---|
| i. Other Pension Schedule -
less than 1 year: <u>0%</u> | xii. Other Pension Schedule -
11 years but less than 12 years: <u>100%</u> |
| ii. Other Pension Schedule -
1 years but less than 2 years: <u>0%</u> | xii. Other Pension Schedule -
12 years but less than 13 years: <u>100%</u> |
| iii. Other Pension Schedule -
2 years but less than 3 years: <u>40%</u> | xii. Other Pension Schedule -
13 years but less than 14 years: <u>100%</u> |
| iv. Other Pension Schedule -
3 years but less than 4 years: <u>40%</u> | xii. Other Pension Schedule -
14 years but less than 15 years: <u>100%</u> |
| v. Other Pension Schedule -
4 years but less than 5 years: <u>60%</u> | xii. Other Pension Schedule -
15 years but less than 16 years: <u>100%</u> |
| vi. Other Pension Schedule -
5 years but less than 6 years: <u>80%</u> | xii. Other Pension Schedule -
16 years but less than 17 years: <u>100%</u> |
| vii. Other Pension Schedule -
6 years but less than 7 years: <u>80%</u> | xii. Other Pension Schedule -
17 years but less than 18 years: <u>100%</u> |
| viii. Other Pension Schedule -
7 years but less than 8 years: <u>100%</u> | xii. Other Pension Schedule -
18 years but less than 19 years: <u>100%</u> |
| ix. Other Pension Schedule -
8 years but less than 9 years: <u>100%</u> | xii. Other Pension Schedule -
19 years but less than 20 years: <u>100%</u> |
| x. Other Pension Schedule -
9 years but less than 10 years: <u>100%</u> | xii. Other Pension Schedule -
20 years: <u>100%</u> |
| xi. Other Pension Schedule -
10 years but less than 11 years: <u>100%</u> | |

EMPLOYEE CONTRIBUTIONS

Eligibility

Eligible Employees will enter the Plan with respect to Employee Contributions On date of hire, provided Employee agrees to make Employee Contributions.

Mandatory Employee Contributions (pick-up contributions)

Mandatory Employee Contributions (pick-up contributions) will be made in the amount of 9% of Compensation.

Voluntary Contributions

Voluntary Contributions are permitted under the Plan.

Vesting

Participants will always be 100% vested in their Employee Contributions.

DISTRIBUTIONS

Termination of Employment

Upon termination of employment, Participants will be able to take a distribution immediately.

In-Service Distributions - Rollover Contributions

In-service distributions of Rollover Contributions will be allowed at any time.

Note: These Plan highlights are intended to be a very concise overview of the Plan's features. For a detailed description of the Plan's features, please contact the Plan Administrator for more information. The Plan features described in these Plan Highlights are subject to change, and in the event of a discrepancy between the Plan document and these Highlights (or any other summary of Plan features, written or oral), the Plan document will control.