

**FIRST AMENDMENT TO THE CITY OF PHOENIX  
DEFINED CONTRIBUTION PLAN**

The City of Phoenix, Arizona (the "City"), pursuant to action taken by the Phoenix Employees' Deferred Compensation Board, has adopted the following First Amendment to The City of Phoenix Defined Contribution Plan (the "Plan"), as amended and restated in its entirety effective January 1, 2014.

W I T N E S S E T H

WHEREAS, Section 10.1 of the Plan permits the City to amend the Plan;

WHEREAS, the City desires to amend the Plan to update the implementation date of revised post-severance deferrals at retirement;

WHEREAS, the City desires to amend the Plan to update the correction method for any excess annual additions pursuant to Final Regulations under Internal Revenue Code Section 415; and

NOW, THEREFORE, the Plan is amended as follows:

1. Effective January 1, 2014, Section 3.1(a) shall be amended by deleting subsection (2) in its entirety and by substituting the following:

"(2) Employer Contributions for General Employees Retiring on or after January 8, 2005

Subject to the limitations set forth in Section 4.4, upon the Retirement of a General Employee on or after January 8, 2005 through March 31, 2014, the City shall automatically make an Accumulated Leave/Compensatory Time Contribution to the Plan on behalf of such General Employee equal to his or her Accumulated Leave/Compensatory Time Value at Retirement. On and after April 1, 2014, the City shall automatically make an Accumulated Leave Contribution to the Plan on behalf of such General Employee equal to his or her Accumulated Leave Value at Retirement. Such Accumulated Leave/Compensatory Time or such Accumulated Leave Contribution shall be made as soon as administratively practicable following the General Employee's Retirement. In addition, from January 8, 2005 through April 14, 2013, the City shall make an additional contribution equal to 2.35% of his or her Accumulated Leave/Compensatory Time Value. Effective April 15, 2013, through March 31, 2014, the City shall make an additional contribution equal to 2.35% of his or her Accumulated Leave/Compensatory Time Value actually contributed to the Plan. No General Employee eligible for such Accumulated Leave/Compensatory Time or such Accumulated Leave Contribution may receive any portion of his or her Accumulated Leave/Compensatory Time or such Accumulated Leave Value in cash."

2. Effective January 1, 2014, Section 3.1(a) shall be amended by deleting subsection (4) in its entirety and by substituting the following:

"(4) Employer Contributions for Public Safety Employees Retiring on or after July 1, 2007

Subject to the limitations set forth in Section 4.4, upon the retirement of a Public Safety Officer retiring on or after July 1, 2007 through March 31, 2014, the City shall automatically make an Accumulated Leave/Compensatory Time Contribution to the Plan on behalf of such Public Safety Employee equal to 100% of his or her Accumulated Leave/Compensatory Time Value at Retirement. On and after April 1, 2014, the City shall automatically make an Accumulated Leave Contribution to the Plan on behalf of such Public Safety Officer equal to his or her Accumulated Leave Value at Retirement. Such Accumulated Leave/Compensatory Time or Accumulated Leave Contribution shall be made as soon as administratively practicable following the Public Safety Employee's retirement. No Public Safety Employee eligible for such Accumulated Leave/Compensatory Time or such Accumulated Leave Contribution may receive any portion of his or her Accumulated Leave/Compensatory Time or such Accumulated Leave Value in cash."

3. Effective January 1, 2008, Section 4.4 shall be amended by deleting subsection (c) in its entirety and by substituting the following:

"(c) With respect to Plan Years beginning on or after January 1, 2008, if as of any allocation date, the annual additions allocated to any Participant's account exceed the limitations of this Section 4.4, the excess annual additions will be corrected as permitted under the Employee Plans Compliance Resolution System (or similar IRS correction program)."

4. Effective January 1, 2014, Appendix 6 – 415 Limit Calculation shall be amended by deleting the second paragraph thereof and by substituting the following:

"In order to demonstrate that the contribution and deferral limits are applied in a way that complies with the Code and also with the requirement that the contributions are made on a mandatory basis without Employee choice, we have set forth the following examples. We hope that it is clear from the examples that the non-elective employer contribution of the Accumulated Leave Time is not being counted as compensation for purposes of the 415(c) limits. These procedures will go into effect April 1, 2014."

IN ALL OTHER RESPECTS, the Plan is hereby ratified and confirmed.

IN WITNESS WHEREOF, the City has caused this First Amendment to be executed on the 24th day of March, 2014.

WITNESS:

THE CITY OF PHOENIX, ARIZONA

Kathy Schellwork

By: R. Naimark

Rick Naimark, Deputy City Manager  
City of Phoenix Deferred Compensation  
Plan (DCP) Board Chairman

**SECOND AMENDMENT TO THE CITY OF PHOENIX  
DEFINED CONTRIBUTION PLAN**

The City of Phoenix, Arizona (the "City"), pursuant to action taken by the Phoenix Employees' Deferred Compensation Board, has adopted the following Second Amendment to The City of Phoenix Defined Contribution Plan (the "Plan"), as amended and restated in its entirety effective January 1, 2014.

W I T N E S S E T H

WHEREAS, Section 10.1 of the Plan permits the City to amend the Plan; and

WHEREAS, the City desires to amend the Plan to correct terms in Section 3.1(a), to reflect obsolete provisions regarding picked up contributions, and to make one change to Appendix 5;

NOW, THEREFORE, the Plan is amended as follows:

1. Effective January 1, 2014, Section 3.1(a)(2) shall be amended to be and read as follows:

"(2) Employer Contributions for General Employees Retiring on or after January 8, 2005

Subject to the limitations set forth in Section 4.4, upon the Retirement of a General Employee on or after January 8, 2005 through March 31, 2014, the City shall automatically make an Accumulated Leave/Compensatory Time Contribution to the Plan on behalf of such General Employee equal to his or her Accumulated Leave/Compensatory Time Value at Retirement. On and after April 1, 2014, the City shall automatically make an Accumulated Leave Contribution to the Plan on behalf of such General Employee equal to his or her Accumulated Leave Time Value at Retirement. Such Accumulated Leave/Compensatory Time or such Accumulated Leave Contribution shall be made as soon as administratively practicable following the General Employee's Retirement. In addition, from January 8, 2005 through April 14, 2013, the City shall make an additional contribution equal to 2.35% of his or her Accumulated Leave/Compensatory Time Value. Effective April 15, 2013, through March 31, 2014, the City shall make an additional contribution equal to 2.35% of his or her Accumulated Leave/Compensatory Time Value actually contributed to the Plan. No General Employee eligible for such Accumulated Leave/Compensatory Time or such Accumulated Leave Contribution may receive any portion of his or her Accumulated Leave/Compensatory Time or such Accumulated Leave Time Value in cash."

2. Effective January 1, 2014, Section 3.1(a)(4) shall be amended to be and read as follows:

"(4) Employer Contributions for Public Safety Employees Retiring on or after July 1, 2007

Subject to the limitations set forth in Section 4.4, upon the retirement of a Public Safety Officer retiring on or after July 1, 2007 through March 31, 2014, the City shall automatically make an Accumulated Leave/Compensatory Time Contribution to the Plan on behalf of such Public Safety Employee equal to 100% of his or her Accumulated Leave/Compensatory Time Value at Retirement. On and after April 1, 2014, the City shall automatically make an Accumulated Leave Contribution to the Plan on behalf of such Public Safety Officer equal to his or her Accumulated Leave Time Value at Retirement. Such Accumulated Leave/Compensatory Time or Accumulated Leave Contribution shall be made as soon as administratively practicable following the Public Safety Employee's retirement. No Public Safety Employee eligible for such Accumulated Leave/Compensatory Time or such Accumulated Leave Contribution may receive any portion of his or her Accumulated Leave/Compensatory Time or such Accumulated Leave Time Value in cash."

3. Effective January 1, 2014, Section 3.1(d)(1) shall be amended to be and read as follows:

(1) Pick Up Contributions for New Employees and New Public Safety Employees: Permanent Provision – for those Hired on or after January 1, 2014.

(A) With respect to an Employee or a Public Safety Employee hired on or after January 1, 2014, subject to the limitations set forth in Section 4.4, an eligible Employee or Public Safety Employee may make an election to have contributions made to the Plan by irrevocably electing salary reduction in the amount of a designated percentage (from among the available percentages as set forth in Appendix 3 as amended from time to time) of the compensation otherwise payable to him or her on or after January 1, 2014 to be paid by the City into the Plan. Such payment by the City into the Plan shall be a "pick up contribution" pursuant to Code Section 414(h)(2). Such election shall be made no later than the Employee's first becoming eligible under any plan or arrangement of the City. Pursuant to such election, the City will pick up and pay the elected amount directly to the Plan, and the Employee will not have the option of choosing to receive the elected amount directly instead of having it paid by the City to the Plan. The City's payment to the Plan of the elected amount shall be made as soon as administratively practicable following the date the compensation would have otherwise been payable to the Employee. No Employee eligible for such "pick up contribution" shall be

permitted to make contributions of any portion of his or her compensation directly to the Plan. The effective date of the pickup shall be no earlier than the date the payroll authorization form described in subparagraph (B) below is signed by the Employee.

(B) The election described in subparagraph (A) above shall be made no later than the Employee's first becoming eligible under any plan or arrangement of the City by completing a payroll authorization form designated for that purpose and filing such form in accordance with such procedures as have been established by the Board and the Plan's recordkeeper for that purpose. Such form shall provide (i) that the Employee understands that the election shall be binding and irrevocable as long as he or she remains in the employ of the City; (ii) that the Employee authorizes the salary reduction for pick up purposes; (iii) that the Plan will only accept payment from the City and not directly from the Employee; and (iv) that the elected amount is being picked up by the City and paid directly to the Plan and that, after executing the authorization, the Employee does not have the option of choosing to receive the elected amount directly instead of having it paid by the City to the Plan.

(C) An Employee described in subparagraph (A) above who fails to make the election specified in subparagraphs (A) and (B) shall be deemed to have irrevocably elected to have 0% of the compensation otherwise payable to him or her contributed to the Plan.

(D) The election made by an Employee to make (or to not make) Supplemental Contributions is irrevocable and remains in place in the event that the Employee transfers to a position under the same or different Employee classification (or terminates employment with the City and is subsequently reemployed under the same or different Employee classification)."

4. Effective January 1, 2014, the Addendum of Obsolete Provisions shall be amended by adding a new section for Former Plan Provision § 3.1(d)(1) to be and read as follows:

**Former Plan Provision § 3.1(d)(1)**

**(1) Pick Up Contributions for New Employees and New Public Safety Employees: Permanent Provision – for those Hired on or after April 1, 2008 and Prior to January 1, 2014.**

(A) With respect to an Employee or a Public Safety Employee hired on or after April 1, 2008 and prior to January 1, 2014, subject to the limitations set forth in Section 4.4, an eligible Employee or Public Safety

Employee may make an election to have contributions made to the Plan by irrevocably electing salary reduction in the amount of a designated percentage (from among the available percentages as set forth in Appendix 3 as amended from time to time) of the compensation otherwise payable to him or her on or after April 1, 2008 and prior to January 1, 2014 to be paid by the City into the Plan. Such payment by the City into the Plan shall be a "pick up contribution" pursuant to Code Section 414(h)(2). Such election shall be made no later than the last day of the 90-day period commencing on the Employee's date of hire. Pursuant to such election, the City will pick up and pay the elected amount directly to the Plan, and the Employee will not have the option of choosing to receive the elected amount directly instead of having it paid by the City to the Plan. The City's payment to the Plan of the elected amount shall be made as soon as administratively practicable following the date the compensation would have otherwise been payable to the Employee. No Employee eligible for such "pick up contribution" shall be permitted to make contributions of any portion of his or her compensation directly to the Plan. The effective date of the pickup shall be no earlier than the date the payroll authorization form described in subparagraph (B) below is signed by the Employee.

(B) The election described in subparagraph (A) above shall be made within a 90-day period commencing on the Employee's date of hire by completing a payroll authorization form designated for that purpose and filing such form in accordance with such procedures as have been established by the Board and the Plan's recordkeeper for that purpose. Such form shall provide (i) that the Employee understands that the election shall be binding and irrevocable as long as he or she remains in the employ of the City; (ii) that the Employee authorizes the salary reduction for pick up purposes; (iii) that the Plan will only accept payment from the City and not directly from the Employee; and (iv) that the elected amount is being picked up by the City and paid directly to the Plan and that, after executing the authorization, the Employee does not have the option of choosing to receive the elected amount directly instead of having it paid by the City to the Plan.

(C) An Employee described in subparagraph (A) above who fails to make the election specified in subparagraphs (A) and (B) within the 90-day period commencing on the Employee's date of hire shall be deemed to have irrevocably elected to have 0% of the compensation otherwise payable to him or her contributed to the Plan.

(D) The election made by an Employee to make (or to not make) Supplemental Contributions is irrevocable and remains in place in the event that the Employee transfers to a position under the same or different Employee classification (or terminates employment with the City

and is subsequently reemployed under the same or different Employee classification)."

5. Effective January 1, 2014, page 2 of Appendix 5 of the Plan shall be corrected as shown on the attached.

IN ALL OTHER RESPECTS, the Plan is hereby ratified and confirmed.

IN WITNESS WHEREOF, the City has caused this Second Amendment to be executed on the 21st day of August, 2014.

WITNESS:

THE CITY OF PHOENIX, ARIZONA

Natty Schults

By: R Naimark  
Rick Naimark, Deputy City Manager  
City of Phoenix Deferred Compensation  
Plan (DCP) Board Chairman