Retirement Plan for

Full-Time Employees of the

Town of Ledyard

Amended and Restated
Effective July 1, 2012

Drafted November 13, 2012

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INTRODUCTION

Effective June 1, 1977, the Town of Ledyard (the "Town"), a Connecticut municipality, adopted the retirement system known as the Retirement Plan for full-time Employees of the Town of Ledyard (the "Plan"). The Plan was and is intended to be a governmental plan, as defined in Code Section 414(d), and was and is intended to qualify as a defined benefit plan under Code Section 401(a). It is also intended that all Member Contributions to the Plan be "picked-up" pursuant to Code Section 414(h). The Plan is maintained for the exclusive benefit of eligible Members and their Beneficiaries.

The Plan was most recently set forth in the Ordinances of the Town of Ledyard and in a separate amended and restated plan document. The Plan has been amended from time to time, and is hereby further amended and restated effective July 1, 2012. As part of this amendment and restatement the Town desires to consolidate the Plan into one document as set forth herein.

Unless otherwise stated herein, the rights of Members who terminated service on or before June 30, 2012 shall be determined under the version of the Plan, including any underlying bargaining agreements, in effect on such Member's date of termination and shall not be affected by any provision of this amendment and restatement, except as otherwise specifically provided in this Plan.

Non-union Employees hired by the Town on or after July 1, 2009 will not be eligible to participate in the Plan and union Employees of the Town hired on or after the date provided in the applicable collective bargaining agreement will not be eligible to participate in the Plan.

ARTICLE I
DEFINITIONS

1.01 "Accrued Benefit" means as of any date, the portion of a Member's Retirement Benefit accrued as of that date determined under Article IV using a Member's Years of Credited Service and Final Average Earnings as of such date.

1.02 "Actuarial Equivalent" means a benefit of equivalent current value to the benefit which would otherwise have been provided to the Member in the normal form of benefit, determined on the following assumptions:

Generally

Interest: 2.5%

Mortality: The 1951 Group Annuity Table (-1, -6)

For Lump Sums

Interest: The applicable interest rate as set forth under Section 417(e)(3) of the Code as of the June 1 preceding the Plan Year.

Mortality: The applicable mortality table as set forth under Section 417(e)(3) of the Code as of the June 1 preceding the Plan Year.

1.03 "Annuity Starting Date" means the first day of the first period for which an amount is paid as an annuity, or, in the case of a single sum payment, the first day on which all events have occurred which entitle the Member, or the Member's Beneficiary, if applicable, to such benefit.

1.04 "Authorized Leave of Absence" means any absence authorized by the Town under the Town's standard personnel practices, provided that all persons under similar circumstances must be treated alike in the granting of such Authorized Leaves of Absence and provided further that the Employee returns within the period of authorized absence. An absence due to service in the armed forces of the United States shall be considered an Authorized Leave of Absence to the extent required under Section 414(u) of the Code.

1.05 "Beneficiary" means the individual or individuals and/or trusts designated by the Member to receive benefits from the Plan upon the death of the Member in accordance with Article VII hereof.

1.06 "Code" means the Internal Revenue Code of 1986, as such has been and as such may be amended from time to time, and any regulations promulgated thereunder and interpretations thereof as such may affect this Plan.

1.07 "Continuous Service" means an Employee's uninterrupted period of employment without a Period of Severance, provided that absence from employment for a period of up to six

(6) months due to Total and Permanent Disability as determined by a medical examination and a period of up to one (1) year for an Authorized Leave of Absence shall not be considered as an interruption in service. For purposes of determining Continuous Service, a Period of Severance of less than three months shall be disregarded.

1.08 "Credited Interest" means interest to be credited to the Member Contributions, compounded annually at the rate as the Town may from time to time prospectively determine. Currently, interest is credited at the rate of 5% per annum.

1.09 "Early Retirement Date" means the first day of the month coinciding with or next following the date on which the Member attains the Early Retirement Date set forth in the applicable Appendix.

1.10 "Earnings" means:

(a) For all Employees except as otherwise set forth in this Section, the regular basic compensation paid to an Employee for services rendered to the Town each Plan Year, excluding any overtime payments, sick pay or vacation pay.

(b) For Police Employees covered under Local 2693, Council No. 15, AFSCME, AFL-CIO who are employed on or after June 30, 2003, straight-time wages plus overtime paid to such Police Employee. Earnings shall specifically exclude any vacation, sick, comp time and longevity pay. With respect to any retroactive pay, such amounts shall be included in Earnings in the year it is paid.

(c) Effective July 1, 2006, for Fire Employees covered under the Association of International Firefighters, Earnings means the gross wages as reported on the Employee's Federal Income Tax Withholding Statement (Form W-2).

Notwithstanding any other provision of the Plan to the contrary, in no event shall a Member's Earnings taken into account for purposes of the Plan exceed $250,000, (for the Plan Year beginning July 1, 2012), increased as permitted under Section 401(a)(17) of the Code to reflect cost-of-living adjustments.

1.11 "Eligible Employee" means an Employee, including a full-time elected official and a non-certified employee of the Board of Education of the Town. An Employee who is accruing pension benefits under another defined benefit or defined contribution plan maintained by the Town shall not be considered an Eligible Employee.

1.12 "Employee" means an employee of the Town who renders regular service to the Town.

1.13 "Final Average Earnings" means a Member's average annual Earnings prior to the Member's Normal, Early or Late Retirement Date, as set forth in the applicable Appendix attached hereto.

1.14 "Late Retirement Date" means the first day of the month coinciding with or next following the date on which a Member, who is not a Police Employee, actually retires following his Normal Retirement Date as set forth in the applicable Appendix.

1.15 "Member" means any Eligible Employee who has become covered under the Plan pursuant to Article II.

1.16 "Normal Retirement Date" means the first day of the month coinciding with or next following the date on which the Member attains the Normal Retirement Age set forth in the applicable Appendix.

1.17 "Period of Severance" means each month period during which a Member does not perform any hours of service. Solely for purposes of determining whether an Employee has a Period of Severance, an Employee shall not be considered to have a Period of Severance for up to twelve months for any period during which the Employee does not perform ay duties by reason of:

(i) the pregnancy of the Employee; the placement of a child with the Employee in connection with the adoption of such child by such individual; or the caring for such child for a period beginning immediately following such birth or placement; or

(ii) Periods of Authorized Leaves of Absence, as defined in Section 1.04 herein.

1.18 "Required Beginning Date" means the first day of April of the calendar year following the calendar year in which: (i) the Member attains age 70½, or (ii) if later, the year the Member terminates employment with the Town.

1.19 "Retirement Benefit" means the retirement benefit pension payable to a Member on his Normal, Early or Late Retirement Date as described in Article IV herein.

1.20 "Severance from Employment" means the date of an Employee's death, retirement, resignation or discharge, or any absence that causes such Employee to cease to be an Employee of the Town.

1.21 "Totally and Permanently Disabled" means a Member who has been found, on the basis of medical evidence satisfactory to the Town, to suffer from any physical or medical condition that: (i) has continued for a period of at least six (6) consecutive months; (ii) is expected to be permanent; and (iii) which prevents the Member from performing or engaging in any occupation or employment for remuneration or profit. In no event shall a Total and Permanent Disability include any incapacity which was contracted, suffered or incurred while the Member was engaged in or resulted from having engaged in a felonious, criminal enterprise, nor shall it include any incapacity which results from an intentionally self-inflicted injury.

1.22 "Town" means the Town of Ledyard, Connecticut.

1.23 "Trust" means the trust created by the Town and the Trustee by a trust agreement to hold and invest the assets contributed under the terms of this Plan.

1.24 "Trustee" means such individual or corporate fiduciary or fiduciaries as may be duly appointed by the Town to hold the assets of the Plan pursuant to the terms of this Plan and the Trust.

1.25 "Year of Credited Service" means an Eligible Employee's completed years and months of employment with the Town that qualified him for a Retirement Benefit under the Plan, determined in accordance with the following rules:

(a) Years of Credited Service for each Eligible Employee who automatically became a Member of the Plan on June 1, 1977, means the sum of (i) plus (ii):

(i) The years and months of Continuous Service from June 1, 1977, to the earliest of the Member's Retirement Date, date of termination, date of death or date of disability;

(ii) Years and months of Service from the Employee's date of hire to June 1, 1977, subject to a maximum of ten (10) years.

(b) Years of Credited Service for each Eligible Employee who became a Member of the Plan after June 1, 1977, means his years and months of Continuous Service to the earliest of the Member's Retirement Date, date of termination, date of death or date of Total and Permanent Disability.

(c) Any Plan Year during which the Eligible Employee did not make the required Member Contributions shall be disregarded for purposes of determining Years of Credited Service.

(d) Any Year of Service during which the Employee worked prior to becoming a Member as a part-time employee shall be disregarded for purposes of determining Years of Credited Service.

Years of Credited Service will be given from June 1, 1966, to April 1, 1979, for Employees who elected to participate in the Plan on its effective date. Notwithstanding any provision of this Plan to the contrary, Years of Credited Service with respect to qualified military service shall be provided in accordance with Section 414(u) of the Code.

1.26 "Year of Vesting Service" means an Employee's service commencing with the Employee's first day of employment or reemployment with the Town. The first day of employment is the first day the Employee performs an Hour of Service. Notwithstanding the foregoing, a Member who is accruing pension benefits under another defined benefit or defined contribution plan maintained by the Town shall continue to earn Years of Vesting Service. Notwithstanding any provision of this Plan to the contrary, Years of Vesting Service with respect to qualified military service shall be provided in accordance with Section 414(u) of the Code. Fractional periods of a year will be expressed in terms of days.

ARTICLE II
MEMBERSHIP

2.01 Conditions of Membership

An Eligible Employee who is a Member in the Plan on or before July 1, 2001 shall continue to be a Member in the Plan.

Each other Eligible Employee of the Town shall be included in the Plan as a condition of employment on the first day of the month coinciding with or next following the date after he fulfills each of the following requirements:

(a) he is an Eligible Employee;

(b) (i) he was a non-union employee hired prior to July 1, 2009, or

(ii) he is a collectively bargained employee whose relevant collective bargaining agreement provides that Employees who are hired as a member of the relevant union on or prior to the date of his hire are eligible to participate in the Plan;

(c) he has completed one Year of Service; and

(d) he works twenty (20) or more hours per week or at least five (5) months per year.

Each participating Member shall sign an application form as the Town prescribes, authorize payroll deductions, designate a Beneficiary to receive any death benefits hereunder, and furnish such other data as the Town deems necessary and desirable.

2.02 Membership After Reemployment

If in any Plan Year a Member has a Severance from Employment, his participation in the Plan shall cease. In the event of such termination of participation, such former Member shall not be eligible to resume participation in the Plan.

A Member's participation in the Plan shall cease when he or his Beneficiaries have received all benefits due to them under the Plan.

ARTICLE III
CONTRIBUTIONS

3.01 Member Contributions

Each Member shall be required to make a Member Contribution to the Plan each pay period. The amount of such Member Contribution shall be as specified in the applicable Appendix.

3.02 Town Pick-Up Contributions

Pursuant to Section 414(h)(2) of the Code, except as otherwise provided in the applicable Appendix, the Town shall pick-up and pay the contributions that otherwise would be payable by each Member. The contributions so "picked-up" shall be treated as employer contributions for purposes of determining the amount of federal income taxes to withhold from each Member's Earnings.

Member contributions picked up by the Town shall be paid from the same source of funds used for the payment of salaries to Employees. A deduction shall be made from each Member's Earnings equal to the amount of the Member Contributions picked up by the Town, provided that such deduction shall not reduce the Member's Earnings for purposes of computing benefits under this Plan.

Member Contributions picked-up by the Town shall be credited to a separate account for each Member, so that Member Contributions made prior to July 1, 1999 may be distinguished from the Member Contributions picked-up by the Town on and after July 1, 1999.

ARTICLE IV
RETIREMENT BENEFITS

4.01 Normal Retirement Benefit

Each Member shall be entitled to receive, commencing on his Normal Retirement Date, an annual Retirement Benefit calculated using the formula as set forth in the applicable Appendix. Such benefit shall be payable following the later of (i) the first day of the month coinciding with or next following the Member's Normal Retirement Date, or (ii) the first day of the month in which the Member applies for the benefit to commence, but not later than the date specified in Section 5.05.

4.02 Late Retirement Benefit

Each Member who has reached his Late Retirement Date may elect to receive an annual Retirement Benefit on the first day of the month next following or coinciding with his actual retirement date after his Normal Retirement Date. Such Retirement Benefit shall be the Actuarial Equivalent of the Member's Normal Retirement Benefit, calculated as described in Section 4.01 and the applicable Appendix, using the Member's Final Average Earnings and Years of Credited Service completed prior to the Member's actual retirement date. Such benefit shall be payable following the later of (i) the first day of the month coinciding with or next following the Member's actual retirement date, or (ii) the first day of the month in which the Member applies for the benefit to commence, but not later than the date specified in Section 5.05.

4.03 Early Retirement Benefit

Each Member who has reached his Early Retirement Date may elect to receive a reduced annual Retirement Benefit commencing on the first day of the month next following or coinciding with his actual retirement date prior to his Normal Retirement Date, provided that such Member is not eligible for, or does not elect to receive, a Disability Retirement Benefit as described in Section 4.04. Such Retirement Benefit shall be the Actuarial Equivalent of the Member's Normal Retirement Benefit, calculated as described in Section 4.01 and the applicable Appendix, using the Member's Final Average Earnings and Years of Credited Service completed prior to the Member's actual retirement date, subject to the following applicable provisions:

(a) if the Member elects to have his retirement benefit payments begin on his Early Retirement Date, the benefit determined above will be reduced by one-half percent (1/2%) for each month by which his Early Retirement Date precedes his Normal Retirement Date.

(b) if the Member elects to defer receiving his retirement benefit payments until his Normal Retirement Date, the above reduction will not be applied.

Payment of such Early Retirement Benefit shall commence on the later of the first day of the month coinciding with or next following the Member's actual retirement date or the date on which the Member applies for early retirement in writing, but shall in no event commence later than the Member's Normal Retirement Date.

4.04 Disability Retirement Benefit

(a) A Member who retires from employment with the Town prior to his Normal Retirement Date due to Total and Permanent Disability is eligible to receive a Disability Retirement Benefit, provided that:

(i) the Member is certified by the Town to have a Total and Permanent Disability;

(ii) the Member has completed at least ten (10) Years of Credited Service; and

(iii) the Member is not eligible for, or does not elect to receive, an Early Retirement Benefit as described in Section 4.03.

(b) A Member eligible for a benefit under this Section 4.04 shall be entitled to receive a Disability Retirement Benefit commencing on the date of disability certification and ending on the earliest of:

(i) the date the Member ceases to have a Total and Permanent Disability;

(ii) the date the Member fails to submit requested satisfactory proof of the continuance of such Total and Permanent Disability; or

(iii) the Member's Normal Retirement Date or, if duly elected, the Member's Early Retirement Date.

(c) The amount of such Disability Retirement Benefit for all Members shall be equal to the Member's Normal Retirement Benefit as calculated in Section 4.01, using the Member's Final Average Earnings and Years of Credited Service completed prior to the Member's Disability Retirement Date. Any awards or payments received by the Member under the provisions of the Connecticut Workers' Compensation Act, Social Security Act, or any other such program or benefit shall be deducted from the benefits otherwise payable under this Section.

(d) In any case where the Town deems it necessary or advisable, the Town shall accept as evidence of Total and Permanent Disability: (i) a Social Security Disability Award, or (ii) may require a Member applying for a Disability Retirement Benefit to submit to physical examinations, including but not limited to diagnostic tests, by a physician or physicians selected and paid for by the Town. If a Member refuses to permit any such physical examination or test, unless the examination or test is shown to be dangerous to the Member's life or health, the Town shall have the right to determine without regard to any other evidence that the Member is not Totally and Permanently Disabled.

(e) Any such determination by the Town shall be conclusive and binding upon all persons. In the event a Member's application for a Disability Retirement Benefit is denied, such Member may appeal the decision to the Town one-time and

provide additional medical evidence. The Town shall have the right to request any additional medical examinations by a physician(s) of its choosing.

(f) A Member who is receiving a Disability Retirement Benefit may be required to submit proof to the Town of the continuance of Total and Permanent Disability once every six (6) months and shall, as required by the Town and permit, once every six (6) months, a physical examination or examinations, including diagnostic tests, made by a physician or physicians selected and paid for by the Town. If a Member refuses to permit such physical examination or test, unless the examination or test is shown to be dangerous to the Member's life or health, the Town shall have the right to determine, without regard to any other evidence, that the Member is no longer Totally and Permanently Disabled.

(g) The form of benefit payable to a Member under this Section shall be governed by Section 5.01.

4.05 Retirement Benefit for Certain Transferred Members

If a Member transfers to another department or position that continues to qualify him for a Retirement Benefit, without incurring a Severance from Employment, his Retirement Benefit shall be determined using the Member's Final Average Earnings as of his actual retirement date and the sum of:

(a) the formula as set forth in the applicable Appendix as of his Normal Retirement Date, using the Member's Years of Credited Service completed subsequent to the Member's transfer date; and

(b) the formula as set forth in the applicable Appendix as of his transfer date, using the Member's Years of Credited Service completed prior to the Member's transfer date.

4.06 Maximum Benefit Limitation

(a) Regardless of any other provision of this Plan, pursuant to Section 415(b) of the Code, the annual benefit payable hereunder (expressed as a straight life annuity with no ancillary benefits, as provided in regulations pursuant to Section 415(b)(2)(B) of the Code), except as otherwise provided below, shall not exceed $200,000 (for the Plan Year commencing July 1, 2012), as adjusted in subsequent years pursuant to Code Section 415(d) to reflect cost-of-living increases. For purposes of applying Section 415(b) of the Code, the limitation year shall be the Plan Year as it relates to this Plan.

(b) In the case of a benefit beginning after the Member attains age sixty-five (65), such dollar limitation shall be of Actuarial Equivalent value to the defined benefit dollar limitation applicable to the Member at age sixty-five (65) (adjusted as provided in paragraph (a) above, if required).

(c) In the case of a benefit beginning prior to the Member's attainment of age sixty-two (62), the dollar limitation described in Section 415(b)(1)(A) of the Code shall be of Actuarial Equivalent value to the maximum benefit payable at age sixty-two (62) (adjusted as provided in paragraph (a) above, if required). However, such adjustment shall not be applied to reduce the benefit of a Member who is under age 62 and who is a uniformed member of the police department who has at least fifteen (15) Years of Credited Service as a full-time employee of the police department providing police protection services.

(d) If the retirement allowance is payable neither as a life annuity nor a qualified joint and survivor annuity with the Member's Spouse as Beneficiary, the maximum limitation shall be of Actuarial Equivalent value to the maximum limitation otherwise payable. No mortality adjustment shall be made in determining such maximum benefit, provided that: (i) the Plan continues to grant a qualified preretirement survivor annuity for which no charge is made, or (ii) there is otherwise no forfeiture of benefits upon the Member's death prior to the annuity commencement date with respect to benefits paid prior to attainment of age sixty-two (62), or between the Member's attainment of age sixty-five (65) and the annuity commencement date for benefits commencing after attainment of age sixty-five (65).

(e) For purposes of applying Section 415(b) of the Code, "Compensation" shall be compensation as defined in Section 415 of the Code and Treasury Regulations issued thereunder. Compensation shall also include differential wage payments made to active duty members of the uniformed services in accordance with Code Section 3401(h). For this purpose, differential wage payments shall mean any payment which:

(i) is made by an employer to an individual with respect to any period during which the individual is performing service in the uniformed services (as defined in chapter 43 of title 38, United States Code) while on active duty for a period of more than 30 days, and

(ii) represents all or a portion of the wages the individual would have received from the employer if the individual were performing service for the employer.

(f) Exception to Basic Limitation. The limitation in subparagraphs (a), (b) (c) and (d) above shall not be applied to reduce the benefit of any Member below $10,000.

(g) Secondary Limitations. The dollar limitation in paragraph (a) shall be reduced in the case of any Member who has had less than ten (10) years of participation in the Plan by multiplying the limitation by a fraction whose numerator is the number of years (or part thereof) of participation in the Plan and the denominator of which is ten (10).

(h) Notwithstanding any other Plan provisions to the contrary, Actuarial Equivalent value for purposes of this Section shall be determined in accordance with Section 415(b) of the Code and the regulations or rulings issued thereunder. Benefits paid in a form to which Section 417(e)(3) does not apply shall be computed using whichever of the following factors produce the greatest Actuarial Equivalent straight life annuity benefit: (a) the Plan's early retirement, late retirement, or optional factors, as appropriate, or (b) the IRS Mortality Table, if applicable, and an interest rate of five percent (5%). Benefits paid in a form to which Section 417(e)(3) applies shall be computed using whichever of the following three factors produce the greatest Actuarial Equivalent straight life annuity benefit:

(i) the Plan's early retirement, late retirement, or optional factors, as appropriate;

(ii) the IRS Mortality Table, if applicable, and an interest rate of five and one-half percent (5.5%); or

(iii) the applicable interest rate under Treas. Reg. § 1.417(e)-1(d)(3) and the IRS Mortality Table, divided by 1.05.

If the maximum benefit payable to a Member must be adjusted, such adjustment shall be made in accordance with the provisions of Section 415(b) of the Code.

(i) For the purpose of this Section, "Annual Benefit" means the benefit the Member would be entitled to at his Normal Retirement Date payable in the form of a straight life annuity with no ancillary benefits. If the Annual Benefit is payable in any form other than a straight life annuity with no ancillary benefits, then for the purposes of applying the general limitations of this Section, the Annual Benefit shall be adjusted to a value equivalent to the straight life annuity.

(j) Exception for Death Benefits and Permanent and Total Disability Benefits. The limitation in Section 4.05(c) shall not be applied to reduce (i) the benefit of a Member who receives a Permanent and Total Disability Retirement Benefit in accordance with the provisions of Article IV of the Plan, or (ii) the Death Benefits payable to the Beneficiary under Article VII of the Plan.

(k) Exception for Certain Police Department Members. The limitation in Section 4.05(c) shall not be applied to reduce the benefit of a Member who is a uniformed member of the Town's Police Department who has at least fifteen (15) Years of Credited Service as a full-time employee of the Police Department providing police protection services.

ARTICLE V
DISTRIBUTION OF BENEFITS

5.01 Normal Form of Benefit

Retirement benefits equal to one-twelfth (1/12) of the Member's annual retirement benefit shall be made monthly to any Member eligible to receive a retirement benefit from the Plan, commencing on the Member's Normal, Early, or Late Retirement Date and continuing to the first day of the month in which the Member's death occurs. Notwithstanding the foregoing, retirement benefits shall not commence prior to the date that the Pension Board approves such payments; provided, however, that upon approval of such payments, benefits shall be paid retroactively commencing on the Member's Normal, Early, or Late Retirement Date, whichever is applicable.

Upon the death of a Member, his accumulated Member Contributions, with Credited Interest thereon, shall be paid to such deceased Member's Beneficiary in a single lump sum payment if the total of all benefit payments made or due to such Member does not equal or exceed his accumulated Member Contributions, with Credited Interest thereon.

5.02 Optional Forms of Benefit

Within the election period described in Section 5.04, a Member who is eligible to receive a Normal, Early, or Late Retirement Benefit may elect to receive payment of such benefit in accordance with any one of the following options:

(a) Joint and Survivor Annuity. The Member shall receive a reduced monthly retirement benefit payable for his lifetime. After the Member's death, monthly payments shall be made to the Beneficiary designated by the Member in an amount equal to 100%, 75%, 66 2/3% or 50% of the amount payable each month during the Member's lifetime as determined in accordance with the attached Table E. The percentage of the Member's monthly benefit payable as a survivor annuity is determined by the Member at the time he elects this optional form of benefit. The last monthly payment under this option shall be made for the month in which the Beneficiary's death occurs.

(b) Ten-Year Certain and Life Annuity. The Member shall receive a monthly retirement benefit payable for his lifetime in accordance with the attached Table H. If the Member's death occurs after one hundred and twenty (120) monthly benefit payments have been made to the Member, payments will cease with the payment made for the month in which the Member death occurs. If the Member's death occurs prior to one hundred and twenty (120) payments being made to the Member, the Member's Beneficiary shall receive a monthly benefit payment each month after the Member's death until a total of one hundred and twenty (120) payments have been made. The amount of each monthly payment made to the Beneficiary after the Member's death shall be equal to the amount of the monthly payment made to the Member during his life.

If the Member's Beneficiary dies after becoming eligible to receive a benefit hereunder, but prior to a total of one hundred and twenty (120) payments being made, the Actuarial Equivalent of the remaining unpaid monthly benefits shall be paid in a single lump sum payment to the successor Beneficiary designated by the member to receive payment in such event or, if none, the Beneficiary's estate.

(c) Social Security Adjustment Option. A Member whose first retirement payment is due before his social security date and who has not elected any other annuity payment option, may elect the Social Security Adjustment Option. The Member will then receive increased annuity payments before his social security date and decreased or no payments, thereafter, in order to provide him as nearly as possible with a level income for his lifetime from social security and this Plan.

For the purposes of this option, the Member shall name a social security date. If the Member elects to receive social security benefits at age 62, his social security date will be the first day of the month following his sixty-second birthday, if his birthday occurs on the first or second day of the month. If his sixty-second birthday does not occur on the first or second day of the month, the social security date will be the first day of the second month following his sixty-second birthday. The social security date for a Member electing to receive social security benefits at age 65, will be the first day of the month coinciding with or next following his sixty-fifth birthday.

If a Member elects this option, the amount of each pension payment payable to him, before his social security date, will equal the amount of Retirement Benefit which would have been provided for him, if he had not elected this option, plus the product of item (1) and (2) below:

(i) the appropriate percentage determined from Table D-1 attached hereto; and

(ii) his old-age insurance benefit or, if greater, his monthly spouse's insurance benefit, determined by the plan administrator from the provisions of the social security act as constituted on the Member's Retirement Date.

If the above total is less than item (2), the amount payable to him before his social security date will instead equal the amount of annuity which would have been provided for him, if he had not elected this option, times the appropriate percentage from Table D-2.

The amount of each pension payment, if any, payable to him on and after his social security date will equal the amount of each annuity payment payable to him before his social security date determined from the preceding paragraph, minus item (2) above.

To elect this option, a Member must fill out the appropriate form, before his first pension payment is payable to him. The election cannot be changed or revoked, after pension payments commence.

5.03 Payment of Small Benefit

Notwithstanding any provision in this Plan, if the amount of retirement benefit payable to the Member or his Beneficiary is less than $50 per month, a lump sum payment of the Member's entire nonforfeitable benefit may be made in lieu of benefit payments, provided that if the present value of such benefit is in excess of $1,000, a lump sum payment may be made only with the consent or acceptance of the payee. If such lump sum payment occurs due to Member's termination of employment, payment shall be made by the end of the second Plan Year following the date that the Member terminates. The amount of any such lump sum payment will be actuarially determined by the Plan Administrator.

5.04 General Election Requirements

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

Once a choice as to a form of retirement benefit payment is made and accepted by the Plan Administrator, it cannot be rescinded by the Member without the written consent of the Plan Administrator conditioned upon satisfactory evidence of the good health of the Member and any person entitled to receive payments upon the death of the Member. In no event shall the consent of any person entitled to receive payments upon the death of the Member be required as a condition of the right of a Member to revoke or change any option previously elected.

The effective date of the option for a Member who retires on or before his Normal Retirement Date will be the Member's retirement date. The effective date of the option for a Member who elects a Late Retirement Benefit is the later of his Normal Retirement Date and the date as of which his election of the option is made.

An election cannot be changed or revoked after benefit payments have commenced.

The election of an option becomes void and the rights of all parties will be the same as if the option had never been elected under the following circumstances:

(a) if the Member elects the joint retirement benefit option, and the Member or his joint payee dies before the effective date of the option; or

(b) if the Member (excluding any Member who has elected a Late Retirement Benefit and any Member who has elected an Early Retirement Benefit with payments deferred to his Normal Retirement Date) elects the ten-year certain and continuous option and dies before the effective date of the option.

5.05 Commencement of Benefits

The entire interest of a Member must be distributed or begin to be distributed no later than the Member's Required Beginning Date. All distributions required under this Article V shall be

determined and made in accordance with Section 401(a)(9) of the Code and its accompanying regulations, including the minimum distribution incidental benefit requirement set forth in Treas. Regs. Section 1.401(a)(9)-6.

5.06 Suspension of Benefits

If a Member continues employment with the Town after reaching his Normal Retirement Date, any benefits payable to such Member or retired or former Eligible Employee under the Plan shall be suspended during the period of such continued employment.

5.07 Rollover Distribution Requirements

(a) The Town shall furnish each Member, no less than thirty (30) days and no more than ninety (90) days prior to the date such Member will receive a distribution which is not paid in the form of an annuity, with a written explanation of his right to elect a Direct Rollover and the withholding consequences of not making such election. A Member may waive the thirty (30) day minimum time period set forth above.

(b) Unless a Member elects a Direct Rollover, as defined in paragraph (c) below, twenty percent (20%) of the amount of any lump sum distribution shall be subject to Internal Revenue Service Income Tax Withholding. If a Member's retirement benefit does not exceed $200 (or such other amount as prescribed by the Internal Revenue Service), the foregoing withholding requirement shall not apply.

(c) A "Direct Rollover" is an eligible rollover distribution (as defined in Treasury Regulations issued pursuant to Sections 401(a)(31) or 402(c) of the Code) that is paid directly to: (a) an individual retirement account described in Section 408(a) of the Code; (b) an individual retirement annuity described in Section 408(b) of the Code; (c) an annuity plan described in Section 403(b) of the Code; (d) an eligible plan under Section 457(b) of the Code maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state; or (e) a qualified plan described in Sections 401(a) or 403(a) of the Code that accepts the eligible rollover distribution. A Member may elect to have a portion of an eligible rollover distribution distributed to him and a portion distributed as a Direct Rollover. A Direct Rollover of a Member's Accrued Benefit or a portion thereof may only be made to a single recipient plan. A Member may not elect a Direct Rollover of a distribution less than $200 ($500 if the Member is electing a Direct Rollover of only a portion of his Retirement Benefit). A Member electing a Direct Rollover shall be required to furnish the Town with adequate information with respect to the recipient plan, including, but not limited to, the name of the recipient plan and a representation that the recipient plan is an eligible individual retirement plan or qualified defined contribution plan and that it will accept the Member's Direct Rollover.

(d) If a Member fails to elect a Direct Rollover or provide the Town with adequate information in order to make a Direct Rollover prior to the date distribution is to be made to such Member, such Member shall be deemed not to have elected a Direct Rollover.

(e) The foregoing requirements of this Section 5.07 shall apply to distributions made to (i) the Member's or former Member's surviving spouse; (ii) the Member's or former Member's spouse or former spouse who is the alternate payee under a Qualified Domestic Relations Order, as defined in section 414(p) of the Code; and (iii) the Member's or former Member's non-spouse Beneficiary. However, in the case of a non-spouse Beneficiary, direct rollover distributions may only be made to an individual retirement account or individual retirement annuity that has been established on behalf of the Beneficiary.

ARTICLE VI
TERMINATION OF EMPLOYMENT

6.01 Vesting

A Member shall become vested in his Accrued Benefit under the Plan as set forth in the applicable Appendix.

A Member whose Severance from Employment is due to Total and Permanent Disability, or who is employed by the Town on his Normal Retirement Date, shall be considered to be 100% vested regardless of such Member's Years of Vesting Service.

6.02 Non-Vested Termination

Any Member who has a Severance from Employment prior to becoming 100% vested under Section 6.01 shall receive a refund of his Member Contributions plus Credited Interest and shall not be entitled to any further benefit from the Plan.

6.03 Vested Termination

A Member whose employment with the Town is terminated after becoming 100% vested, may elect to leave his Member Contributions in the Plan, in which event he shall be entitled to a vested interest, subject to the provisions of this Article. Such vested interest shall consist of a deferred benefit to commence on the Member's Normal, Early, or Late Retirement Date in an amount determined in accordance with the provisions of the Plan in effect when the Member terminated employment based on his Final Average Earnings and number of Years of Credited Service, as of the date of his termination of employment.

If a terminated Member, entitled to a vested Accrued Benefit, shall request the return on his Member Contributions before his Normal Retirement Date, the amount of his accumulated contributions with Credited Interest thereon, shall be paid to such terminated Member, and upon such payment his vested Accrued Benefit shall be cancelled.

6.04 Restoration of Benefits Upon Return to Service of Former Member

If a former Member did not receive a refund of Member Contributions, is reemployed as an Eligible Employee and returns to service prior to completing a five-year Period of Severance, such Member shall receive credit for all prior Years of Credited Service and Years of Vesting Service. If a former Member did not receive a refund of Member Contributions, is reemployed as an Eligible Employee and returns to service after completing a five-year Period of Severance, such Member shall lose credit for all prior Years of Credited Service and Years of Vesting Service.

If a former Member who previously received a refund of Member Contributions in accordance with Sections 6.02 or 6.03 is reemployed as an Eligible Employee, such Eligible Employee shall be eligible to have his Accrued Benefit restored, subject to the conditions of paragraphs (a) and (b) below:

(a) The former Member's Accrued Benefit credited to him prior to the date he terminated service shall be restored, subject to item (b) below, if the Member meets any of the following requirements on the date he returns to service:

(i) he returns to service prior to a three-month Period of Severance; or

(ii) he had at any time in the past attained a 100% vested interest in his Accrued Benefit; or

(iii) his Years of Vesting Service at the time he terminated service exceeded the Period of Severance immediately following the date he terminated employment.

(b) Such Eligible Employee shall repay to the Trust an amount equal to his refunded Member Contributions plus Credited Interest thereon, within two years after resuming employment or reinstatement covered by the Plan.

6.05 Forfeitures

Any forfeitures arising from the termination of employment or death of a Member, or for any other reason, shall be used to reduce the Town's contributions to the Trust.

ARTICLE VII
DEATH BENEFITS

7.01 Death Benefit

Upon the death of a Member prior to his retirement, his accumulated Member Contributions, with Credited Interest thereon, shall be paid to such deceased Member's Beneficiary in the form of a single lump sum payment, unless such Member elected a benefit under Section 5.02 providing a benefit for such Member's Beneficiary.

7.02 Special Death Benefit

If a Member dies prior to his Annuity Starting Date, the Member's entire interest must be distributed within five years of the Member's death unless the Beneficiary receives either: (i) a retirement benefit for life; or (ii) a retirement benefit for a period certain that does not extend beyond such Beneficiary's life expectancy. Such benefits must commence within one year of the Member's death unless the spouse is the Beneficiary and the spouse elects to defer receipt of such benefits until a date no later than the Member's Required Beginning Date. If a spouse dies before deferred benefits commence, benefits must be distributed as if the Member had died.

7.03 Beneficiaries

(a) A Member may name a Beneficiary to receive any death benefit due on or after his death, by written request filed with the Plan Administrator. With the consent of the Town, he may name two or more co-beneficiaries or successor beneficiaries. If a Member names two or more persons as Beneficiaries, such persons or their survivors will be considered co-beneficiaries unless he provides otherwise.

(b) If no designation of Beneficiary form is on file with the Plan Administrator at the time of the Member's death or if such designation is defective, then his spouse, or if there is no spouse, his estate shall receive the death benefit payment as Beneficiary.

(c) A Member may change any named Beneficiary from time to time by written request filed with the Plan Administrator. The consent of his Beneficiary is not required to any naming or change thereof. Such request is effective when the Member signs it whether or not he is living at the time the request is received by the Plan Administrator.

(d) Upon the death of the Member, a named Beneficiary, if eligible, will receive benefits in accordance with the terms of the Plan.

ARTICLE VIII
TRUST

8.01 Trust

The Trust is maintained by the Trustee for the Plan under a trust agreement with the Town. Benefits under the Plan shall be only such as can be provided by the assets of the Trust, and no liability for payment of benefits shall be imposed upon the Town, or any of its elected officials, or employees.

8.02 Expenses of the Plan

The expenses of administration of the Plan shall be paid from the Trust, unless the Town elects to make payment.

8.03 No Reversion

The Trust shall be for the exclusive benefit of Members, Beneficiaries and persons claiming under or through them. All contributions made to the Trust by the Town shall be irrevocable and such contributions, as well as the assets of the Trust, or any portion of the principal or income thereof, shall never revert to or inure to the benefit of the Town except that:

(a) the residual amounts specified in Article X may be returned to the Town; and

(b) any contributions which are made under a mistake of fact may be returned to the Town within one year after the contributions were made.

The Town shall determine, in its sole discretion, whether the contributions described above, other than the residual amounts described in paragraph (a), shall be returned to the Town. If any such contributions are to be returned, the Town shall direct the Trustee, in writing to return such amounts.

8.04 Change of Funding Medium

The Town shall have the right to change at any time the means through which benefits under the Plan shall be provided. No such change shall constitute a termination of the Plan or result in the diversion to the Town of any funds previously contributed in accordance with the Plan.

ARTICLE IX
PLAN ADMINISTRATION

9.01 Administration

The Plan shall be administered by the Town of Ledyard Pension Board or such other entity as may be appointed by the Town to administer the Plan. If there shall arise any misunderstanding or ambiguity concerning the meaning of any of the provisions of the Plan, the Town shall have the sole right to construe such provisions. The Town's decision shall be final. The Town may establish such rules and regulations supplementing the Plan as it considers desirable.

9.02 Benefit Estimates

Members in the Plan may request an estimate of their retirement benefit payable from the Plan. Such estimate will be prepared assuming the Member elected to commence benefits on the first day of the month following the date on which the Member attains Normal Retirement Age, unless the Member requests an estimate using his Early or Late Retirement Date. Estimates may be requested through the Department of Finance in accordance with the procedures specified by the Town.

Each estimate of retirement benefits will be provided to the Member at the actual cost charged to the Plan by the Plan's actuary to prepare such estimate. The final calculation of any retirement benefit payable to the Member from the Plan shall be provided at no cost. Payment for each estimate shall be made by the Member prior to the preparation of the estimate through after-tax payroll deductions. The Town's Department of Finance shall maintain the then-current estimate of these charges.

9.03 Agents

The Town may employ such agents to perform clerical and other services, and such counsel, accountants and actuaries as it may deem necessary or desirable for administration of the Plan. The Town may rely upon the written opinions or certificates of any agent, counsel, actuary or physician.

9.04 Procedures

The Town shall adopt such rules, bylaws and/or procedures as it deems desirable and shall keep all such books of account, records and other data as may be necessary for proper administration of the Plan. The Town shall keep a record of all actions and forward all necessary communications to the Trustee and the Town. The Town shall keep records containing all relevant data pertaining to any person affected hereby and such person's rights under the Plan.

9.05 Powers and Duties

The Pension Board shall have such powers and duties as may be necessary to discharge its function hereunder, including, but not by way of limitation, the following:

(a) To construe and interpret the Plan, to decide all questions which may arise relative to the rights of Eligible Employees, past and present, and their Beneficiaries, under the terms of the Plan.

(b) To obtain from Eligible Employees such information as shall be necessary for the proper administration of the Plan, and, when appropriate, to furnish such information promptly to the Trustee or other persons entitled thereto.

(c) To prepare and distribute, in such manner as the Town determines to be appropriate, information explaining the Plan.

(d) To furnish the Town, upon request, such reports with respect to the administration of the Plan as are reasonable and appropriate.

(e) To obtain and review reports of the Trustee pertaining to the receipts, disbursements and financial condition of the Trust.

(f) To establish and maintain such accounts in the name of the Town and of each Member as are necessary.

(g) To delegate in writing all or any part of its responsibilities under the Plan to the Trustee and in the same manner revoke any such delegation of responsibility. Any action of the Trustee in the exercise of such delegated responsibilities shall have the same force and effect for all purposes as if such action had been taken by the Town. The Trustee shall have the right, in its sole discretion, by written instrument delivered to the Town, to reject and to refuse to exercise any such delegated authority.

(h) To determine, upon the advice of the Actuary, the amount to be contributed by the Town for inclusion in the annual budget.

9.06 Pension Board

(a) The investment of the Plan's assets shall be administered by a Pension Board consisting of such members as set forth in the Town Ordinance. The members so appointed to the Pension Board shall elect a chairperson of the Pension Board at the first meeting of the calendar year of the Pension Board.

(b) The appointed member may, but need not be, a Member under the Plan, but, if the appointed member is a Member, he shall refrain from voting on any question relating to his benefits under the Plan. The Pension Board shall serve without remuneration. An action of the majority of the voting members of the Pension Board expressed from time to time by a vote at a meeting, or in writing without a meeting, shall constitute an action of the Pension Board.

(c) The Pension Board shall advise the Trustee, in writing, with respect to investment and reinvestment of the contributions under the Plan; if instructions are not forthcoming, however, the Trustee shall have full power to invest and reinvest any

funds under its control. The Trustee's rights and duties relative to investments which are contained in the Trust Agreement shall inure to the benefit of, and are binding upon, the Pension Board when it renders investment advice.

9.07 Liability and Indemnification of the Pension Board

In connection with any action or determination concerning the Plan's investments, the Pension Board, or any designee, shall be entitled to rely upon information furnished by the Town. To the extent permitted by law, the Town shall indemnify the Pension Board, and any designee, against any liability or loss sustained by reason of any act or failure to act in its administrative capacity, if such act or failure to act does not involve willful misconduct, fraud or a lack of good faith. Such indemnification shall include attorney's fees and other costs and expenses reasonably incurred in defense of any action brought against the Pension Board, or any designee, by reason of any such act or failure to act.

9.08 Standard of Review

The Town, Pension Board and Trustee shall have sole discretion to make decisions regarding a Member's or Beneficiary's benefits and such decision shall be conclusive and binding on all parties. The Town, in its discretion, shall have the authority to interpret all provisions of this Plan, and to make all decisions regarding administration of the Plan and eligibility for benefits under the Plan, and such interpretation shall be conclusive and binding on all parties. All decisions of the Town with respect to this Plan, or the Pension Board with respect to the Plan's investments, shall be respected unless arbitrary and capricious.

9.09 Expenses

The Town shall pay or reimburse the Pension Board for all expenses reasonably incurred by it in the administration of the Plan.

9.10 Domestic Relations Orders

The Plan Administrator shall establish reasonable procedures to determine the status of domestic relations orders and to administer distributions under domestic relations orders which it approves.

Under the terms of the Plan, a Member's benefit may be allocated all or in part to the Member's ex-spouse (the "alternate payee") upon the divorce of the Member and the alternate payee. The allocation of benefits to the alternate payee must be set forth in a domestic relations order issued by a court pursuant to state domestic relations law.

If the Plan receives a domestic relations order, the Town in its role as Plan Administrator will make a determination as to whether the order is valid under the terms of the Plan. If the Town determines that the order is valid, the Town will instruct the Plan's actuary to calculate the alternate payee's benefit and implement the terms of the order. The Member will be responsible for the actual cost of the actuary's services for such calculation and implementation, including the review of any draft order. Such amounts shall be payable by the Members, unless the

domestic relations order provides that such expense will be paid by the Member and/or the alternate payee.

ARTICLE X
AMENDMENT AND TERMINATION

10.01 Amendment of Plan

The Plan may be amended by the Ledyard Town Council from time to time but any such amendment shall not affect the benefits of retired Members nor shall it have the effect of diverting any part of the Trust for purposes other than the exclusive benefit of Members, retired Members and Beneficiaries; except however, the Plan may be amended, as necessary and appropriate, to qualify and maintain the Plan as a plan meeting the requirements of Section 401(a) of the Internal Revenue Code as now in effect or hereafter amended, or any other applicable provisions of the federal tax laws as now in effect or hereafter amended or adopted, and the regulations issued thereunder.

10.02 Termination

It is intended that the Plan will be continued indefinitely, but the Town reserves the right to terminate the Plan at any time for any reason. In the event the Plan is terminated the rights of each Eligible Employee to benefits accrued as of the date of such termination shall be fully vested and non-forfeitable.

The available Plan assets will be disposed of through the purchase of annuities, for the exclusive benefit of Members and their beneficiaries, in the order of priorities stated at the end of this paragraph.

An annuity under which payments will commence immediately will be provided for each person who is receiving benefit payments immediately before the termination of the Plan, and immediately before the termination of the Plan for each Member on his Late Retirement Date.

Deferred annuities with the first payment due to commence at Normal Retirement Date will be provided for all other Members.

Class 1. The accrued Benefit Attributable to Member Contributions.

Class 2. Any other retirement benefits, starting at Normal Retirement Date, for Members who have met the requirements to be able to elect an Early Retirement Date.

Class 3. Any other retirement benefits, starting at Normal Retirement Date, for Members who retain a vested interest in plan benefits.

Class 4. All other accrued annuity benefits as to which an allocation has not been made pursuant to the above priorities.

Class 5. All other benefits under the Plan.

Any Plan assets remaining due to an actuarial error after satisfaction of all liabilities of the Plan to Members, beneficiaries, and other parties will be distributed to the Employer provided the Employer obtains the consent of the Internal Revenue Service.

The necessary assets determined on the basis of the present value of benefits accrued as of the termination date will be fully allocated under Class 1 before any assets are allocated under Class 2; and then fully allocated under Class 2 before any allocation is made to Class 3; and, so on, allocated to the Class with the lower number before allocation to the higher number Class.

As to any assets available for allocation to Class 4 however, if such assets are not sufficient to satisfy in full the benefits accrued under Class 4 determined on the basis of the Plan provisions in effect as of the termination date, then the benefits under Class 4 to which allocation will be made will be determined instead on the basis of Plan provisions in effect at the later of (a) the beginning of the 5 year period ending on the plan termination date, or (b) the effective date of the most recent plan amendment during such 5 year period under which benefits would be fully satisfied by assets available for allocation to Class 4. Any assets remaining for allocation to Class 4 after such determination shall then be applied on a pro-rata basis to benefits for which no allocation has been made, determined from the plan on the date of termination.

10.03 Residual Assets

Subject to the provisions of any applicable collective bargaining agreement, any residual assets of the Plan shall be distributable to the Town if:

(a) all Plan liabilities to Members and their Beneficiaries have been satisfied; and

(b) the distribution does not contravene any provision of applicable law.

ARTICLE XI
MISCELLANEOUS

11.01 No Contract of Employment

This Plan shall not be construed to give any Employee the right to be retained in the employ of the Town.

11.02 Non-Assignability

All payments, benefits and refunds hereunder to a Member, Beneficiary or other payee are for the support and maintenance of such Member, Beneficiary or other payee, and shall not be assigned, commuted or anticipated, and shall be free from the claims of all creditors to the fullest extent permitted by law. If any Member, Beneficiary or other payee entitled to any benefit under the Plan shall attempt to assign, commute or anticipate any benefit under the Plan, then such benefit shall, in the discretion of the Town, cease and terminate, and in that event the Town shall have such benefit held or applied to or for the benefit of such person, his spouse, children, or other dependents or any of them in such manner and in such proportion as the Town shall determine. Notwithstanding any provision in the Plan to the contrary, that the Town shall be authorized to comply with the terms of a any judgment, decree or order which establishes the rights of another person to all or a portion of the Member's benefit under the Plan to the extent it is a domestic relations order entered by court order and does not require the Plan to provide any type or form of benefit, or any option that is not otherwise provided under the provisions of the Plan.

11.03 Facility of Payment

If, in the judgment of the Town, any Member, Beneficiary or other payee is legally, physically or mentally incapable of personally receiving and receipting for any payment due him, such payment or any part thereof, may be made to any person or institution who, in the opinion of said Town, is then maintaining or has custody of the Member, Beneficiary or other payee, until a claim is made by the duly appointed guardian or other legal representative of the Member, Beneficiary or other payee.

11.04 Claims of other Persons

Nothing in the Plan or Trust Agreement shall be construed as giving any Member or any other person, firm, or corporation, any legal or equitable right as against the Town, their officials or employees, or as against the Trustee, except such rights as are specific provided for in the Plan or Trust Agreement or hereafter created in accordance with the terms and provisions of the Plan.

11.05 Governing Law

Except as provided under federal law, the provisions of the Plan shall be governed by and construed in accordance with the laws of the State of Connecticut.

11.06 Benefit Offsets for Overpayments

If a Member or Beneficiary receives benefits hereunder for any period in excess of the amount of benefits to which he was entitled under the terms of the Plan as in effect for such period, such overpayment shall be offset against current or future benefit payments, as applicable, until such time as the overpayment is entirely recouped by the Plan.

11.07 Pronouns and Headings

The masculine pronoun shall mean the feminine wherever appropriate. Titles to sections and headings are for general information only and the Plan is not to be construed by reference thereto.

ARTICLE XII
TERMINATION OF PLAN

12.01 Termination of Plan

The Plan may be terminated in whole or in part by the Town at any time.

Upon termination of the Plan, the rights of each Member are nonforfeitable with respect to Plan benefits accrued to the date of such termination and subject to any curtailment or reduction necessary for qualification or continued qualification under any tax law or any other applicable law; provided, however, that each Member's recourse to satisfaction of such rights shall be limited to the extent that such benefits have been funded under the Plan and directly allocated to the Member.

IN WITNESS WHEREOF, the Town has caused this amended and restated Plan to be executed on this _____ day of _____, 2012.

The Town of Ledyard

By_____
Its

Appendix A

Town Hall Employees and Public Library Employees
Covered under Local 1303-184, Council 4 AFSCME, AFL-CIO

This Appendix A lists the provisions applicable to Eligible Employees of the Town who are employed by the Town Hall or Public Library and who are represented by a collective bargaining unit. In the event that the provisions of this Appendix A are inconsistent with the terms contained in the remainder of the Plan, the provisions contained in this Appendix A shall take precedence. For purposes of this Appendix A, "Member" means an Eligible Employee of the Town employed by the Town Hall or Public Library and who is represented by a collective bargaining unit.

1. Normal Retirement Age

   Age sixty-five (65), provided the Member has completed at least one (1) Year of Credited Service.

2. Normal Retirement Benefit

   A Member who retires on his Normal Retirement Date shall receive a Retirement Benefit equal to 1.5% of his Final Average Earnings multiplied by his Years of Credited Service. The maximum Normal Retirement Benefit a Member may receive is 50% of his Final Average Earnings.

   Final Average Earnings

   Final Average Earnings shall mean the average of the annual Earnings during the three (3) consecutive Plan Years out of the last ten (10) that produce the highest annual Earnings immediately preceding the Member's Normal, Early or Late Retirement Date, date of Total and Permanent Disability or Severance from Employment. Earnings in the year of termination of employment in which a Member is employed at least six months and one day shall be annualized if participation in such Plan Year is not for a full twelve months.

3. Early Retirement Date

   The Early Retirement Date of a Member who has completed at least ten (10) Years of Credited Service, including one year of participation in the Plan, shall be the first day of the month coinciding with or next following the Member's attainment of age fifty-five (55).

4. Vested Percentage

   A Member's vested percentage in his Accrued Benefit shall be determined according to the following schedule:

Years of Vesting Service	Vesting Percentage
Less than 5	0%
5 or more	100%

Notwithstanding the above Vesting Schedule, if a Member terminates service after his Early Retirement Date, he will be 100% vested in his Accrued Benefit regardless of his Years of Vesting Service.

5. Member Contributions

The Member's Member Contributions shall be equal to a five percent (5%) of his Earnings.

Appendix B

Supervisors/Professional Employees

Covered under Local 1303-818, Council 4 AFSCME, AFL-CIO

This Appendix B lists the provisions applicable to Eligible Employees of the Town who are employed in a supervisory or professional position and who are represented by a collective bargaining unit. In the event that the provisions of this Appendix B are inconsistent with the terms contained in the remainder of the Plan, the provisions contained in this Appendix B shall take precedence. For purposes of this Appendix B, "Member" means an Eligible Employee of the Town employed in a supervisory or professional position and who is represented by a collective bargaining unit.

1. Normal Retirement Age

   Age sixty-five (65), provided the Member has completed at least one (1) Year of Credited Service.

2. Normal Retirement Benefit

   A Member who retires on his Normal Retirement Date shall receive a Retirement Benefit equal to 1.5% of his Final Average Earnings, multiplied by his Years of Credited Service. The maximum Normal Retirement Benefit a Member may receive is 50% of his Final Average Earnings.

   Final Average Earnings

   Final Average Earnings shall mean the average of the annual Earnings during the three (3) consecutive Plan Years out of the last ten (10) Plan Years that produce the highest annual Earnings immediately preceding the Member's Normal, Early or Late Retirement Date, date of Total and Permanent Disability or Severance from Employment. Earnings in the year of termination of employment in which a Member is employed at least six months and one day shall be annualized if participation in such Plan Year is not for a full twelve months.

3. Early Retirement Date

   The Early Retirement Date of a Member who has completed at least ten (10) Years of Credited Service, including one year of participation in the Plan, shall be the first day of the month coinciding with or next following the Member's attainment of age fifty-five (55).

4. Vested Percentage

   A Member's vested percentage in his Accrued Benefit shall be determined according to the following schedule:

Years of Vesting Service	Vesting Percentage
Less than 5	0%
5 or more	100%

Notwithstanding the above Vesting Schedule, if a Member terminates service after his Early Retirement Date, he will be 100% vested in his Accrued Benefit regardless of his Years of Vesting Service.

5. Member Contributions

The Member's Member Contributions shall be equal to a five percent (5%) of his Earnings.

Appendix C

Public Works Employees
Covered under Teamsters Local 493

This Appendix C lists the provisions applicable to Eligible Employees of the Town who are employed by the Public Works Department and who are represented by a collective bargaining unit. In the event that the provisions of this Appendix C are inconsistent with the terms contained in the remainder of the Plan, the provisions contained in this Appendix C shall take precedence. For purposes of this Appendix C, "Member" means an Eligible Employee of the Town employed by the Public Works Department and who is represented by a collective bargaining unit.

1. Normal Retirement Age

The Normal Retirement Age shall mean the earliest of the following events:

(i) Age sixty-five (65), provided the Member has completed at least one (1) Year of Credited Service; or

(ii) For Eligible Employees hired prior to July 1, 2007, attained any combination of Credited Service and age equaling eighty-two (82) (Rule of 82). For Eligible Employees hired on and after July 1, 2007 attained any combination of Credited Service and age equaling eighty-five (85) (Rule of 85).

2. Normal Retirement Benefit

A Member who retires on his Normal Retirement Date shall receive a Retirement Benefit equal to 1.5% of his Final Average Earnings multiplied by his Years of Credited Service. The maximum Normal Retirement Benefit a Member may receive is 50% of his Final Average Earnings.

Final Average Earnings

Final Average Earnings shall mean the average of the annual Earnings during the three (3) consecutive Plan Years out of the last ten (10) Plan Years that produce the highest annual Earnings immediately preceding the Member's Normal, Early or Late Retirement Date, date of Total and Permanent Disability or Severance from Employment. Earnings in the year of termination of employment in which a Member is employed at least six months and one day shall be annualized if participation in such Plan Year is not for a full twelve months.

3. Early Retirement Date

The Early Retirement Date of a Member who has completed at least ten (10) Years of Credited Service, including one year of participation in the Plan, shall be the first day of the month coinciding with or next following the Member's attainment of age fifty-five (55).

4. Vested Percentage

A Member's vested percentage in his Accrued Benefit shall be determined according to the following schedule:

Years of Vesting Service	Vesting Percentage
Less than 5	0%
5 or more	100%

Notwithstanding the above Vesting Schedule, if a Member terminates service after his Early Retirement Date, he will be 100% vested in his Accrued Benefit regardless of his Years of Vesting Service.

5. Member Contributions

The Member's Member Contributions shall be equal to five percent (5%) of his Earnings.

Appendix D

Nurse Employees

Covered under Local 1303-182, Council 4 AFSCME, AFL-CIO

This Appendix D lists the provisions applicable to Eligible Employees of the Town who are employed as nurses and who are represented by a collective bargaining unit. In the event that the provisions of this Appendix D are inconsistent with the terms contained in the remainder of the Plan, the provisions contained in this Appendix D shall take precedence. For purposes of this Appendix D, "Member" means an Eligible Employee of the Town employed as a nurse and who is represented by a collective bargaining unit.

1. Normal Retirement Age

   Age sixty-five (65), provided the Member has completed at least one (1) Year of Credited Service.

2. Normal Retirement Benefit

   A Member who retires on his Normal Retirement Date shall receive a Retirement Benefit equal to 1.5% of his Final Average Earnings multiplied by his Years of Credited Service. The maximum Normal Retirement Benefit a Member may receive is 50% of his Final Average Earnings.

   Final Average Earnings

   Final Average Earnings shall mean the average of the annual Earnings during the three (3) consecutive Plan Years out of the last ten (10) Plan Years that produce the highest annual Earnings immediately preceding the Member's Normal, Early, or Late Retirement Date, date of Total and Permanent Disability or Severance from Employment. Earnings in the year of termination of employment in which a Member is employed at least six months and one day shall be annualized if participation in such Plan Year is not for a full twelve months.

3. Early Retirement Date

   The Early Retirement Date of a Member who has completed at least ten (10) Years of Credited Service, including one year of participation in the Plan, shall be the first day of the month coinciding with or next following the Member's attainment of age fifty-five (55).

4. Vested Percentage

   A Member's vested percentage in his Accrued Benefit shall be determined according to the following schedule:

Years of Vesting Service	Vesting Percentage
Less than 5	0%
5 or more	100%

Notwithstanding the above Vesting Schedule, if a Member terminates service after his Early Retirement Date, he will be 100% vested in his Accrued Benefit regardless of his Years of Vesting Service.

5. Member Contributions

The Member's Member Contributions shall be equal to a five percent (5%) of his Earnings.

Appendix E

Non-Certified Board of Education

This Appendix E lists the provisions applicable to Eligible Employees of the Town who are non-certified Board of Education employees. In the event that the provisions of this Appendix E are inconsistent with the terms contained in the remainder of the Plan, the provisions contained in this Appendix E shall take precedence. For purposes of this Appendix E, "Member" means an Eligible Employee of the Town who is a non-certified Board of Education employee.

1. Normal Retirement Age

   Age sixty-five (65), provided the Member has completed at least one (1) Year of Credited Service.

2. Normal Retirement Benefit

   A Member who retires on his Normal Retirement Date shall receive a Retirement Benefit equal to 1.0% of his Final Average Earnings as defined below, multiplied by his Years of Credited Service, not to exceed thirty (30) years.

   Final Average Earnings

   Final Average Earnings shall mean the Member's average yearly Earnings during the five (5) consecutive Plan Years which give the highest average out of the last ten (10) Plan Years immediately preceding the Member's Normal, Early or Late Retirement Date, date of Total and Permanent Disability or Severance from Employment. Earnings in the year of termination of employment in which a Member is employed at least six months and one day shall be annualized if participation in such Plan Year is not for a full twelve months.

3. Early Retirement Date

   The Early Retirement Date for a Member who has completed at least ten (10) Years of Credited Service, including one year of participation in the Plan, shall be the first day of the month coinciding with or next following the Member's attainment of age sixty-two (62).

4. Vested Percentage

   A Member's vested percentage in his Accrued Benefit shall be determined according to the following schedule:

Years of Vesting Service	Vesting Percentage
Less than 10	0%
10 or more	100%

Notwithstanding the above Vesting Schedule, if a Member terminates service after his Early Retirement Date, he will be 100% vested in his Accrued Benefit regardless of his Years of Vesting Service.

5. Member Contributions

The Member's Member Contributions shall be equal to three percent (3%) of his Earnings.

Appendix F

Educational Secretaries

Covered under Local 1303, Council 4 AFSCME, AFL-CIO

This Appendix F lists the provisions applicable to Eligible Employees of the Town who are employed as educational secretaries and who are represented by a collective bargaining unit. In the event that the provisions of this Appendix F are inconsistent with the terms contained in the remainder of the Plan, the provisions contained in this Appendix F shall take precedence. For purposes of this Appendix F, "Member" means an Eligible Employee of the Town who is employed as an educational secretary and is represented by a collective bargaining unit.

1. Normal Retirement Age

   Age sixty-five (65), provided the Member has completed at least one (1) Year of Credited Service.

2. Normal Retirement Benefit

   A Member who retires on his Normal Retirement Date shall receive a Retirement Benefit equal to 1.5% of his Final Average Earnings as defined below, multiplied by his Years of Credited Service. The maximum Normal Retirement Benefit a Member may receive is 50% of his Final Average Earnings.

   Final Average Earnings

   Final Average Earnings shall mean the average of the annual Earnings during the three (3) consecutive Plan Years out of the last ten (10) Plan Years that produce the highest annual Earnings immediately preceding the Member's Normal, Early or Late Retirement date, date of Total and Permanent Disability or Severance from Employment. Earnings in the year of termination of employment in which a Member is employed at least six months and one day shall be annualized if participation in such Plan Year is not for a full twelve months.

3. Early Retirement Date

   The Early Retirement Date for a Member who has completed at least ten (10) Years of Credited Service, including one year of participation in the Plan, shall be the first day of the month coinciding with or next following the Member's attainment of age fifty-five (55).

4. Vested Percentage

   A Member's vested percentage in his Accrued Benefit shall be determined according to the following schedule:

Years of Vesting Service	Vesting Percentage
Less than 5	0%
5 or more	100%

Notwithstanding the above Vesting Schedule, if a Member terminates service after his Early Retirement Date, he will be 100% vested in his Accrued Benefit regardless of his Years of Vesting Service.

5. Member Contributions

The Member's Member Contributions shall be equal to five percent (5%) of his Earnings.

Appendix G

Fire Employees

Covered under the Association of International Firefighters

This Appendix G lists the provisions applicable to Eligible Employees of the Town who are employed as firefighters by the Town's Fire Department and who are represented by a collective bargaining unit. In the event that the provisions of this Appendix G are inconsistent with the terms contained in the remainder of the Plan, the provisions contained in this Appendix G shall take precedence. For purposes of this Appendix G, "Member" means an Eligible Employee of the Town who is employed as a firefighter by the Town's Fire Department and is represented by a collective bargaining unit.

1. Normal Retirement Age

   Age fifty-five (55), provided the Member has completed at least ten (10) Years of Credited Service, or, if earlier, age sixty-five (65).

2. Normal Retirement Benefit

   A Member who retires on his Normal Retirement Date shall receive a Retirement Benefit equal to 2% of his Final Average Earnings multiplied by his Years of Credited Service. The maximum benefit to be received annually will be 75% of his Final Average Earnings.

   Final Average Earnings

   Final Average Earnings shall mean the Member's average yearly Earnings during the three (3) consecutive Plan Years which give the highest average out of the last ten (10) Plan Years immediately preceding the Member's Normal, Early or Late Retirement Date, date of Total and Permanent Disability or Severance from Employment. Earnings in the year of termination of employment in which a Member is employed at least six months and one day shall be annualized if participation in such Plan Year is not for a full twelve months.

3. Early Retirement Date

   The Early Retirement Date for a Member shall be the first day of the month coinciding with or next following the Member's attainment of ten (10) Years of Credited Service.

4. Vested Percentage

   A Member's vested percentage in his Accrued Benefit shall be determined according to the following schedule:

Years of Vesting Service	Vesting Percentage
Less than 5	0%
5 or more	100%

Notwithstanding the above Vesting Schedule, if a Member terminates service after his Early Retirement Date, he will be 100% vested in his Accrued Benefit regardless of his Years of Vesting Service.

5. Member Contributions

The Member's Member Contributions shall be equal to five percent (5%) of his Earnings.

Appendix H

Non-Union Town Administrative and Professional Employees

This Appendix H lists the provisions applicable to Eligible Employees of the Town who are employed in non-union administrative and professional positions. In the event that the provisions of this Appendix H are inconsistent with the terms contained in the remainder of the Plan, the provisions contained in this Appendix H shall take precedence. For purposes of this Appendix H, "Member" means an Eligible Employee of the Town who is employed in a non-union administrative or professional position.

1. Normal Retirement Age

   Age sixty-five (65), provided the Member has completed at least one (1) Year of Credited Service.

2. Normal Retirement Benefit

   A Member who retires on his Normal Retirement Date shall receive a Retirement Benefit equal to 1.5% of his Final Average Earnings as defined below, multiplied by his Years of Credited Service. The maximum Normal Retirement Benefit a Member may receive is 50% of his Final Average Earnings.

   Final Average Earnings

   Final Average Earnings shall mean the average of the annual Earnings during the three (3) consecutive Plan Years out of the last ten (10) Plan Years that produce the highest annual Earnings immediately preceding the Member's Normal, Early or Late Retirement Date, date of Total and Permanent Disability or Severance from Employment. Earnings in the year of termination of employment in which a Member is employed at least six months and one day shall be annualized if participation in such Plan Year is not for a full twelve months.

3. Early Retirement Date

   The Early Retirement Date of a Member who has completed at least ten (10) Years of Credited Service, including one year of participation in the Plan, shall be the first day of the month coinciding with or next following the Member's attainment of age fifty-five (55).

4. Vested Percentage

   A Member's vested percentage in his Accrued Benefit shall be determined according to the following schedule:

Years of Vesting Service	Vesting Percentage
Less than 5	0%
5 or more	100%

Notwithstanding the above Vesting Schedule, if a Member terminates service after his Early Retirement Date, he will be 100% vested in his Accrued Benefit regardless of his Years of Vesting Service.

5. Member Contributions

The Member's Member Contributions shall be equal to five percent (5%) of his Earnings.

Appendix I

Police Employees

Covered under Local 2693, Council No. 15, AFSCNE, AFL-CIO

This Appendix I lists the provisions applicable to Eligible Employees of the Town who are employed as police officers by the Town's Police Department and are covered by a collective bargaining agreement. In the event that the provisions of this Appendix I are inconsistent with the terms contained in the remainder of the Plan, the provisions contained in this Appendix I shall take precedence. For purposes of this Appendix I, "Member" means an Eligible Employee of the Town who is a police officer employed by the Town's Police Department and is covered by a collective bargaining agreement.

1. Normal Retirement Age

   The earlier of (i) age fifty-five (55) and at least ten (10) Years of Credited Service, (ii) the completion of twenty-five (25) years of Credited Service, or (iii) age sixty-five (65).

2. Normal Retirement Benefit

   A Member who retires on his Normal Retirement Date shall receive a Retirement Benefit equal to 2% of his Final Average Earnings multiplied by his Years of Credited Service. The maximum benefit to be received annually will be 75% of his Final Average Earnings.

   Final Average Earnings

   Final Average Earnings shall mean the Member's average annual W-2 Earnings during the three (3) consecutive Plan Years which give the highest average out of the last ten (10) Plan Years immediately preceding the Member's Normal, Early or Late Retirement Date, date of Total and Permanent Disability or Severance from Employment. Earnings in the year of termination of employment in which a Member is employed at least six months and one day shall be annualized if participation in such Plan Year is not for a full twelve months.

3. Vested Percentage

   A Member's vested percentage in his Accrued Benefit shall be determined according to the following schedule:

Years of Vesting Service	Vesting Percentage
Less than 5	0%
5 or more	100%

   Notwithstanding the above Vesting Schedule, if a Member terminates service after his Early Retirement Date, he will be 100% vested in his Accrued Benefit regardless of his Years of Vesting Service.

4. Member Contributions

The Member's Member Contributions shall be equal to five percent (5%) of his Earnings on a post-tax basis.

TABLE D

To use these tables, enter Column 1 with the number of years, taken to completed twelfths, by which the date the Member's Normal, Early or Late Retirement Date precedes his Social Security Date. Determine the corresponding percentage from Column 2 if the Social Security Date of the Member is the first day of the month coinciding with, or next following, the 65th birthday, and from Column 3 if the Social Security Date of the Member is the date defined in the Plan in conjunction with his 62nd birthday.

	TABLE D-1		TABLE D-2	
1.	2.	3.	2.	3.
Number of Years	Percentage (age 65)	Percentage (age 62)	Percentage (age 65)	Percentage (age 62)
0	100.0%	100.0%	--	--
1	90.6	91.7	1064%	1205%
2	82.5	84.3	571	637
3	75.3	77.7	405	448
4	69.0	71.9	323	356
5	63.5	66.7	274	300
6	58.6	62.0	242	263
7	54.2	57.8	218	237
8	50.2	54.0	201	217
9	46.7	50.5	188	202
10	43.5	47.4	177	190
11	40.7	44.5	169	180
12	38.0	41.9	161	172
13	35.7	39.4	156	165
14	33.5	37.2	150	159
15	31.5	35.2	146	154

The actuarial assumptions used in this table are:

Mortality: 1951 Group Annuity Table with a 1-year setback for males and a 6-year setback for females.

Interest: 2½%

Unisex Blend: Blended assuming a 75%/25% male/female sex distribution.

TABLE E

To use this table, enter column 1 and column 2 with the age of the Member and joint payee on the birthday of each nearest to the date the Member actually retires or, if earlier, his Normal Retirement Date. Determine the corresponding percentage from the appropriate column. Use column 3 if the benefit payment to the joint payee equals 100% of the reduced benefit payment to the Member. Use column 4 if the benefit payment to the joint payee equals 75% of the reduced benefit payment to the Member. Use column 5 if the benefit payment to the joint payee equals 66 2/3% of the reduced benefit payment to the Member. Use column 6 if the benefit payment to the joint payee equals 50% of the reduced benefit payment.

1.	**2.**	**3.**	**4.**	**5.**	**6.**
Age of Member	Age of Joint Payee	100%	75%	66 2/3%	50%
65	60	70.0	75.4	77.8	82.4
65	65	76.1	81.0	82.7	86.4
65	70	82.1	86.0	87.3	90.2
62	60	75.4	80.3	82.1	86.0
62	65	81.0	85.0	86.5	89.5
62	70	86.2	89.3	90.4	92.6

Any percentage which cannot be determined directly from the above table will be determined on an actuarial basis consistent with the above.

The actuarial assumptions used in this table are:

Mortality: 1951 Group Annuity Table with a 1-year setback for males and a 6-year setback for females.

Interest: 2½%

Unisex Blend: Blended assuming a 75%/25% male/female sex distribution.

TABLE H

10-Year Certain and Continuous Option

To use this table, enter column 1 with the age of the Member on the birthday nearest to his Normal Retirement Date. Enter column 2 with the Death Benefit Ratio for the Member and determine from column 2 the corresponding percentage.

"Death Benefit Ratio" is the ratio of item (a) to item (b) taken to the nearest tenth:

(a) the Death Benefit that would be payable to the Beneficiary if the Member were to die immediately before his Normal Retirement Date;

(b) the yearly retirement benefit which would be provided for the Member in the Normal Form on his Normal Retirement Date.

1. Age of Member	2. Death Benefit Ratio				
	0	1	2	3	4
65	92.4%	92.4%	92.6%	93.0%	93.5%

Any percentage which cannot be determined directly from the above table will be determined on an actuarial basis consistent with the above.

The actuarial assumptions used in this table are:

Mortality: 1951 Group Annuity Table with a 1-year setback for males and a 6-year setback for females.

Interest: 2½%

Unisex Blend: Blended assuming a 75%/25% male/female sex distribution.