

COMMONWEALTH OF VIRGINIA 457 DEFERRED COMPENSATION PLAN

EMPLOYER ADOPTION AGREEMENT

THIS AGREEMENT, executed this 10th day of January, 2017, is by and between the Town of Vienna, Virginia, hereinafter referred to as the “Employer”, and the Virginia Retirement System, hereinafter referred to as the “Plan Sponsor”.

WITNESSETH

WHEREAS, the Commonwealth of Virginia has established the Commonwealth of Virginia 457 Deferred Compensation Plan (the “Plan”) and the Master Trust for the Commonwealth of Virginia 457 Deferred Compensation Plan (the “Trust”) pursuant to § 51.1-600 *et seq.* of the Code of Virginia (1950), as amended, and Internal Revenue Code § 457(b), including both Roth and Traditional options; and

WHEREAS, pursuant to § 51.1-603.1 of the Code of Virginia (1950), as amended, the Employer desires to enter into an Agreement with the Plan Sponsor to permit participation in the Plan by its eligible employees; and

WHEREAS, the Employer is an “eligible employer” within the meaning of Internal Revenue Code § 457(e)(1)(A); and

WHEREAS, the Employer, by a Resolution of its Governing Body, has directed its responsible official to enter into the Adoption Agreement;

NOW, THEREFORE, in consideration of the premises herein, the parties agree as follows:

- 1) The Plan Sponsor represents and warrants to the Employer that it shall comply with all applicable laws affecting the Plan.
- 2) The Plan Sponsor represents to the Employer that it shall provide sufficient services to administer the Plan and to appropriately respond to inquiries by “eligible employees” and participants.
- 3) The Employer acknowledges and agrees to the terms and conditions established in the Trust and the Plan.
- 4) For purposes of the Employer’s participation in the Plan, “eligible employees” shall mean all “employees” as defined in § 51.1-600 of the Code of Virginia (1950).

- 5) The Employer shall permit the Plan Sponsor's third party administrator to conduct group and individual meetings for the purpose of explaining the Plan or enrolling "eligible employees" on the Employer's premises during normal working hours subject to such reasonable restrictions that the Employer communicates in writing to the Plan Sponsor and which are accepted by the Plan Sponsor.
- 6) The Employer shall be responsible for remitting contributions under the Plan to the Plan Sponsor's third party administrator in accordance with procedures promulgated by the Plan Sponsor or its third party administrator. The Employer shall be responsible for the correct reporting and withholding of employees' wages under United States and Virginia income tax laws.
- 7) The Employer shall be responsible for making the appropriate contributions (including associated matching contributions to another plan) required under Internal Revenue Service and Virginia Retirement System procedures to correct any failure (i) to inform an eligible employee of the opportunity to defer, (ii) to allow an eligible employee to defer, or (iii) to implement automatic enrollment, reenrollment, or an election or election change by an eligible employee.
- 8) Should the Employer offer its employees deferred compensation plans in addition to the Commonwealth of Virginia Plan as permitted under § 51.1-603 of the Code of Virginia (1950), as amended, then the Employer is responsible for providing sufficient information on deferrals to all plans so that assurances can be made that no participants are exceeding the maximum deferral limits under Internal Revenue Code § 457. Any "Corrective Distribution" for exceeding the deferral limits shall be made from the Employer's other deferred compensation plan(s) and not from the Commonwealth of Virginia Plan.
- 9) This Agreement may be amended from time to time by written agreement between the Plan Sponsor and the Employer.
- 10) The Term of this Agreement shall be for a three-year period beginning on the date of its execution, and thereafter may be terminated by either party upon 60 days written notice to the other party.

IN WITNESS WHEREOF, the parties have caused this Employer Adoption Agreement to be duly executed, intending to be bound thereby.

Employer

By: _____

Title: _____

Witness: _____

Date: _____, 20__

Virginia Retirement System

By: _____

Title: _____

Witness: _____

Date: _____, 20__