

**Amendment Seventeen to the
Public Employees Retirement System of Ohio
Combined Defined Benefit/Defined Contribution Plan**

WHEREAS, the Public Employees Retirement System of Ohio Combined Defined Benefit/Defined Contribution Plan ("Plan") was originally effective January 1, 2003;

WHEREAS, the Public Employees Retirement Board, as Trustees of the Plan ("Trustees"), reserved the right to amend the Plan pursuant to Article XXV of the Plan;

WHEREAS, the Trustees now desire to amend the Plan;

NOW, THEREFORE, the Plan is hereby amended as follows, effective on March 22, 2019:

1. **Section 1.39 of the Plan**, describing total service credit is hereby amended to be and read as follows:

1.39 "Total Service Credit," except as provided in section 145.016 of the Revised Code, means the sum of the Participant's Years of Contributing Service and any service credit purchased or obtained under Section 3.05 or 3.06 of the Plan. As used in Section 2.03 of the Plan, "Total Service Credit" means the sum of the Participant's Total Service Credit in the Plan and, if applicable, the Participant's Years of Participation in the Defined Contribution Plan and Total Service Credit in the Defined Benefit Plan. For the exclusive purpose of satisfying the service credit requirement and of determining eligibility for benefits under Section 9.01 or 10.01, "five or more years of total service credit" means at least five or more Years of Contributing Service in this Plan for which credit is allowed under section 145.016 of the Revised Code. A member who, as of March 22, 2019, has sixty or more calendar months during which contributions were made and has attained age sixty shall be considered to have five or more years of total service credit for the purpose of satisfying the service credit requirement and determining eligibility for benefits under Section 9.01 or 10.01 of the Plan.

(Section 1.39 amended: 1/1/09, 7/7/13)

2. **Section 1.41 of the Plan**, describing contributing service is hereby amended to be and read as follows:

1.41 "Year of Contributing Service" means a period of ~~twelve calendar months during service~~ for which contributions were made pursuant to Sections 3.02, 3.03, and 3.09 and includes Years of Participation purchased in this Plan under Section 6.02 of the Member-Directed Plan Document. For purposes of determining Total Service Credit in the Plan, a Year of Contributing Service shall be calculated in accordance with section 145.016 of the Revised Code and shall include service credit obtained under sections 145.295, 145.2911, or 145.2913 of the Revised Code.

Words used herein in the masculine or feminine gender shall be construed to include the feminine or masculine gender where appropriate and words used herein in the singular or plural shall be construed as being in the plural or singular where appropriate.

(Section 1.41 amended: 1/1/09, 1/3/11, and 1/7/13)

3. **Section 9.01(e) of the Plan**, describing eligibility for retirement is hereby amended to be and read as follows:

9.01 Eligibility

(e) A Participant may be paid, on application of the Participant, one or both of the following, at the Participant's election:

- (1) The sum of the Participant's Accounts under a payment option described in Section 9.02, subject to Article XIV.
- (2) A Subject to the limitation described in Section 9.03(c) of the Plan, a Retirement Allowance determined under Section 9.03, subject to Article XIV.

Retirement under this Article shall be effective on the earlier of the date a Participant receives a distribution under either Section 9.02 or 9.03.
(Section 9.01 amended: 1/1/09, 1/7/13)

4. **Section 9.02(a) of the Plan**, describing payment options for accounts is hereby amended to be and read as follows:

9.02 Payment Options for Accounts under Section 9.01(e)(1)

(a) Subject to Article XIV, section 145.92 of the Ohio Revised Code, and this Section, a Participant may select from one of the following options: (i) a lump sum; (ii) monthly annuity payments; or (iii) monthly annuity payments and a portion of the Participant's Accounts paid as a lump sum. An unmarried Participant who fails to select a payment option under this Section shall be paid in accordance with Section 8.01. The amendment to this Section dated April 1, 2012, applies to all payment options effective on or after April 1, 2012. Unless the Participant is eligible to or required to elect another payment option as described in this Section, a married Participant shall receive a monthly joint and survivor annuity, which shall consist of the actuarial equivalent of the Participant's single life annuity based on the Participant's Accounts in a lesser amount payable for life and one-half of such allowance continuing after death to the Participant's spouse for the life of the spouse. The effective date of a payment option provided under this Section shall be the first of the month following the latest of: (1) the attainment of minimum age eligibility under Section 9.01; (2) the attainment of minimum service credit eligibility under Section 9.01; (3) the last day for which Earnable Salary was paid; or (4) the date the System receives an application for a payment option under this Section.

Notwithstanding any provision of this Section to the contrary, a Participant may not select a monthly annuity payment if the selection would result in a monthly annuity payment of less than ~~twenty-five~~ fifty dollars. If a Participant's distribution required by Code Section 401(a)(9) and the regulations thereunder would result in a monthly annuity of less than ~~twenty-five~~ fifty dollars, the Administrator shall calculate and issue the Participant's distribution as a lump sum payment per this Article.
(Section 9.02(a) amended: 10/27/06, 4/1/08, 1/1/09, 4/1/12, 1/7/13)

5. **Section 9.03(c) of the Plan**, describing payment options for accounts is hereby amended to be and read as follows:

(c) A Retirement Allowance shall be paid under a payment option available under this Section. If the monthly amount of a member's annual single lifetime allowance that is first payable on or after March 22, 2019, under Section 9.03(a) of this Plan would be less than fifty dollars, instead of a Retirement Allowance the retirement system shall pay the greater of the following in a single payment: (i) An amount

determined under Article VIII of the Plan or (ii) an amount equal to the actuarial present value of the Retirement Allowance as determined by the retirement system.

6. **Section 9.03(d) of the Plan**, describing cost of living increases is hereby amended to be and read as follows:

- (d) (1) Except as provided in this Section, the Administrator shall annually increase each allowance payable under this Section. Until December 31, 2018, the increase shall be three per cent, subject to Article IV. For each succeeding calendar year, the increase shall be as follows: (i) For each allowance, pension, or benefit granted prior to January 7, 2013, three per cent; (ii) For each allowance, pension, or benefit granted on or after January 7, 2013, the percentage increase in the Consumer Price Index, not exceeding three per cent, as determined by the United States Bureau of Labor Statistics (U.S. city average for urban wage earners and clerical workers: "all items 1982-84=100") for the twelve-month period ending on the thirtieth day of June of the immediately preceding calendar year. If the Consumer Price Index for that period did not increase, no increase shall be made under this Section. No allowance, pension, or benefit shall exceed the limit established by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 415, as amended.

The first increase is payable upon a Participant receiving a Retirement Allowance for twelve (12) months. The increased amount is payable for the ensuing twelve-month period or until the next increase is granted under this Section, whichever is later. In the case of an allowance being paid to a Beneficiary under one of the options specified in this Section, subsequent increases shall be determined from the date of the first increase paid to the former Member. The date of the first increase under this Section becomes the anniversary date for any future increases. The Retirement Allowance used in the first calculation of an increase shall remain as the base for all future increases, unless a new base is established.

- (2) If payment of a portion of an allowance is made to an alternate payee under section 145.571 of the Ohio Revised Code, increases under this Section granted while the order is in effect shall be apportioned between the alternate payee and the Participant in the same proportion that the amount being paid to the alternate payee bears to the amount paid to the Participant.

If payment of a portion of an allowance is made to one or more Beneficiaries under a "multiple-life plan F" as described in this Section, each increase under this Section granted while the plan of payment is in effect shall be divided among the designated Beneficiaries in accordance with the portion each Beneficiary has been allocated.

(Section 9.03(d) amended: 10/27/06, 1/7/13)

7. **In all other respects**, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this Amendment on the date indicated:

2/1/19
Date

Karen E. Carraher
Karen Carraher, Executive Director