Amendment One to the
Public Employees Retirement System of Ohio
Defined Contribution Plan

WHEREAS, the Public Employees Retirement System of Ohio Combined 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; and

WHEREAS, the Trustees now desire to amend the Plan;

NOW, THEREFORE, the Plan is hereby amended as follows, effective January 1, 2003:

1. **Section 2.02(a) of the Plan**, describing Eligibility of Members or Contributors, is hereby amended to be and read as follows:

   (a) Except as provided in subsection (c), a Member or Contributor of the System who, as of the last day of the month immediately preceding the Effective Date, has less than five (5) years of Total Service Credit, may elect to become a Participant in this Plan not later than one hundred eighty (180) days after the Effective Date. An election shall be made in writing on an Applicable Form provided by and filed with the System or, if designated by the Administrator, the Service Manager. If a form evidencing an election under this Section is not received on or before the end of the one hundred eighty (180) day election period, a Member or Contributor is deemed to have elected to continue participating in the Defined Benefit Plan. On the request of a Member or Contributor who makes an election to participate in this Plan, the System shall:

   (1) Credit to the Participant Contribution Account the Accumulated Contributions standing to the credit of the Member or Contributor in the Employees' Savings Fund and any other amounts standing to the credit of the Member or Contributor in a fund under section 145.23 of the Ohio Revised Code, other than deposits made by the Member or Contributor under division (C) of section 145.23 of the Ohio Revised Code;

   (2) Credit to the Miscellaneous Contribution Account any deposits made by the Member or Contributor under division (C) of section 145.23 of the Ohio Revised Code;

   (3) Cancel all service credit and eligibility for any payment, benefit, or right under the Defined Benefit Plan with respect to amounts described in (a)(1) of this Section.
A request to transfer the amounts described in this section shall be made at the time the member files an election under this Section. For each Participant who elects to transfer the amounts described in (a)(1) of this Section, the Participant shall receive Years of Participation in an amount which corresponds to the amounts transferred under (a)(1) of this Section for purposes of both of the following: (1) vesting under Article VII in an amount which corresponds to the amounts transferred under (a)(1) of this Section Plan and (2) vesting as provided in the Public Employees Retirement System of Ohio VEBA Health Plan.

2. Section 2.02(e) of the Plan, describing Eligibility of Members or Contributors, is hereby amended to be and read as follows:

(e) Member or Contributor of the Defined Benefit Plan who elects under this Section to participate in the Plan and transfer the amounts described in Section 2.01(a) shall be ineligible for any benefit or payment under the Defined Benefit Plan and shall be forever barred from claiming or purchasing service within the Defined Benefit Plan or any other Ohio state retirement system, as defined in section 145.30 of the Revised Code, for service covered by the election, unless otherwise permitted as a result of a change of election under Section 2.03

3. Section 6.01 of the Plan, describing Transfers from the Member-Directed Plan to the Public Employees Retirement System of Ohio Defined Benefit Plan, is hereby amended to be and read as follows:

6.01 Transfer from this Plan to the Defined Benefit Plan. Not later than one hundred eighty days after the effective date of an election to transfer under Section 2.03, a Participant in this Plan who has elected to become a participant in the Defined Benefit Plan under that Section may transfer funds from this Plan to the Defined Benefit Plan in order to purchase service credit in the Defined Benefit Plan for the Participant's Years of Participation in this Plan. The Actuary shall determine the total amount of additional liability for each Year of Contributing Service which is eligible for purchase. In addition to the eligibility requirements specified in sections 145.35, 145.36, 145.361, 145.45, or 145.451 of the Ohio Revised Code, a Participant who transfers funds to the Defined Benefit Plan under this Section is not eligible for benefits under those sections until one (1) year following the date of transfer.

A Participant may transfer funds from the following Accounts to purchase service credit in the Defined Benefit Plan as calculated under this Section: Participant's Contribution Account, vested portion of the Employer Contribution Account, Rollover Account, or Miscellaneous Contribution Account. All transfers under this Section shall be made in accordance with section 145.814 of the Revised Code and are subject to the applicable provisions of the Defined Benefit Plan and any rules adopted by the Board. For each Year of Participation in this Plan that is purchased in the Defined Benefit Plan, the Administrator shall cancel a corresponding Year of Participation in this Plan. If a Participant who elected a transfer of accumulated contributions under Section 2.02(a)(1)
also transfers funds from this Plan to the Defined Benefit Plan under this Section, all or a portion of the Participant Contribution Account shall be used to restore the cancelled service credit described in Section 2.02(a)(3) in accordance with rules adopted by the Board.

4. In all other respects the Plan shall be and remain unchanged.

IN WITNESS WHEREOF the undersigned have executed this Amendment on the dates indicated:

3/26/03
Date

Laurie Fiori Hacking, Executive Director