

## **NORTH CAROLINA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN**

**WHEREAS**, the State of North Carolina sponsors the North Carolina Public Employee Deferred Compensation Plan (the “Plan”), which is designed to be eligible under § 457(b) of the Internal Revenue Code of 1986;

**WHEREAS**, the North Carolina Department of State Treasurer and the Supplemental Retirement Board of Trustees (the “Board”) administer the Plan;

**WHEREAS**, Prudential Retirement Insurance and Annuity Company (“Prudential”) provides record keeping and communications services for the Plan;

**WHEREAS**, the Plan Document for the Plan consists of completed and executed versions of the Prudential Retirement Specimen Governmental 457(b) Plan Adoption Agreement (the “Adoption Agreement”) and the Prudential Retirement Specimen Governmental 457(b) Plan Document (the “Plan Document”) and any related amendments thereto;

**WHEREAS**, the Board desires to amend the Plan Document and the Adoption Agreement to allow withdrawals related to hardships caused by Hurricane Matthew, consistent with Internal Revenue Service Announcement 2016-39.

**NOW, THEREFORE**, be it

**RESOLVED**, that, effective March 23, 2017, the Board adopts the attached amendment to the Plan Document and Adoption Agreement, as provided by Prudential.

**AMENDMENT TO  
THE PRUDENTIAL  
RETIREMENT  
SPECIMEN GOVERNMENTAL 457(b)  
PLAN ADOPTION AGREEMENT AND  
PLAN DOCUMENT**

**Article I Preamble**

- 1.1 WHEREAS, the undersigned Employer maintains a governmental Code section 457(b) plan (the “Plan”);
- 1.2 WHEREAS, the Plan’s plan document consists of completed and executed versions of the Prudential Retirement Specimen Governmental 457(b) Plan Adoption Agreement (the “Adoption Agreement”) and Prudential Retirement Specimen Governmental 457(b) Plan plan document (the “Plan Document”) and any related amendments thereto;
- 1.3 WHEREAS, Section 12.1 of the Plan Document provides that the Employer may amend the Plan at any time; and
- 1.4 WHEREAS, the Employer has determined that it is desirable to amend the Plan to clarify the availability of the relief permitted under Internal Revenue Service Announcement 2016-39 with respect to Unforeseeable Emergency distributions.
- 1.5 NOW THEREFORE, BE IT RESOLVED, that the following amendment to the Adoption Agreement and Plan Document is adopted effective October 4, 2016 (or October 3, 2016 for Florida or the incident date as specified by the Federal Emergency Management Agency, as applicable (the “Applicable Date”)) for distributions described below that occur no later than March 15, 2017.

**Article II Amendment of the Plan Document**

- 2.1 Hurricane Matthew Relief. A new Section 5.6(c) is added to the Plan Document to read as follows:

(c) If permitted under the Adoption Agreement, notwithstanding the restrictions on permissible hardship events described in Section 5.6(b) above, a distribution for an unforeseeable emergency may be made to a Matthew Participant to the extent permitted by Internal Revenue Service Announcement 2016-39, and as elected by the Employer on the Adoption Agreement, on or after the Applicable Date and no later than March 15, 2017. For purposes of this Section 5.6(c), the following additional provisions shall apply:

- (1) A “Matthew Participant” is a Participant whose principal

residence or place of employment on the Applicable Date was located in one of the counties that have been identified as covered disaster areas because of the devastation caused by Hurricane Matthew, or whose lineal ascendant or descendant, dependent or spouse had a principal residence or place of employment in one of these counties on the Applicable Date.

(2) The Employer may rely upon representations from the Matthew Participant as to the need for and the amount of a distribution to meet an unforeseeable emergency, unless the Employer or Plan Administrator has actual knowledge to the contrary, and may disregard procedural requirements imposed by the terms of the Plan for any period beginning on or after the Applicable Date and continuing through March 15, 2017, provided the Employer or Plan Administrator makes a good-faith diligent effort under the circumstances to comply with them. However, the Employer or Plan Administrator must make a reasonable attempt to assemble any missing documentation as soon as practicable.

(3) Except as provided in this Section 5.6(c), the terms of the Plan shall remain in effect with respect to the matters addressed in this Section 5.6(c).

(4) A “Matthew-related purpose” is a purpose described in Announcement 2016-39 and determined in accordance with administrative procedures.

### **Article III Amendment of the Adoption Agreement**

3.1 Modification of Adoption Agreement. The Adoption Agreement is amended to add a new Item 24a to read as follows:

24a. Hurricane Matthew Relief – Unforeseeable Emergencies.

In response to Hurricane Matthew, the Internal Revenue Service issued Announcement 2016-39, which eases the requirements that usually apply to distributions for Unforeseeable Emergencies from the Plan. Generally, a Matthew Participant is a Participant whose principal residence or place of employment on the Applicable Date was located in a defined federal disaster area or an individual with a family member (as defined in IRS guidance) whose principal residence or place of employment on the Applicable Date was located in such disaster areas. The purpose of this amendment is to permit an Employer to ease the requirements for distributions for Matthew Participants.

Unforeseeable Emergency distributions will be permitted to Matthew Participants as follows (*complete Item 24a(a) or 24a(b)*):

- ☒ (a) The Plan permits Unforeseeable Emergency distributions under Item 24, and it is hereby elected to expand the reasons for Unforeseeable Emergency distribution to permit Matthew Participants to receive Unforeseeable Emergency distributions for Matthew-related purposes, in accordance with the following:
  - ☒ As otherwise provided under the terms of the Plan (but for Matthew-related purposes).

☐ Up to the number of Unforeseeable Emergency distributions otherwise permitted by the Plan, but distributions may be made from all permissible sources on a pro rata basis.

☐ Up to\_\_\_\_(*insert total number of Unforeseeable Emergency distributions*) distributions, from the sources selected in Item 24. Up to\_\_\_\_(*insert total number of Unforeseeable Emergency distributions*) distributions, and distributions may be made from all permissible sources on a pro rata basis.

☐ (b) The Plan does not permit Unforeseeable Emergency distributions under Item 24, but it is hereby elected to permit Matthew Participants to receive Unforeseeable Emergency distributions for Matthew-related purposes, and distributions may be made from all permissible sources on a pro rata basis.

This Amendment is hereby adopted by the Employer and shall remain in effect, notwithstanding any subsequent restatement of the Plan utilizing the Adoption Agreement and Plan Document that does not include this provision.

Employer: State of North Carolina

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By

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Date