



## MEMORANDUM

TO: Supplemental Retirement Board of Trustees

FROM: Reid Chisholm, Assistant General Counsel

DATE: February 23, 2023

SUBJECT: Proposed amendment to the NC 401(k) Plan

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At its last meeting, the Board approved revisions to the NC 401(k) and NC 457 Plans that provide the opportunity for people who succeed to account ownership as beneficiaries to name their own beneficiaries. These beneficiary revisions did not include the amendment to the NC 401(k) Plan that is attached to this memo; this amendment was inadvertently omitted and needs to be approved by the Board as part of the changes to allow beneficiary account owners to name beneficiaries.

The plan document for the [NC 401\(k\) Plan](#) is posted on the Board's web page on [www.myNCRetirement.com](http://www.myNCRetirement.com).

### **Recommendation**

Staff recommends the Board adopt the amendment to the NC 401(k) Plan that is attached to this memo.

**Attachment – Section 9.02(a) of the NC 401(k) Plan**

In the event a Member or Beneficiary dies before all installments have been paid, and his surviving Beneficiary is a sole person; such installments shall continue to the Beneficiary, unless such Beneficiary elects otherwise. Notwithstanding the foregoing, if the Member or Beneficiary dies before all installments have been paid and his Beneficiary is other than a sole person, the remaining balance in his Accounts shall be paid in an immediate cash lump sum to such Beneficiary. ~~In the event a sole Beneficiary who has elected installment payments under the preceding provisions of this paragraph (a) dies before all installments have been paid, the remaining balance in the Member's Accounts shall be paid in a lump sum to the estate of such Beneficiary.~~