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**Great-West Retirement Services®**

**AGREEMENT FOR RECORDKEEPING AND COMMUNICATION SERVICES**

**City of Glendale Section 457 Deferred Compensation Plan**

**Group No. 98742-01**

# AGREEMENT FOR RECORDKEEPING AND COMMUNICATION SERVICES

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## **AGREEMENT FOR RECORDKEEPING AND COMMUNICATION SERVICES**

This Agreement for Recordkeeping and Communication Services (the "Agreement") is entered into by and between Great-West Life & Annuity Insurance Company an insurance corporation registered with the Arizona Department of Insurance, located at 8515 East Orchard Road, Greenwood Village, CO 80111 ("Home Office"), and/or any affiliate (together "Great-West"), and the City of Glendale ("Plan Sponsor"), an Arizona municipal corporation, with respect to the services to be provided by Great-West Retirement Services<sup>®</sup>, a unit of Great-West, for the City of Glendale Section 457 Deferred Compensation Plan (the "Plan").

WHEREAS, Plan Sponsor has established or adopted the Plan for its eligible employees ("Participants") in accordance with Section 457 of the Internal Revenue Code of 1986, as amended ("Code") and all applicable federal regulations, state and/or municipal statutes, for the purpose of providing retirement plan benefits to employees; and

WHEREAS, Plan Sponsor (or its designee) serves as the Plan Administrator and named fiduciary of the Plan; and

WHEREAS, Plan Sponsor has placed all Plan assets into a trust, custodial account or annuity contract which meets the requirements of Section 457(g) of the Code, and will continue to meet such requirements for the duration of this Agreement; and

WHEREAS, Great-West has agreed to act in a non-fiduciary capacity as directed, nondiscretionary service provider, and Great-West will facilitate the performance of the services outlined in this Agreement as directed by Plan Sponsor in compliance with all applicable federal, state and local laws and regulations;

NOW, THEREFORE, the parties hereby agree as follows:

### **I. Recordkeeping Services Provided by Great-West under this Agreement**

#### **A. Initial Transition**

Great-West will establish on its recordkeeping system data for Plan participants (each a "Participant") and related data from the prior recordkeeper(s). Such data includes, but is not limited to, indicative data (name, address, birth date, etc.). Detailed instructions will be provided to the prior recordkeeper(s), in advance, for the format, compilation, timing, and forwarding of required data. Participant changes to indicative data that occur between the date that data is transferred and the Effective Date (as defined below) will be communicated by the prior recordkeeper(s) and updated accordingly on the recordkeeping system

Assistance will be provided by Great-West to coordinate the transition of Participant contribution processing from the prior recordkeeper(s) to Great-West's recordkeeping system. Great-West will process Participant contributions received after the Effective Date. The prior recordkeeper(s) will process Participant contributions received prior to the Effective Date, and issue final quarterly statements to Participants accordingly.

Data applicable to Participants who are presently in payout status and who are receiving any type of non-annuity systematic withdrawal or periodic payments will be

transitioned from the prior recordkeeper(s). Such data includes, but is not limited to, indicative data (payee name, address, etc.), type of systematic or periodic withdrawal payout, payment amount, payment frequency, issue dates, etc. Great-West will provide detailed instructions in advance to the prior recordkeeper(s) for the format, compilation, timing, and forwarding of the required data.

**B. Participant Account Information**

A Participant account will consist of the following:

1. Participant indicative data, when received by Great-West in good order at its Home Office, as follows:
  - a. Name
  - b. Gender
  - c. Social Security Number
  - d. Mailing Address
  - e. Telephone Number
  - f. Date of Birth
  - g. Beneficiary Information.

Plan Sponsor affirms that Great-West is and shall remain the sole recordkeeper for the Plan during the term of this Agreement. Plan Sponsor also affirms that the Plan allows web-initiated beneficiary designations, except for non-spousal beneficiary designations, which require written consent by spouse. Plan Sponsor hereby instructs and authorizes Great-West to accept, maintain and file, without Plan Sponsor approval, beneficiary designation forms received by Great-West in good order and in a manner acceptable to Great-West. Upon request, Plan Sponsor agrees to provide Great-West with any and all beneficiary information filed with the Plan by the Participant prior to the effective date of this Agreement.

Plan Sponsor shall provide Great-West with instructions regarding any Plan requirements as to spousal consent for beneficiary designations. If there are any such requirements, Plan Sponsor instructs Great-West to rely on the marital status specified by the Participant on the beneficiary designation form and to obtain spousal consent, when applicable. If a beneficiary designation requires spousal consent, such designation may be made only via a paper form.

Plan Sponsor agrees to review and sign each Death Benefit Claim form. In the event Plan Sponsor submits a signed Death Benefit Claim form for a claimant other than the beneficiary on file with Great-West, if any, Great-West will return the "Death Benefit Claim" form to Plan Sponsor for further instruction.

2. Current investment allocation for each investment option authorized by Plan Sponsor.
3. Current account balances of each Participant in each investment option authorized by Plan Sponsor.

C. Enrollment without Plan Sponsor Signature

Plan Sponsor instructs Great-West to process, without Plan Sponsor approval, all enrollment forms received in good order, and in a manner satisfactory to Great-West. Plan Sponsor agrees to provide Great-West up-to-date Plan eligibility information with each payroll remittance through full payroll data interchange ("PDI"). Participant forms received and acceptable to Great-West will be processed and made available to Plan Sponsor. Great-West will return enrollment forms to Participants if not received in good order and in a manner acceptable to Great-West.

If a form is accepted and processed, Plan Sponsor agrees to input all applicable Participant information on the Great-West Plan Service Center ("PSC") electronic interface once it receives the completed Participant enrollment form.

D. Online Enrollment

Plan Sponsor hereby instructs Great-West to allow online enrollment and agrees to utilize the PSC, or other mutually agreed to process, and provide a full PDI file with a listing of all employees and required information as requested from time to time. Once the PDI file is transmitted, Plan Sponsor instructs Great-West to issue a Personal Identification Number ("PIN") to every eligible employee allowing enrollment in the Plan through the website.

E. Investment Options

1. Authorized Investment Options

Plan Sponsor is responsible for the selection of all investment options made available under the Plan based on Plan Sponsor's independent evaluation or that of its registered investment advisor, consultant, broker or other agent, as applicable.

Plan Sponsor has selected a number of mutual funds, collective trusts, and/or other eligible investments consisting initially of the investment options listed in the Initial Authorized Investment Option Exhibit dated January 2013 ("Authorized Investment Options") and attached hereto.

Plan Sponsor may replace the Authorized Investment Options at any time, subject to the following:

- a. One replacement process (which may include multiple funds) may be made to the Authorized Investment Options per year with no additional cost;
- b. In any extraordinary situation where Plan Sponsor determines that replacements need to be made more frequently than once per year, such replacement process may be made with no additional charge.

- c. In all other situations where Plan Sponsor requests replacement of investment options more frequently than once per year, an additional cost may be assessed to Plan Sponsor as determined by Great-West. Historically, this cost has been approximately \$2,500, although the actual cost will vary based on the Plan request, but in no event shall the cost to the Plan Sponsor exceed \$3,000.

Sixty (60) days advance written notice of the intent by either party to add or terminate an investment option is required. Great-West will cooperate with Plan Sponsor to terminate or add new investment options and Great-West will assist Plan Sponsor in appropriately notifying Participants of any changes via Participant quarterly statements. Such replacement(s) in extraordinary situations will be made as soon as practicable, as agreed to by the parties. If any of the Authorized Investment Options are terminated in the future, and Plan Sponsor wishes to replace the terminated option(s), Plan Sponsor agrees to replace the terminated option(s) with an available fund from any fund company that currently has, or will enter into, a trading agreement with Great-West.

2. Designated Investment Option

Plan Sponsor initially designates the Plan's target date fund investments as the investment option ("Designated Investment Option") for amounts received from Participants, including contributions, transfers and direct rollovers, without complete allocation instructions. Plan Sponsor will instruct Great-West, on Great-West's "Default Fund Election Form," with participant birthdate ranges that will correlate to investment in each target date fund. The Designated Investment Option shall remain in effect for amounts received from Participants, including contributions, transfers and direct rollovers, without complete allocation instructions until Plan Sponsor selects a new designated investment option. Once the Participant provides complete allocation instructions in good order to Great-West, future contributions will be invested pursuant to such instructions. However, funds deposited into the Designated Investment Option will remain invested therein until the Participant initiates transfer instructions.

3. Self-Directed Brokerage Account

Provided documents like Great-West's Letter of Instruction Regarding Self-Directed Brokerage Account, the Self-Directed Brokerage ("SDB") account provider's plan application, the SDB account provider's investment restriction form, and any other documents required by the SDB account provider have been executed, the SDB account shall be available to the Plan. The Plan Sponsor hereby acknowledges that the SDB account shall be administered according to Great-West's SDB Policies and Procedures, except that the Core Investment minimum is \$500. As described in the SDB Policies and Procedures, the initial transfer minimum is \$1,000 and the subsequent transfer minimum is \$1,000.

- F. Valuation of Participant Account Balances

Participant account balances held with respect to the Plan will be accounted for as follows:

1. Amounts that are not guaranteed as to principal or interest will be accounted for at their fair market value as of the close of each Business Day. The term "Business Day" is defined as any day, and only for as many hours as, the New York Stock Exchange is open.
2. Amounts receiving a guaranteed interest rate and a guarantee of principal will be accounted for at book value. Interest will be accounted for on a daily effective method.

G. Contributions, Transfers and Limitations

All parties agree that purchases and sales of securities at the direction of Plan Participants in core investment accounts will be effected through GWFS Equities, Inc., a broker/dealer affiliate of Great-West. Instructions for the purchase, sale, exchange or transfer of shares on behalf of the Plan shall be transferred to GWFS Equities, Inc. for processing.

1. Contributions

Contributions sent directly online to the PSC and processed by 12:00 Midnight Mountain Time will be allocated effective the next Business Day (at that Business Day's unit value). If contributions are processed via the PSC after 12:00 Midnight Mountain Time, they will be effective the next Business Day thereafter. Funds must be sent via Automated Clearinghouse (ACH) within the PSC system functionality.

2. Transfers

Participant initiated transfers will be processed and effective the Business Day they are received at Great-West's Home Office, if received before the close of the New York Stock Exchange (typically 4:00 p.m. Eastern Time or such earlier time as may have to be implemented to comply with any applicable future law, rule or regulation). If transfers are received at Great-West's Home Office after the close of the New York Stock Exchange, transfers will be processed and be effective the next Business Day (or such earlier time as may have to be implemented to comply with any applicable future law, rule or regulation).

3. Transfer Limitations

Plan Sponsor hereby acknowledges receipt of and agrees to adhere to the terms and conditions of the Market Timing and Excessive Trading Procedures attached to this Agreement as the Procedures for Complying with Fund Company Market Timing and Excessive Trading Policies Exhibit.

H. Deferral Processing

Great-West will provide for deferral processing via the website. In order to provide this service, Plan Sponsor must utilize the PSC, or other mutually agreed to process, and must provide for the initialization of all the Participant's deferral amounts. Participants may access the website or voice response system to input the required payroll deferral amount/percentage information. In order to deduct the payroll deferral amount/percentage from the Participant's paycheck, Plan Sponsor agrees to upload

the payroll deferral amounts into their payroll system and remit them electronically via PSC, or other mutually agreed to process.

I. Automated Voice Response System

Participants will have access to a toll free, automated voice response system to inquire or make applicable changes with respect to their account from a touch-tone telephone.

Inquiry services available from the automated voice response system will utilize share prices, unit values and account balances, which are as of the last calculated unit value/share price.

The system is available 24 hours a day, except for routine maintenance of the system, which when necessary generally takes place on Sunday between the hours of 12:01 a.m. Mountain Time and 12:01 p.m. Mountain Time. However, the system may be limited or unavailable during periods of peak demand, market volatility, systems upgrades, maintenance or for other reasons.

J. Internet Site

Participants will have access to a web site to inquire or make changes with respect to their account via the Internet.

The web site is available 24 hours a day, except for routine maintenance of the system, which when necessary generally takes place on Sunday between the hours of 12:01 a.m. Mountain Time and 12:01 p.m. Mountain Time. However, access to the web site may be limited or unavailable during periods of peak demand, market volatility, systems upgrades, maintenance or for other reasons.

K. Client Service

Client service representatives will be available toll-free from Great-West's Home Office to answer Participant questions and process applicable transactions requested between the hours of 7:00 a.m. Mountain Time and 6:00 p.m. Mountain Time each Business Day.

L. Plan Sponsor Access to Recordkeeping System

Plan Sponsor may access online the PSC to inquire or make changes while administering the Plan.

Representative(s) will be made available to assist and train employees of Plan Sponsor in properly accessing and processing transactions on to the recordkeeping system as requested.

The recordkeeping system is available consistent with the availability of the automated voice response system.

M. Reporting

1. Participant Statements

Each Participant will receive a statement of his/her account summarizing all activity for the previous calendar quarter, including:

- a. Beginning and ending balances.
- b. All transactions processed during the quarter, including contributions.
- c. Interest or change in value.
- d. Fees/Charges (if applicable).
- e. Transfers and withdrawals for the quarter.

Participants will have the option to access such statements via the Electronic Filing Cabinet within the web site or continue to receive such statements via the mail. Participant statements will continue to be mailed for those Participants who do not specifically elect to access their statements via the web site. However, if a Participant elects to access his or her Participant statement via the web site, no future Participant statements will be mailed to that Participant unless a new election is made. For those Participants who desire to change their election (from website to mail), future statements for those Participants will be mailed each quarter after the election change.

Participant statements will be available on the website or mailed within ten (10) Business Days of the end of each calendar quarter, or within ten (10) Business Days after receipt of information in good order from third party sources, whichever is later. The parties acknowledge that the first quarterly statement may be available at a later date while records are being established.

If Participant statements are to be mailed, statements will be mailed to each Participant's last known home address as provided by Plan Sponsor and/or prior recordkeeper.

Participants will also have access to their account activity via a voice response unit, KeyTalk<sup>®</sup>, and the web site.

## 2. Errors

If Great-West makes an error with respect to an investment transaction, and it is brought to Great-West's attention at its Home Office within 90 days after the statement date following the occurrence of the error, Great-West will retroactively correct the error(s) at its own expense. However, if the Participant knew or should have known of the error but failed to bring it to Great-West's attention within 90 days after the statement date following the occurrence of the error, the error will be corrected, but retroactive correction will not be made at Great-West's expense. Under special circumstances, Plan Sponsor may request consideration of a retroactive correction of a Great-West error at Great-West's expense in excess of the ninety (90) day period. Based on the circumstances identified, Great-West will consider such retroactive correction, and such correction will not be unreasonably denied, based on industry standards. In no event will Great-West be responsible for the expense of retroactive correction of errors caused by a Participant, Plan Sponsor, or other third party.

### 3. Employer Reporting

#### a. Employer Plan Summary

Plan Sponsor will receive an Employer Plan Summary Report summarizing plan level assets and Participant account balances no later than thirty (30) Business Days after each calendar quarter end, or within ten (10) Business Days after receipt of information in good order from third party sources, whichever is later. However, the first report may be delayed beyond this thirty (30) Business Day period while records are being set up. The following plan information is outlined in the report:

- 1) Account summary—a summarization of plan transactions and assets
- 2) Summarization of contributions processed.
- 3) Withdrawals.
- 4) Annuities purchased, if applicable.
- 5) Periodic payments.
- 6) Investment option grand totals—summarizes both dollars and units/shares and plan activity.
- 7) Investment option totals by money type—summarizes both dollars and units/shares and money type activity.
- 8) Participant summary—report of account activity for each Participant.

#### b. Annual Plan Review

Plan Sponsor will receive an Annual Plan Review including the following information:

- 1) Review of enrollment efforts.
- 2) Asset allocation information/contribution distributions (investment options and fixed/variable split).
- 3) Voice response usage and enhancements.
- 4) Benefit payments.
- 5) Direct online system access - current services and available services.
- 6) Legislative updates.

#### c. Great-West agrees to provide Plan Sponsor with an annual investment performance report. Great-West has contracted with Advised Assets Group, LLC ("AAG"), a registered investment advisor and a wholly

owned subsidiary of Great-West Life & Annuity Insurance Company, to provide this service to Great-West. AAG does not act as a fiduciary in the issuance of this report.

N. Regulatory Updates

Great-West agrees to periodically make information available concerning federal legislative activity of which Great-West is aware which may affect the Plan and related funding contracts. Such information, however, does not constitute legal or tax advice regarding the legal sufficiency of the Plan.

O. Benefits, Tax Withholding and Reporting

Upon receipt of complete payment instructions from Plan Sponsor by Great-West at its Home Office, benefit payments to Participants and beneficiaries will be made within two (2) Business Days. For the purposes of this Agreement, "complete payment instructions" means that all of the requested information on the Participant benefit request form, whether via paper form or the web site to-do list, has been completed along with the required signature(s)/authorizations and Great-West has completed its review of the claim in accordance with applicable sections of this Agreement. The benefit payments with respect to each Participant account will be made, tax withheld and the tax reporting reported as follows:

1. A record will be maintained of any distribution from the Plan made with respect to the Participant and the reason for the distribution.
2. Appropriate federal and state income tax withholding and tax reporting that is applicable at the time of the distribution will be performed and sent to the Participant or beneficiary for each benefit payment from the Plan with respect to the Participant or beneficiary.
3. The income tax withholding will be forwarded to the Internal Revenue Service and other appropriate state entities and will be completed by the applicable due dates.
4. Information will be provided to the Internal Revenue Service annually showing an accounting of all Participants who have received distributions during the previous calendar year.

If the Participant makes more than two voluntary changes to the frequency or amount of their benefit payments in any calendar year, Great-West reserves the right to charge the amount listed in the Fees section of this Agreement for each subsequent change. A change in amount due to a pre-programmed periodic payment, or a change necessitated by regulatory limits or requirements is not counted as a voluntary change. At the present time, this fee is not being imposed. However, Great-West reserves the right to impose this fee, with advance notice, if voluntary benefit payment changes become excessive in the opinion of Great-West.

P. Death Benefit Claims

Great-West will not process for payment any benefit claim following a participant's death without direction from Plan Sponsor. Plan Sponsor agrees to review and sign each such death benefit claim form, and direct Great-West as to the proper payee.

Q. Distribution Processing Other than for Death

Plan Sponsor hereby approves and instructs Great-West to process, without Plan Sponsor signature, Participant requests for distribution due to severance from service for any reason other than death, that are received in good order and in a manner acceptable to Great-West, if Plan Sponsor provides Great-West a full PDI file with Participant termination dates and addresses and up-to-date full service vesting information electronically.

If Plan Sponsor does not provide the Participant's termination date or other required information, Plan Sponsor instructs Great-West to route the request to Plan Sponsor for approval before processing the distribution. Plan Sponsor instructs Great-West to rely on the marital status specified by the Participant on the Distribution Request form for spousal consent purposes for distributions due to severance from service for any reason other than death.

R. Unforeseeable Emergencies

Plan Sponsor agrees to provide up-to-date vesting, if applicable, and address information on all Participants in the Plan with each payroll remittance (full PDI) and agrees to retain Great-West to perform deferral processing services pursuant to the previous section. Plan Sponsor instructs Great-West to process, without Plan Sponsor signature, all Unforeseeable Emergency Requests ("Requests") received in good order, and in a manner satisfactory to Great-West, due to an unforeseeable emergency as described below resulting in a severe financial hardship to the Participant or Beneficiary that cannot be alleviated by any other means available to the Participant. Plan Sponsor further instructs Great-West to rely on any and all representations made by a Participant in a Request, including, but not limited to:

1. An illness or accident of the Participant or Beneficiary, the Participant's or Beneficiary's spouse, or Participant's or Beneficiary's dependent (as defined in Internal Revenue Code §152, and for taxable years beginning on or after January 1, 2005, without regard to §152(b)(1), (b)(2) and (d)(1)(B));
2. Loss of the Participant's or Beneficiary's property due to casualty;
3. The following extraordinary and unforeseeable circumstances if they arise as a result of events beyond the control of the Participant or Beneficiary:
  - a. The imminent foreclosure of or eviction from the Participant's or Beneficiary's primary residence;
  - b. The need to pay for medical expenses, including nonrefundable deductibles, as well as the cost of prescription drug medication; and
  - c. The need to pay for the funeral expenses of a spouse or a dependent (as defined in Internal Revenue Code §152, and, for taxable years beginning on or after January 1, 2005, without regard to §152(b)(1), (b)(2) and (d)(1)(B)) of Participant or Beneficiary.

## SITUATIONS NOT QUALIFYING FOR WITHDRAWAL

Except in extraordinary circumstances, the following are examples of situations that are not considered eligible for withdrawal:

1. Purchase of real estate;
2. Payment of college tuition;
3. Unpaid rent or mortgage payments, except in the event of imminent foreclosure or eviction;
4. Unpaid utility bills;
5. Loan repayments;
6. Personal bankruptcy (except when resulting directly and solely from illness, casualty loss or other similar extraordinary and unforeseeable circumstances beyond your control);
7. Payment of taxes, interest or penalties (this provision, however, will not prevent a participant from grossing up an unforeseeable emergency withdrawal for taxes or penalties owed as a result of the distribution); or
8. Marital separation or divorce.

Plan Sponsor will make the determination with respect to any unforeseeable emergency distribution request that does not clearly fall within the guidelines set forth above and shall be the arbitrator of all appeals.

In the event of any changes to applicable laws and/or regulations, Great-West may revise this authorization and instruction from time to time and without further notice to Plan Sponsor unless Plan Sponsor's obligations change. This authorization and instruction shall remain in effect until revoked by either party.

For each Participant receiving an unforeseeable emergency distribution, Plan Sponsor instructs Great-West to notify Plan Sponsor to suspend elective deferrals for the period required by the Plan, if any. Great-West is instructed to reject any request where the unforeseeable emergency event occurred prior to the date the Agreement is executed and also to reject any request where the event occurred more than one year prior to the date the request is received. Great-West may contact the plan for direction when unusual situations arise. For each request that is denied, Plan Sponsor instructs Great-West to notify the participant to contact the Plan Sponsor if he/her wants to appeal the determination. For each Request that cannot be processed due to its failure to satisfy an unforeseeable emergency event, Plan Sponsor instructs Great-West to notify the Participant to contact Plan Sponsor if he or she wishes to appeal the determination.

### S. Qualified Domestic Relations Orders (QDROs)

Plan Sponsor's approved model form of the Qualified Domestic Relations Order ("QDRO") for the Plan is attached to this Agreement as Plan Sponsor's approved model form of Qualified Domestic Relations Order ("QDRO"). Plan Sponsor hereby approves and instructs Great-West to treat as qualified each QDRO received by Great-

West in good order using the model QDRO form, or a form that is similar in all material respects to the model QDRO form. Great-West is instructed to process the QDRO, without Plan Sponsor signature, by establishing a separate account for the Alternate Payee or, making a lump sum distribution to the Alternate Payee. Plan Sponsor instructs Great-West to send a copy of each QDRO confirmation or rejection letter to Plan Sponsor.

Great-West is further instructed to process distribution requests received in good order, and in a manner acceptable to Great-West, from Alternate Payee accounts established before or after the effective date of this Agreement without Plan Sponsor's signature. Plan Sponsor instructs Great-West to calculate any Alternate Payee's QDRO amount based solely on the participant's account records on Great-West's recordkeeping system, and to reject any QDRO that specifies a valuation date prior to the date Great-West began providing recordkeeping services to the Plan.

If the Alternate Payee's awarded share exceeds the value of the Participant's core investment account(s) under the Plan to which the order applies, Great-West shall notify the Participant in writing to liquidate and transfer the necessary remaining sum from the SDB into the core investment options to enable the implementation of the QDRO. If the Participant fails to transfer the necessary amount within 15 business days of the date of the notification letter, and if the necessary amount is available in the SDB money market, Great-West is instructed to transfer such amount into the Plan's default core investment option. If there is insufficient available cash in the SDB money market to transfer the necessary amount, Great-West is then instructed to notify the SDB provider to liquidate all of the Participant's SDB investments, and then transfer the entire amount into the Plan's default core investment option.

Plan Sponsor agrees to make determinations with respect to any orders received that are not materially similar to the Plan's approved model form of QDRO for reasons other than the inclusion of a valuation date which precedes the date Great-West commenced providing recordkeeping services to the Plan.

T. Loans

If loans are available under the Plan, Plan Sponsor agrees that all loans shall be account reduction loans repaid consistent with the loan policy and the procedures established by the recordkeeper from time to time. Plan Sponsor instructs Great-West to process, without Plan Sponsor approval, Participant loan requests submitted through a form acceptable to Great-West or through the website, if Plan Sponsor provides Great-West with Participant information in a full PDI file and up-to-date full service vesting information electronically. Home loans requested via the web site will be routed to Plan Sponsor for its authorization. Participants will be subject to the fees in the loan documents.

U. Code Section 457(b) Sample Plan Document and Adoption Agreement

Great-West will offer a sample Plan document, an adoption agreement, and any Plan document amendments that may be required due to changes in applicable laws and regulations, prior to the date required.

V. Rollovers from Other Eligible Code Section 457 Governmental Plans, Code Sections 401(a), 401(k) & 403(b) Plans & IRAs

If the Plan accepts pre-tax rollovers from other eligible retirement plans, including Individual Retirement Accounts or Annuities ("IRAs"), beginning January 1, 2002 or thereafter, separate accounts will be maintained for rollovers from eligible Code section 457 plans, Code section 401(a), 401(k) and 403(b) plans and IRAs. Other accounts may be established from time to time for plan administration.

Plan Sponsor agrees that rollovers will be administered according to the rollover procedures established by Great-West from time to time. Amounts distributed from rollover accounts will be tax reported pursuant to the tax laws in effect on the date of the distribution.

W. Roth 457(b)

If the Plan allows for Roth 457(b) after-tax contributions to be made, Great-West will maintain an accounting of the contributions made (basis) and earnings in separate accounts.

Amounts distributed from Roth 457(b) accounts will be made and tax reported pursuant to the applicable provisions of this Agreement.

X. Code Section 402(f) Notice

Great-West shall provide the Internal Revenue Service Model Notice, as amended from time to time, to Participants pursuant to Code Section 402(f).

Y. Monitoring the Deferral Limits

Great-West shall monitor the total Participant deferrals under the Plan for the calendar year and notify Plan Sponsor at the end of the calendar year of any Participants exceeding permitted deferral limits established under Code Section 457(b). Any distributions made to correct excess deferrals will be appropriately tax reported.

Great-West shall provide assistance in calculating catch-up contributions. Plan Sponsor acknowledges that Participant is fully responsible for any calculations.

Z. Incoming Rollover Requests Approval

Plan Sponsor hereby instructs Great-West to rely on Participant's certification, without further investigation or action by Great-West, that the funds being rolled into the Plan constitute an eligible rollover distribution from an eligible retirement plan within the meaning of Code section 402. Plan Sponsor hereby instructs Great-West to accept, without Plan Sponsor approval, employee-certified incoming rollover requests to the Plan that are accompanied by a properly completed form and any required supporting documentation and are received in good order and in a manner acceptable to Great-West. Plan Sponsor hereby instructs Great-West to reject any rollover request received without proper documentation and to return any rollover amounts received with such request.

AA. Miscellaneous Services

Great-West will provide the services described in Section IX (relating to services associated with performance guarantees).

## **II. Communication Responsibilities**

### **A. Special Representations**

1. Representative(s) assigned to perform services under this Agreement will be properly licensed, trained and supervised with respect to the conduct of their business activities.
2. Representative(s) will provide information in a manner consistent with applicable insurance and securities law. However, information supplied to Participants shall not constitute "investment and/or tax advice" upon which Participants or Plan Sponsor may rely.
3. No representative may discriminate with respect to investment options provided under the Plan. Representative(s) will give equal and fair representations when describing the various investment options available under the Plan.
4. Compensation to representative(s) will not vary based upon investment options selected by the Participants.

### **B. Communication Materials**

Great-West will provide participant educational and communication materials regarding financial investing and retirement options. These materials may include, but are not limited to, newsletters, brochures, and other materials as mutually agreed upon.

### **C. Group Presentations**

Representative(s) will conduct group meetings at which some or all of the following will be communicated:

1. Summary of the key provisions of the Plan.
2. Summary of investment options.
3. Discussion of services including automated voice response system inquiry, retirement planning, and investment seminars.
4. Instructions on how to sign up for the Plan or request an individual counseling session.

### **D. Individual Counseling Sessions**

Upon request, representative(s) will conduct prescheduled individual counseling sessions utilizing a Participant paycheck analysis, an asset allocation model and retirement counseling services as approved by Plan Sponsor.

### **E. Miscellaneous Services**

Great-West will provide the services described in Section IX (relating to services associated with performance guarantees).

F. Communications and Marketing Plan

Great-West will prepare a communications and marketing plan for review by Plan Sponsor.

G. Representative

Great-West will assign representatives the equivalent of seventy-two (72) representative days annually to provide communication and marketing services exclusively to the Plan. Such representative will be responsible for all group meetings and counseling sessions as directed by Plan Sponsor. Plan Sponsor will have final approval of the Representative.

H. Retirement Planning Education, Distribution Counseling

Ongoing retirement planning education and distribution counseling may be made available to Participants by Great-West or an affiliate. Where a Participant wants to either contribute or roll over to an IRA, an IRA product may be made available by Great-West or its affiliate. Where a Participant requests, via a recorded telephone call with Great-West, to roll assets into the Plan from a previous employer's plan, Plan Sponsor instructs and approves Great-West to assist the Participant in completing such rollover without Plan Sponsor's signature or approval, provided the Plan permits such rollovers. The recordkeeper of the previous employer's plan may still require Plan Sponsor's signature or approval to complete the rollover.

**III. Miscellaneous Provisions**

Great-West and Plan Sponsor specifically accept and agree to each of the following requirements:

A. Confidentiality of Data and Privacy Notice

Great-West shall treat all Plan, Participant and customer information or data received from Plan Sponsor and/or Participants as confidential. Great-West shall not disclose confidential information to a third party or use such information except for the purpose of providing services under this Agreement without the written approval of Plan Sponsor. Any third party retained by Great-West to provide services under this Agreement and who has access to confidential information relating to a customer, Plan Sponsor or Plan Participant, shall agree in writing to be bound by provisions similar to those of this section of the Agreement and to use such confidential information only for the performance of specific services under this Agreement. Great-West may disclose information as permitted or required by law without prior written consent of Plan Sponsor. Great-West's current Privacy Notice is attached to this Agreement as the Privacy Notice Exhibit. By executing this Agreement, Plan Sponsor acknowledges receipt of said policy. Such policy shall be updated periodically by Great-West.

B. Business Continuity Plans Notice

GWFS Equities, Inc.'s current Business Continuity Plans notice is attached to this Agreement as the Business Continuity Plans Notice Exhibit. By executing this Agreement, Plan Sponsor acknowledges receipt of said policy. Such policy may be updated periodically.

C. Responsibilities at Termination

Upon relinquishing responsibilities at the termination of the Agreement, if requested, investment balances for all Participants will be provided to assure appropriate account balances within thirty (30) Business Days of termination of the Agreement in the recordkeeping system's standard format. Participant statements and Employer Plan Summaries will be provided up to and including the statement for the last calendar quarter covered by this Agreement.

D. Records Retention Policy

Great-West shall retain all records in its custody and control that are pertinent to performance under this Agreement in accordance with its record retention policy, as amended from time to time. Great-West shall make such records available to the Plan Sponsor for inspection and reproduction upon Plan Sponsor's reasonable advanced written request and at Plan Sponsor's expense.

E. Advisor Access to Records

To the extent that Galloway Asset Management, LLC ("Galloway") provides investment advisory services to the Plan or Participants, and Galloway wishes to have limited, read-only access to Great-West's recordkeeping system for purposes of reviewing Participant data, Plan Sponsor agrees to follow Great-West's normal, internal procedures for authorizing an investment advisor to access Participant information through Great-West systems

**IV. Plan Sponsor Responsibilities**

A. Plan Sponsor hereby acknowledges and agrees that Great-West may assign any interest in this Agreement to, and may utilize the services of, any affiliate within its controlled group to perform any services under this Agreement.

B. Plan Sponsor hereby appoints Great-West to exclusively provide the non-discretionary recordkeeping, communication and other services set forth in this Agreement for the Plan for the term of this Agreement.

C. Plan Sponsor agrees that if Plan Sponsor changes the reporting format for contribution reporting, two (2) weeks advance notice will be given by Plan Sponsor to test the new format before monies are remitted on the new file format. If Plan Sponsor does not provide two (2) weeks advance notice of the new reporting format, then contributions will be made effective two (2) Business Days from receipt of such monies sent in with the new file format.

D. Plan Sponsor authorizes that employees may be contacted at (his/her) home or business address to obtain information needed to perform the services set forth in this Agreement. Great-West understands that certain law enforcement personnel may have concerns about being contacted at their home address, and Great-West will follow any Plan Sponsor instructions in the event that the need arises to contact an employee.

- E. Plan Sponsor agrees to provide all information necessary for Great-West to perform its duties set forth in this Agreement.
- F. Plan Sponsor agrees to use its best efforts, including, if necessary, the termination of a participating investment provider(s), to secure and maintain the cooperation of the participating investment provider(s) in providing the timely and accurate transmittal of data, including providing daily interest rates and unit/share values, required by Great-West pursuant to its responsibilities to the Plan.
- G. Should Plan Sponsor choose a custodial or trust account, the trustee/custodian must be able to interface with the recordkeeping system in a "passive" role and all the monies must be sent to the omnibus custodial bank account. Plan Sponsor agrees to require trustee/custodian to provide all information in the possession of trustee/custodian that is necessary for the performance of the recordkeeping duties under this Agreement.
- H. Plan Sponsor agrees to facilitate the scheduling of group and individual presentations and to provide facilities at which both Plan Sponsor and Great-West mutually agree that satisfactory attendance can be expected.
- I. Plan Sponsor shall provide the necessary information required to provide compliance services.

#### **V. Indemnification and Limitation of Liability**

Great-West shall indemnify, defend, save and hold harmless the Plan Sponsor and its officers, officials, agents, and employees (hereinafter referred to as "Indemnatee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Great-West or any of their owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of Great-West to conform to any Federal, State or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by Great-West from and against any and all Claims. It is agreed that Great-West will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, Great-West agrees to waive all rights of subrogation against the Plan Sponsor, its officers, officials, agents, and employees for losses arising from the work performed by Great-West.

#### **VI. Insurance**

Great-West shall be fully responsible for providing Workers' Compensation or other applicable insurance coverage for itself and its employees and the Plan Sponsor shall have no responsibility of liability for such insurance coverage.

Great-West shall provide to the Plan Sponsor a certification of insurance showing Great-West to have in effect during the term of this Agreement, a General Liability Insurance policy, which shall be the primary coverage for Great-West activities under this Agreement. The coverage limits of such insurance shall not be less than those listed below.

The insurance company issuing the policy required above shall have an AM Best financial rating of "A-" or better and be authorized by the State of Arizona Department of Insurance to transact business within the State, unless otherwise approved by the Plan Sponsor. The certificate and policy shall name the Plan Sponsor as an additional insured and shall be primary and the Plan Sponsor's insurance/self-insurance shall be non-contributory coverage. The Plan Sponsor shall also be an additional insured to the full limits of the commercial and automobile liability insurance purchased by Great-West even if those limits are in excess of those required by this Agreement.

The Plan Sponsor reserves the right to terminate this Agreement if Great-West fails to maintain such insurance coverage.

Great-West must provide certification of insurance compliance within ten (10) calendar days after notification of award. Certification must include: name and address of insurance company; policy number; liability coverage amounts; a statement the policy will not be canceled or failed to be renewed by Great-West without thirty (30) days written notice to the Plan Sponsor.

Certification to be submitted to: Materials Management, 5850 West Glendale Avenue, Suite 317, Glendale, Arizona 85301.

Type of Insurance (Minimum)	Limits of Liability
Workers' Compensation	Statutory
Employer's Liability	
Each Accident	\$100,000
Disease-Each Employee	\$100,000
Disease-Policy Limit	\$500,000

Commercial General Liability shall cover liability arising from bodily injury, property damage, products-completed operations, personal and advertising injury, independent contractors, and broad form contractual coverage.

Each Occurrence	\$1,000,000
Personal and Advertising	\$1,000,000
General Aggregate	\$2,000,000
Products-Completed Operations	\$1,000,000

Automobile Liability – Including bodily injury and property damage for any owned, hired and non-owned vehicles used in the performance of the services:

Combined Single Limit (CSL)	\$1,000,000
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Professional Liability (Errors and Omissions) coverage shall apply to liability for a professional error, act or omission arising out of the scope of services as defined. Great-West accepts that any retroactive date under a claims-made policy shall precede the effective date of this Agreement, and that continuous coverage will be maintained until the time work under this Agreement is completed. The policy shall contain a waiver of subrogation in favor of the Plan Sponsor.

Per Claim	\$1,000,000
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Policy Aggregate

\$2,000,000

**VII. Workers Compensation**

Great-West shall be in full compliance with the provisions of the Arizona Workers' Compensation Law (Title 23, Chapter 6, Arizona Revised Statutes) as amended, and all rules and regulations of the Industrial Commission of Arizona made in pursuance thereof. Great-West shall secure payment of compensation to employees by insuring the payment of such compensation with the State Compensation Fund or any insurance company authorized by the Insurance Department of Arizona to transact business in the State of Arizona.

Great-West further agrees that they shall require any and all sub-contractor performing work under the agreement to comply with said Workers' Compensation Law. It is expressly understood and agreed that all persons employed directly or indirectly by the Great-West, or any of his sub-contractor(s), shall be considered the employees of Great-West or his sub-contractor(s), and not the employees of the Plan Sponsor.

**VIII. Notification**

All notices, requests, demands or other communications provided for or required by this Agreement (or any instrument or document delivered pursuant to this Agreement) will be in writing.

Notices to Great-West will be addressed as follows:

Great-West Retirement Services®, Charles P. Nelson, President and  
Beverly A. Byrne, Chief Compliance Officer  
8515 East Orchard Road, 10T2  
Greenwood Village, CO 80111

Notices to Plan Sponsor will be addressed as follows:

Jim Brown, or any successor Human Resource Director  
5850 West Glendale Avenue  
Glendale, Arizona 85301

With a copy to:

City Attorney  
City of Glendale  
5850 West Glendale Avenue  
Glendale, Arizona 85301

Each party may designate a different address by sending written notice to the other parties, to be effective within ten (10) days of the date of the notice.

**IX. Agreement Term and Termination**

This Agreement will take effect upon execution by both Plan Sponsor and Great-West (the "Effective Date"). This Agreement may be terminated upon thirty (30) days written notice by Plan Sponsor. This Agreement may be terminated upon one hundred eighty (180) days written notice by Great-West.

This Agreement will be in effect on March 1, 2013 or such later date as this Agreement has been signed by both Plan Sponsor and Great-West (the "Effective Date"). The term of the Agreement is for a period of five (5) years from March 1, 2013 through February 28, 2018. Plan Sponsor may, at its option and with the approval of Great-West, extend the term of this agreement two (2) additional years in one (1) year increments.

**X. Recordkeeping and Other Fees**

**A. Recordkeeping Fees**

The parties agree that an annual recordkeeping fee ("Recordkeeping Fee") of 0.115% of total Participant assets shall be payable to Great-West. This fee will be prorated and deducted quarterly from Participant accounts with a balance as of the calculation and processing date. Participants taking a full withdrawal prior to the quarterly deduction will be charged the quarterly fee at time of withdrawal.

**B. Revenue Sharing**

Fees that Great-West and/or one or more of its affiliates receives from mutual fund families and other investment providers for providing certain administrative or other services ("Revenue") shall be credited quarterly by Great-West to the accounts of Participants invested in the funds that pay such Revenue on the calculation and processing date. Beginning on the Effective Date, this Revenue will be prorated and calculated quarterly by multiplying each fund's quarterly revenue rate by the Participant's account balance in the fund as of the calculation date.

In addition, Great-West will pay to the Plan the following amounts:

- A one-time payment of \$45,000, plus the first ongoing annual payment of \$45,000. A total of \$90,000 will be paid to the unallocated plan account ("Plan Account") upon Plan set-up in 2013 to be used for Plan purposes as set forth in the Plan document and as instructed by Plan Sponsor. The assets in the Plan Account will be invested in a single investment option as specified by Plan Sponsor.
- An ongoing payment in the amount of \$45,000 annually. This amount will be paid to the Plan Account in quarterly installments starting in March 2014.

**C. Reconciliation and Reporting to Plan Sponsor**

Within sixty (60) calendar days of the end of each calendar quarter, Great-West shall prepare a reconciliation of the amount of all fees Great-West, and/or one or more of its affiliates, receives from mutual fund families and other investment providers for providing certain administrative or other services, and the applicable amount paid to Plan as outlined in Section B above.

**D. Loan Fees**

A \$50 loan origination fee will be deducted from the amount of each loan processed. In addition, a \$25.00 annual maintenance fee per loan will be deducted from the Participant's account in an amount of \$6.25 per quarter.

E. Bank Credit Disclosure

Great-West, or one of its affiliates, may earn credits and/or interest on Plan assets awaiting investment or pending distribution. Any credits or interest earned by Great-West are aggregated with credits and/or interest earned by Great-West affiliates and will be used to defray the aggregate expenses for the maintenance of bank accounts. Great-West will not retain credits and/or interest earned in excess of such maintenance expenses, but any such excess will be retained by the bank.

Credits and/or interest are earned from the use of (i) uninvested contributions received too late in the day or not received in good order to be invested same-day and (ii) proceeds from investment option redemptions where Plan distribution checks have not been presented for payment by Plan participants. Credits and/or interest (i) begin to accrue on contributions, on the date such amounts are deposited into the bank account and end on the date such amounts are invested pursuant to Plan participant instructions and (ii) begin to accrue on distributions, on the date the check is written or on the wire date, as applicable and end on the date the check is presented for payment or when the wire clears again the account, as applicable. Earnings of credits and/or interest are at the rate the bank provides from time to time.

F. Disclosure Services

1. Plan-Level Disclosures

Plan Sponsor acknowledges that Great-West will provide required fee and other disclosures under ERISA section 408(b)(2) and corresponding regulations electronically via the PSC or such other electronic means as may be designated by Great-West from time to time. Plan Sponsor agrees to ensure that there is at all times a person that is able and authorized to access the disclosure on Plan Sponsor's behalf.

G. Miscellaneous Fee Provisions

If Plan Sponsor selects a custodian or trustee that requires the procedures or services in this Agreement to change, Great-West reserves the right to adjust fees in this Section.

Should a Participant request an overnight delivery, Great-West will assess the Participant its current overnight delivery fee

Should a Participant request a payment via Automated Clearing House (ACH) for partial and full withdrawals, Great-West will assess the Participant its current ACH fee. Should a Participant request periodic payments via ACH, Great-West will not assess an ACH fee.

Should a Participant request a payment via wire for partial and full withdrawals, Great-West will assess the Participant its current wire fee.

A fee of \$250 for each QDRO reviewed and processed will be charged to the Participant and/or Alternate Payee as specified in the Plan's approved model QDRO. The Participant's portion of the fee will be deducted from the Participant's account

balance and the Alternate Payee's portion of the fee will be deducted from the Alternate Payee's account or from the lump sum distribution, as applicable.

An annualized fee of \$50 will be collected from each Participant utilizing the self-directed brokerage option, deducted quarterly from each Participant's account balance in an amount of \$12.50 per quarter. In addition, Participants selecting investment options in the self-directed brokerage option will be assessed separately by the self-directed brokerage option provider its fees, the management and other fees specific to each investment option selected, and the fees noted in this Section of this Agreement.

Plan Sponsor may direct Great-West in writing to assess a mutually agreeable per Participant fee, asset fee, or combination fee to Participants account balances. Such fee(s) may be deposited into an unallocated trust assets account to be used for plan purposes as set forth in the plan document and as directed in writing by Plan Sponsor. These assets may be invested in a single investment option and such fees may be adjusted annually as specified by Plan Sponsor, if applicable.

The parties agree that any services which Great-West is requested to perform beyond the scope of the services described in this Agreement shall be provided at a mutually agreed upon price negotiated prior to the performance of such services.

## **XI. Performance Guarantees**

Great-West agrees to the performance guarantees detailed in this section. Any non-performance fees that become payable due to Great-West's failure to meet any performance guarantee will be paid into the Plan Account.

<b><u>1. Transition Services (period from formal approval to fund transition)</u></b>
A. <b>Standard:</b> Answer phone calls from employer contact designee within 24 hours <u>and</u> propose method of measuring standard. <b>Date:</b> Transition Period. <b>Guarantee:</b> \$100 per incident for failure to return phone calls from employer contact designee within 24 hours.
B. <b>Standard:</b> Provide draft, customized contract (incorporating agreed-upon, proposed services). <b>Date:</b> 30 Days after formal approval by Plan Sponsor. <b>Guarantee:</b> \$1,000.
C. <b>Standard:</b> Respond, in writing with a copy to the employer, to phone or in-person complaints within 5 business days. <b>Date:</b> Transition Period. <b>Guarantee:</b> \$100 per incident of failure to respond to complaint within specified time. This will be for complaints that are not resolved within the five business days.
D. <b>Standard:</b> Comply with Sarbanes-Oxley Act requirements regarding notification of blackout period. <b>Date:</b> Transition period. <b>Guarantee:</b> \$1,000 plus the equivalent of any penalties that would be assessed.
E. <b>Standard:</b> Finalize performance standards and guarantees. Great-West will work with the Plan Sponsor to publish the performance guarantees on their intranet site.

<p><b>Date:</b> Provide final copy to employer within 30 days of being selected by employer.  <b>Guarantee:</b> \$500</p>
<p>F. <b>Standard:</b> Provided agreed upon training to employees and retirees within transition period.  <b>Date:</b> Transition period.  <b>Guarantee:</b> \$1,000</p>
<p><b><u>2. Transition Exit (period from notification of non-renewal to fund transition)</u></b></p>
<p>A. <b>Standard:</b> Upon termination, provide: 1) last four quarters of transaction reports, 2) current account balances, 3) past 12 months distribution and deferral information and 4) loan or other outstanding payment amounts.  <b>Date:</b> Within 30 business days after termination, provide report on <b>secured</b> disk, tape or internet.  <b>Guarantee:</b> \$1,000 for initial failure to provide and \$500 per day thereafter.</p>
<p>B. <b>Standard:</b> Upon termination, provide information as described in RFP Section 8 on disk, tape or internet.  <b>Date:</b> Within 30 days of request.  <b>Guarantee:</b> \$1,000 on failure to provide information within timeframe.</p>
<p><b><u>3. Customer Services</u></b></p>
<p>A. <b>Standard:</b> Telephone calls to service center(s) will be answered within 90 seconds 90% of the time. (Propose method of measuring standard).  <b>Date:</b> Transition Period.  <b>Date:</b> Quarterly summary / review due before the end of the month following the quarter.  <b>Guarantee:</b> \$1,000 per year for failure to meet annual, calendar year average.</p>
<p>B. <b>Standard:</b> Participant statements will be mailed within 10 business days after quarter-end.  <b>Date:</b> Quarterly.  <b>Guarantee:</b> \$5 per participant per quarter for each statement postmarked after 10 business days.</p>
<p>C. <b>Standard:</b> Finalize customized web within parameters specified in RFP 5.2B site providing hot link between employer and provider websites and draft participant communication advertising site content and way to access.  <b>Date:</b> Due 60 days after implementation.  <b>Guarantee:</b> \$500 for failure to provide live web site and participant announcement by end of 3<sup>rd</sup> month after implementation.</p>
<p>D. <b>Standard:</b> Process investment fund transfers, contribution reconciliation and posting within one business day <u>and</u> propose method of measuring standard.  <b>Date:</b> Annual report due 31 days after each 12 month period from fund transition.  <b>Guarantee:</b> Maximum \$1,000 for failure to meet agreed-upon standard.</p>
<p>E. <b>Standard:</b> Process hardship distributions, rollover requests, in-service distributions, retiree distribution requests within 5 working days of acceptable documentation <u>and</u> propose method of measuring standard.  <b>Date:</b> Annual summary of performance by provider.  <b>Guarantee:</b> \$1,000 annually for failure to meet standard in 90% of actions.</p>
<p>F. <b>Standard:</b> Review plan documents for legal, legislative compliance, identify policy issues between employer and provider and summarize, in writing, any</p>

recommended changes to documents.

**Date:** Within 180 days of fund transition and annually thereafter.

**Guarantee:** \$500 for failure to provide each written summary.

G. **Standard:** Review investment policy and summarize, in writing, any recommended changes.

**Date:** Annually with fund evaluation results.

**Guarantee:** \$500 for failure to provide review / summary within specified timeframe.

H. **Standard:** Provide written proposal of services and draft plan for ongoing participant communication utilizing internet educational resources (e.g. internet or computer based training).

**Date:** Within 180 days of fund transition.

**Guarantee:** \$500 for failure to provide proposal within timeframe.

#### **4. Reports**

A. **Standard:** Provide written summary of Quarterly Reports (as described in RFP Section 7.2) to employer.

**Date:** Mailed within 30 days of quarter-end.

**Guarantee:** \$500 per failure to provide reports by specified date.

B. **Standard:** Provide written draft proposal for recommended reports that will be available to employer online (internet) including proposed access protocols.

**Date:** Within 90 days of fund transition.

**Guarantee:** \$500 for failure to provide written draft proposal within specified time.

C. **Standard:** Provide written Plan / Participant Enhancement Services (as described in RFP Section 7.5) to employer.

**Date:** Annual Summary at time of Investment Review.

**Guarantee:** \$1,000 per month for failure to provide written report within specified time.

D. **Standard:** Conduct training of employer-designated personnel on access to online reports and use of reporting capability.

**Date:** Within 120 days of fund transition

**Guarantee:** \$500 for failure to provide training within specified time

#### **5. Surveys**

A. **Standard:** Draft survey.

**Date:** Draft due by end of 4<sup>th</sup> month after implementation.

**Guarantee:** \$500 if failure to provide draft survey.

B. **Standard:** Distribute survey to all plan participants.

**Date:** Distribution by end of 6<sup>th</sup> month after implementation.

**Guarantee:** \$500 if failure to mail 30 days from date of final agreed upon survey content.

C. **Standard:** Analyze survey results, provide executive summary and recommended actions.

**Date:** Complete by end of 8<sup>th</sup> month after implementation.

**Guarantee:** \$1,000 if Executive Summary and Recommended Actions are not provided within timeframe.

D. **Standard:** Repeat survey process steps described above for surveys at 24 and 36 months after implementation.

**Date:** Executive Summary and Recommended Actions due by end of 24<sup>th</sup> and 36<sup>th</sup> month after implementation.

**Guarantee:** \$1,000 for failure to provide Executive Summary and Recommended Actions by 24<sup>th</sup> and 36<sup>th</sup> month.

E. **Standard:** Survey results will average Satisfactory or Above and will be incorporated into Executive Summary and Recommended Actions document.

**Date:** Due by 8<sup>th</sup>, 24<sup>th</sup> and 36<sup>th</sup> month after implementation

**Guarantee:** \$1,000 for any survey results that fail to meet Satisfactory or Above

## 6. Educational Services

A. **Standard:** Provide training to all decision-makers and administrative staff on 404(c) requirements.

**Date:** 90 after fund transition.

**Guarantee:** \$500 for failure to provide on-site training within timeframe.

B. **Standard:** Propose and schedule first year on-site training sessions and content of training for decision-makers and administrative personnel. Great-West will provide training no less often than quarterly upon request by the Plan Sponsor.

**Date:** Proposal within 90 after fund transition and educational programs quarterly thereafter.

**Guarantee:** \$500 for failure to provide proposed training and \$500 for failure to provide four training sessions in any year of contract.

C. **Standard:** Develop and schedule new decision-maker training for employer identified new Committee members or administrative staff.

**Date:** Provide half-day on-site training for identified new personnel within 30 days of notification by Plan Sponsor.

**Guarantee:** \$500 for failure to provide training within specified timeframe.

D. **Standard:** After implementation, provide mutually agreeable number of educational seminars annually to participants.

**Date:** Within 90 days after fund transition.

**Guarantee:** \$1,000 for failure to provide agreed-upon number of onsite group seminars.

E. **Standard:** After implementation, provide newsletters to plan participants regarding plan benefits / issues.

**Date:** Quarterly.

**Guarantee:** Annual \$500 penalty for failure to provide quarterly newsletters

F. **Standard:** Provide representative on site for mutually agreeable number of days per month to meet with plan participants.

**Date:** Monthly.

**Guarantee:** \$1,000 per year in agreed-upon number of days is not provided for 3 or more months.

G. **Standard:** Provide draft PowerPoint and / or other communication material for transition specifically proposed for group meetings separated for employees / retirees.

**Date:** 30 Days after formal approval.

**Guarantee:** \$500 for initial failure to provide within 30 days after formal approval and \$500 per day thereafter.

H. **Standard:** Draft communication to plan participants describing investment advice services and access.

**Date:** Within 60 days of fund transition.

**Guarantee:** \$500 for initial failure to provide within 60 days after formal approval

and \$500 per day thereafter.
I. <b>Standard:</b> Recommend, in writing, steps provider and employer may take to communicate and coordinate information regarding defined benefits offered through the employer and available fund options. <b>Date:</b> Within 180 days of fund transition. <b>Guarantee:</b> \$1,000 for failure to provide within specified time.
J. <b>Standard:</b> Provide one half-day session per quarter to employer decision-making and administrative personnel on mutually agreeable topics. Great-West will provide these upon request of the Committee on topics of interest to the Committee. <b>Date:</b> Quarterly. <b>Guarantee:</b> \$250 per quarter if education sessions are not provided.
<b><u>7. Miscellaneous Performance Standards / Guarantees</u></b>
A. <b>Standard:</b> Provide web site copy listing final agreed-upon Performance Standards / Guarantees. <b>Date:</b> Implementation Date and 30 days after any mutually agreed-upon revisions. <b>Guarantee:</b> \$500 for each failure to provide web-ready document to employer.
B. <b>Standard:</b> Provide agreed upon number of written copies of final agreed-upon Performance Standards / Guarantees to employer for distribution. <b>Date:</b> Implementation Date and 30 days after any mutually agreed-upon revisions. <b>Guarantee:</b> \$500 for each failure to provide specified number of copies of final agreed-upon Performance Standards / Guarantees.
C. <b>Standard:</b> Provide annual written summary of all Performance Standards / Guarantees categories and results to employer and as a web document for communication to plan participants. <b>Date:</b> 30 days after annual anniversary of implementation. <b>Guarantee:</b> \$1,000 for failure to provide web-ready document within specified timeframe.
D. <b>Standard:</b> Recommend, in writing, to employer any modifications / enhancements to Performance Standards / Guarantees. <b>Date:</b> 30 days after annual anniversary of implementation. <b>Guarantee:</b> \$1,000 for failure to provide written recommendations.
E. <b>Standard:</b> Encrypt all laptops and remote computers carrying Plan Sponsor participant information and provide written quarterly reports on any compromise of data that occurs. <b>Date:</b> Immediate notification of any data compromise (within 24 hours of provider knowledge of compromise) and quarterly written reports. <b>Guarantee:</b> \$100 for each participant information compromised and/or \$1,000 for each quarter in which report not provided.

## **XII. Modification and Consent**

No modification of any provision of this Agreement and no consent by any party to any deviation from its terms by any other party will be effective unless such modification or consent is in writing and signed by all parties. The modification or consent will be effective only for the period, on the conditions and for the specific instance and purposes specified in such writing. The waiver of any breach of any term or condition in this Agreement will not be deemed a waiver of any prior or subsequent breach. For purposes of this section of this Agreement, writing signed by the parties shall be deemed to include electronic mail transmissions only if

such transmissions include pdf or other facsimile transmissions clearly reproducing the manual signature of an officer of each party who is authorized to execute an amendment of this Agreement and specifically referencing this section of this Agreement.

### **XIII. Dispute Resolution**

- A. Mediation: If there is a dispute arising out of or relating to this Agreement, the parties will make a reasonable and good faith effort to negotiate between themselves a resolution of the matter. If the parties are unable to agree between themselves, and to the extent that the parties are not legally barred from entering into mediation, the parties shall endeavor to resolve any dispute out of or relating to this Agreement by participating in non-binding mediation. The mediation shall be conducted by a private mediator agreed to by both parties or, if the parties cannot agree, by a mediator selected by JAMS ("Judicial Arbitration and Mediation Services") or another nationally recognized, independent arbitration or mediation organization to which the parties mutually agree. The cost of any agreed upon mediation shall be borne equally by the parties, and each party shall pay its own expenses.
- B. Litigation: If the dispute has not been resolved by non-binding mediation as provided for in paragraph A above, within ninety (90) days of the initiation of such procedure, either party may initiate litigation; provided, however, that if one party has requested the other party to participate in mediation and the other party rejects the proposal to participate, the requesting party may initiate litigation before the expiration of the above period.

### **XIV. Entire Agreement**

This document and any subsequent amendments thereto represent the entire agreement between the parties with respect to the subject matter of this Agreement. Great-West may amend this Agreement without Plan Sponsor's approval or signature, as required to comply with changes to applicable law, and with notice of such changes to Plan Sponsor. No other amendments shall be made to this Agreement except as mutually agreed to in writing and signed by the authorized agents of each party.

### **XV. Governing Law**

This Agreement will be construed and enforced in accordance with and governed by the laws of the State of Arizona.

### **XVI. Severability**

The provisions of this Agreement are severable, and if for any reason, a clause, sentence or paragraph of this Agreement will be determined to be invalid by a court or federal or state agency, board or commission having jurisdiction over the subject matter thereof, such invalidity will not affect other provisions of this Agreement which can be given effect without the invalid provision.

### **XVII. Authorized Persons**

Plan Sponsor and any duly appointed investment advisor(s) will furnish a list to Great-West (and from time to time whenever there are changes therein) of the individuals authorized to transmit instructions to Great-West concerning the Plan and/or assets in the account, and written direction regarding the form of such instructions.

### **XVIII. Legal Advice**

Nothing in this Agreement is intended to constitute legal or tax advice from Great-West to Plan Sponsor or any other party.

### **XIX. Force Majeure**

None of the parties hereto shall be liable to the other for any and all losses, damages, costs, charges, counsel fees, payments, expenses or liability due to delay or interruption in performing its obligations hereunder, and without the fault or negligence of such party, due to causes or conditions beyond its control including, without limitation, labor disputes, riots, war and war-like operations including acts of terrorism, epidemics, explosions, sabotage, acts of God, failure of power, fire or other casualty, natural disasters or disruptions in orderly trading on any relevant exchange or market, including disruptions due to extraordinary market volume that result in substantial delay in receipt of correct data.

### **XX. Immigration Law Compliance**

Great-West, and on behalf any subcontractor, warrants, to the extent applicable under Arizona Revised Statutes ("A.R.S.") Section 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. Section 23-214(A) which requires registration and participation with the E-Verify Program. Any breach of warranty described above is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement. Plan Sponsor retains the legal right to inspect the papers of Great-West or subcontractor employee who performs work under this Agreement to ensure that Great-West or any subcontractor is compliant with the warranty described above. Plan Sponsor may conduct random inspections, and upon request of the Plan Sponsor, Great-West shall provide copies of papers and records demonstrating continued compliance with the warranty described above. Great-West agrees to keep papers and records available for inspection by the Plan Sponsor during normal business hours and will cooperate with Plan Sponsor in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this Section. Great-West agrees to incorporate into any subcontracts under this Agreement the same obligations imposed upon itself and expressly accrue those obligations directly to the benefit of the Plan Sponsor. Great-West also agrees to require any subcontractor to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the Plan Sponsor. Great-West's warranty and obligations under this Section I to the Plan Sponsor is continuing throughout the term of this Agreement or until such time as the Plan Sponsor determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement. The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

### **XXI. Subcontracting**

This Agreement or any portion thereof shall not be sub-contracted without the prior written approval of the Plan Sponsor's Materials Manager. No such approval will be construed as making the Plan Sponsor a party of or to such sub-contract, or subjecting the Plan Sponsor to liability of any kind to any sub-contractor. No sub-contract shall, under any circumstances, relieve the contractor of liability and obligation under this contract; and despite any such

subletting the Plan Sponsor shall deal through Great-West. Sub-contractors will be dealt with as workmen and representatives of Great-West.

**XXII. Responsibility for Compliance with Legal Requirements**

Great-West's products, services, and facilities shall be in full compliance with all applicable Federal, State, and local health, environmental, and safety laws, regulations, standards, and ordinances, regardless of whether or not they are referred to by the Plan Sponsor.

**XXIII. Patents**

Great-West agrees to defend Plan Sponsor at Great-West's own expense, in all suits, actions, or proceedings in which Plan Sponsor is made a defendant for actual or alleged infringement of any United States of America or foreign letters patent resulting from Plan Sponsor's use of the goods purchased as a result of this Agreement. Great-West further agrees to pay and discharge any and all judgments or decrees, which may be rendered in any such suit, action or proceedings against Plan Sponsor. Great-West agrees to indemnify and hold harmless the Plan Sponsor from any and all license, royalty and proprietary fees or costs, including legal costs, which may arise out of Plan Sponsor's purchase and use of goods supplied by the seller. It is expressly agreed by Great-West that these covenants are irrevocable and perpetual.

**XXIV. Prohibitions**

Great-West, and on behalf any subcontractor, certifies, to the extent applicable under A.R.S. Sections 35-391 et seq. and 35-393 et seq., that neither has, and neither will have during the term of this Agreement, "scrutinized" business operations, as defined in the proceeding statutes, in the countries of Sudan or Iran.

**XXV. Conflicts**

This Agreement is subject to cancellation for conflicts of interest under the provisions of A.R.S. § 38-511, as required by Arizona law.

**XXVI. Signatures**

By signing this Agreement, in duplicate, the parties certify that they have read and understood it, that they agree to be bound by the terms of the Agreement, that they have the authority to sign it, and that they have received a signed and dated copy of the Agreement. This Agreement is not binding on either party until approved by both parties.

*(Signatures on Following Page)*

The parties enter this Agreement as of the Effective Date, as defined herein.

City of Glendale,  
an Arizona municipal corporation

By: Horatio Skuts

Its: ACTING CITY MANAGER

ATTEST:

  
City Clerk (Seal)

Approved as to form:

  
City Attorney

Great-West Life & Annuity Insurance Company,  
a Colorado corporation,

By: 

Its: VICE PRESIDENT GOVERNMENT MKTS.

**Initial Authorized Investment Option Exhibit- January 2013**

<b>Initial Authorized Investment Option Name</b>	<b>Ticker Symbol</b>	<b>Initial Authorized Investment Option Name</b>	<b>Ticker Symbol</b>
Great-West Guaranteed Government Fund	N/A	Vanguard Target Retirement Income Inv	VTINX
Oppenheimer Developing Markets Y	ODVYX	Vanguard Target Retirement 2010 Inv	VTENX
Thornburg International Growth R5	TINFX	Vanguard Target Retirement 2015 Inv	VTXVX
MFS International Value R4	MINHX	Vanguard Target Retirement 2020 Inv	VTWNX
Calamos Global Equity I	CIGEX	Vanguard Target Retirement 2025 Inv	VTTVX
Janus Triton T	JATTX	Vanguard Target Retirement 2030 Inv	VTHRX
Fidelity Small Cap Discovery	FSCRX	Vanguard Target Retirement 2035 Inv	VTTHX
Victory Small Company Opportunity I	VSOIX	Vanguard Target Retirement 2040 Inv	VFORX
Prudential Jennison Mid Cap Growth Z	PEGZX	Vanguard Target Retirement 2045 Inv	VTIVX
JPMorgan Mid Cap Value Instl	FLMVX	Vanguard Target Retirement 2050 Inv	VFIFX
JPMorgan Large Cap Growth R5	JLGRX	Vanguard Target Retirement 2055 Inv	VFFVX
Wells Fargo Advantage Large Cap Gr I	STNFX	Vanguard Target Retirement 2060 Investor	VTTSX
Dreyfus Appreciation	DGAGX	AllianceBern Global Bond I	ANAIX
Parnassus Equity Income - Inst	PRILX	PIMCO Income Adm	PIINX
Hartford Equity Income Y	HQIYX	Metropolitan West Total Return Bond I	MWTIX
Columbia Dividend Opportunity Z	CDOZX	Columbia Small Cap Index Z (Idx)	NMSCX

		Columbia Mid Cap Index Z (Idx)	NMPAX
		Columbia Large Cap Index Z (Idx)	NINDX

**Plan Sponsor's approved model form of Qualified Domestic Relations Order ("QDRO")**

This is a Model Qualified Domestic Relations Order ("Model QDRO") that has been preapproved by Great-West for use by the Plan for outsourced Qualified Domestic Relations Order ("QDRO") services. Although this Model QDRO conforms with Federal QDRO requirements, it may need to be revised for state and/or local law and/or the specific requirements of the Plan itself. Further, the format of the Qualified Domestic Relations Order may vary depending upon the rules of the court in which the Participant obtains the Domestic Relations Order. For these reasons, this Model QDRO should be used only by the Plan after consultation with the Plan's counsel. Any revisions to the Model QDRO must be submitted to Great-West for approval for use with our outsourced QDRO services. Nothing contained in this Model QDRO shall be construed as tax or legal advice.

It is recommended that a proposed version of this order be submitted to Great-West with the body of the order filled in prior to entry of this order for purposes of your obtaining Great-West's preapproval of the proposed order.

Proposed and entered orders should be remitted to the Plan Recordkeeper as follows:

Great-West Retirement Services®  
P.O. Box 173764  
Denver, CO 80217-3764  
Fax # (866) 745-5766

.....COURT, CITY OF ... .., COUNTY OF .....

STATE OF .....

IN RE THE MARRIAGE OF:

.....

No. ....

Petitioner, )  
and )  
Respondent

**QUALIFIED DOMESTIC RELATIONS ORDER**

AND NOW, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, based on the findings set forth below,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

- Parties.** The parties hereto were husband and wife, and a divorce action is in this Court at the above number. This Court has personal jurisdiction over the parties. The parties were married on \_\_\_\_\_ and divorced on \_\_\_\_\_.
- Participant Information:** The name, last known address, social security number and date of birth of the plan "Participant" are:
- Alternate Payee Information** The name, last known address, and social security number of the "Alternate Payee" are:

The Alternate Payee is the Participant's former spouse. The Alternate Payee shall have the duty to notify the Plan Administrator and/or Recordkeeper of any changes in mailing address subsequent to the entry of this Order.

- Plan Name.** The name of the Plan to which this Order applies is the City of Glendale Deferred Compensation Plan, (hereafter referred to as "Plan").

Any changes in the Plan Administrator, Plan Sponsor, or name of the Plan shall not affect Alternate Payee's rights as stipulated under this Order

5. **Effect of this Order as a Qualified Domestic Relations Order:** This Order creates and recognizes the existence of an Alternate Payee's right to receive a portion of the Participant's benefits payable under an employer-sponsored defined contribution plan that is qualified under Section 457 of the Internal Revenue Code (the "Code"). It is intended to constitute a Qualified Domestic Relations Order ("QDRO") under Section 414(p) of the Code
6. **Pursuant to State Domestic Relations Law:** This Order is entered pursuant to the authority granted in the applicable domestic relations laws of Arizona.
7. **Provisions of Marital Property Rights:** This Order relates to the provision of marital property rights as a result of the Order of Divorce between the Participant and the Alternate Payee.
8. **Amount of Alternate Payee's Benefit:** This Order assigns to the Alternate Payee an amount equal to [choose either option 8A1 or 8A2 below]:

8A1 \$\_\_\_\_\_ of the Participant's Total Account Balance under the Plan as of the date this Order is processed

**OR**

8A2 \$\_\_\_\_\_(dollars and cents) or \_\_\_\_% (percent)] of the Participant's Total Account Balance accumulated under the Plan as of \_\_\_\_\_ (or the closest valuation date thereto) The Alternate Payee's benefit herein awarded shall be credited with any investment income (or losses) attributable thereon from the aforesaid valuation date (or the closest valuation date thereto), until the date of transfer of the Alternate Payee's share to the Alternate Payee.

(Note to drafting attorney: The Plan's current recordkeeper is not able to determine the value of the Participant's account balance and any investment earnings and/or losses prior to \_\_\_\_\_ The parties will need to arrive at a dollar figure or percentage of benefits payable to the Alternate Payee as of a date that is no earlier than \_\_\_\_\_. The Plan's current recordkeeper can determine the account value and calculate any earnings and/or losses from \_\_\_\_\_ through the date assets are transferred or distributed to the Alternate Payee. Keep in mind that if you must adjust the valuation date forward and a percentage is awarded to the Alternate Payee in this section, you should consider whether to adjust the Alternate Payee's awarded percentage to account for any additional contributions (and any gains/losses accruing thereon) made by or for the Participant to the account after the originally intended valuation date )

Such Total Account Balance shall be determined after the account is reduced by the outstanding balance of the Participant's account reduction loan(s), if any, as of the valuation date specified above, such that the Account Balance shall not include the outstanding balance of any account reduction loan(s) as of the valuation date. The obligation to repay any Participant Plan loan(s) from and after the date of this Order remains solely with the Participant.

Such Total Account Balance shall include all amounts maintained under all of the various accounts and/or sub-accounts established on behalf of the Participant, including rollover and transfer contributions. The Alternate Payee's portion of the benefits described above shall be allocated on a prorata basis first from all of the core accounts and/or core investment options maintained under the Plan on behalf of the Participant The Alternate Payee's portion of the benefits described above shall be allocated on a prorata basis first from all of the core accounts and/or core investment options maintained under the Plan on behalf of the Participant other than Self-Directed Brokerage (SDB), if any. If the balance in the core investments is insufficient to satisfy the judgment, Participant must initiate a transfer the amount needed to satisfy the judgment from the SDB into the core investments. If participant fails to initiate the transfer, or if the transfer is insufficient to satisfy the judgment, one hundred percent (100%) of the Money Market Fund will be transferred to the core investments. If the

balance is still insufficient to satisfy the judgment, the entire SDB account may be liquidated and transferred to the core investments.

Unless the Alternate Payee elects an immediate lump sum distribution by the Plan at the time this Order is submitted to, and approved by, the Plan, such benefits shall also be segregated and separately maintained in a nonforfeitable Account(s) established on behalf of the Alternate Payee. This Account(s) will initially be established proportionately in the same core investment options as the Participant account. Alternate Payee may make subsequent investment selections as and when permitted under the terms of the Plan. Alternate Payee's account shall experience gains and or losses according to the investment experience of the investment options in which Alternate Payee's share is invested

9. **Commencement Date and Form of Payment to Alternate Payee:** If the Alternate Payee so elects on an appropriate form, the benefits shall be paid to the Alternate Payee as soon as administratively feasible following the date this Order is approved as a QDRO by the Plan. Benefits will be payable to the Alternate Payee in any form or permissible option otherwise available to participants under the terms of the Plan, except a joint and survivor annuity. The Alternate Payee will be responsible for paying any applicable withdrawal charges imposed under any investment account(s) with respect to his or her share under the plan.
10. **Alternate Payee's Rights and Privileges:** On and after the date that this Order is deemed to be a QDRO, but before the Alternate Payee receives a total distribution under the Plan, the Alternate Payee shall be entitled to all of the rights and election privileges that are afforded to Plan beneficiaries, including, but not limited to, the rules regarding the right to designate a beneficiary for death benefit purposes and the right to direct Plan investments, only to the extent permitted under the provisions of the Plan.
11. **Death of Alternate Payee:** In the event of the Alternate Payee's death prior to receiving the full amount of benefits assigned under this Order and under the benefit option chosen by the Alternate Payee, such Alternate Payee's beneficiary(ies), as designated on the appropriate form provided to the Plan or, in the absence of a beneficiary designation, the remainder of any unpaid benefits under the terms of this Order shall be paid in accordance with the terms of the Plan.
12. **Death of Participant:** Should the Participant predecease the Alternate Payee, such Participant's death shall in no way affect the Alternate Payee's right to the portion of the benefits as stipulated herein.
13. **Savings Clause:** This Order is not intended, and shall not be construed in such a manner as to require the Plan.
  - a. to provide any type or form of benefits or any option not otherwise provided under the Plan;
  - b. to provide increased benefits to the Alternate Payee;
  - c. to pay any benefits to the Alternate Payee which are required to be paid to another alternate payee under another order previously determined to be a QDRO, or
  - d. to make any payment or take any action which is inconsistent with any federal or state law, rule, regulation or applicable judicial decision
14. **Certification of Necessary Information:** All payments made pursuant to this Order shall be conditioned on the certification by the Alternate Payee and the Participant to the Plan of such information as the Plan may reasonably require from such parties.
15. **Continued Qualified Status of Order:** It is the intention of the parties that this QDRO continue to qualify as a QDRO, as it may be amended from time to time, and that the Plan shall reserve the right to reconfirm the qualified status of the Order at the time benefits become payable hereunder.
16. **Tax Treatment of Distributions Made Under This Order:** For purposes Sections 402(a)(1) and 72 of the Code, or any successor Code section, any Alternate Payee who is the spouse or former spouse of

the Participant shall be treated as the distributee of any distribution or payments made to the Alternate Payee under the terms of this Order, and as such, will be required to pay the appropriate federal income taxes on such distribution

- 17. **Parties Responsibilities in Event of Error:** In the event that the Plan inadvertently pays the Participant any benefits that are assigned to the Alternate Payee pursuant to the terms of this Order, the Participant shall immediately reimburse the Alternate Payee to the extent that the Participant has received such benefit payments by paying such amounts directly to the Alternate Payee within ten (10) days of receipt.

In the event that the Plan inadvertently pays the Alternate Payee any benefits that are to remain the sole property of the Participant pursuant to the terms of this Order, if the Participant has experienced a distributable event under the terms of the Plan, the Alternate Payee shall immediately reimburse the Participant to the extent that the Alternate Payee has received such benefit payments by paying such amounts directly to the Participant within ten (10) days of receipt. If the Participant has not experienced a distributable event under the terms of the Plan, the Alternate Payee shall immediately return such overpayment to the Plan within ten (10) days of receipt.

- 18. **Effect of Plan Termination:** In the event of a Plan termination, the Alternate Payee shall be entitled to receive his or her portion of the Participant's benefits as stipulated herein in accordance with the Plan's termination provisions for participants and beneficiaries.

- 19. **Continued Jurisdiction:** The Court retains jurisdiction over this matter to amend this Order to establish or maintain its status as a qualified domestic relations order, as amended and the original intent of the parties as stipulated herein. The Court shall also retain jurisdiction to enter such further orders as are necessary to enforce the assignment of benefits to the Alternate Payee as set forth herein.

- 20. **Fee:** A processing fee of \$250.00 shall be charged one-half (\$125.00) against the Alternate Payee's share/account and one-half (\$125.00) against the Participant's remaining account. In the event that the Alternate Payee is awarded 100% of the Participant's account balance as of the date this Order is processed pursuant to this Order, the entire processing fee shall be charged to the Alternate Payee's account/share. If there are not sufficient funds in either party's account to pay that party's respective share of the fee, the difference shall be charged to the other party.

BY THE COURT:

.....  
JUDGE

.....  
Petitioner

.....  
Respondent

## **Procedures for Complying with Fund Company Market Timing and Excessive Trading Policies**

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The prospectuses, policies and/or procedures of certain fund companies require retirement plan providers offering their fund(s) to agree to restrict market timing and/or excessive trading ("prohibited trading") in their funds. The following procedures describe how we, as your recordkeeper, will comply with fund company instructions designed to prevent or minimize prohibited trading.

Various fund companies instruct intermediaries to perform standardized trade monitoring while others perform their own periodic monitoring and request trading reports when they suspect that an individual is engaging in prohibited trading. If an individual's trading activity is determined to constitute prohibited trading, as defined by the applicable fund company, the individual will be notified that a trading restriction will be implemented if prohibited trading does not cease. (Some funds may require that trading restrictions be implemented immediately without warning, in which case notice of the restriction will be provided to the individual and plan, if applicable). If the individual continues to engage in prohibited trading, the individual will be restricted from making transfers into the identified fund(s) for a specified time period, as determined by the applicable fund company. Individuals are always permitted to make transfers out of the identified fund(s) to other available investment options. When the fund company's restriction period has been met, the individual will automatically be allowed to resume transfers into the identified fund(s).

Additionally, if prohibited trading persists, the fund company may reject all trades initiated by the plan, including trades of individuals who have not engaged in prohibited trading.

Note: certain plan sponsors have or may elect to implement plan level restrictions to prevent or minimize individual prohibited trading. To the extent that such procedures are effective, we may not receive requests for information from the fund companies or requests to implement the restrictions described above.

10/16/07

## Business Continuity Plans Notice

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GWFS Equities, Inc., (GWFS) a wholly owned subsidiary of Great-West Life & Annuity Insurance Company and an affiliate of First Great-West Life & Annuity Insurance Company\*, maintains a comprehensive business continuity plan designed to respond reasonably and effectively to events that lead to significant business disruption, such as natural disasters, power outages, or other events of varying scope. This plan defines critical functions and systems, alternate work locations, vital books and records, and staff resources, and provides for the continuation of business operations with minimal impact, depending on the severity and scope of the disruption. The plan is reviewed and tested no less than once annually to ensure that the information in the plan is kept current and that documented recovery and continuity strategies adequately support its business operations. Of utmost importance to the plan is the ability for customers to maintain access to securities accounts and assets in those accounts.

In the event that one of the Call Centers or back office operation facilities becomes unavailable for any reason, calls would be re-routed to one of the firm's alternative call center or operations facilities.

In the event of a significant business disruption to the primary office and/or data center, access to customer accounts will be provided via the Company's Web site and voice response system, operated from an alternative data center. Customer Service will continue to be provided by re-routing telephone calls to a Call Center located in one or more alternative sites located outside of the region.

While no contingency plan can eliminate the risk of business interruption, or prevent temporary delays with account access, the firm's continuity plan is intended to mitigate all reasonable risk and resume critical business operations within 24 hours or the next business day, whichever is later.

\* Record keeping and administrative services are provided by Great-West Life & Annuity Insurance Company, or one of its affiliates. Securities offered in your account may be offered through another broker/dealer firm other than GWFS Equities, Inc. Please contact your investment provider for more information if needed.

This disclosure is subject to modification at any time. The most current version of this disclosure can be found on the Web site or can be obtained by requesting a written copy by mail.

## Privacy Notice Exhibit

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### The Great-West Family of Companies

Great-West Life & Annuity Insurance Company  
The Great-West Life Assurance Company (US operations)  
First Great-West Life & Annuity Insurance Company  
Advised Assets Group, LLC  
GWFS Equities, Inc. ‡  
The Canada Life Assurance Company (US operations)  
Emjay Corporation  
Emjay Retirement Plan Services, Inc.  
FASCore, LLC  
Great-West Life & Annuity Insurance Company of South Carolina  
GW Capital Management, LLC  
Maxim Series Fund, Inc.  
National Plan Coordinators of Delaware, Inc ‡  
Great-West Healthcare of Georgia, Inc. \*  
Orchard Trust Company, LLC  
Westkin Properties Ltd.

‡ www.gwrs.com

\* www.greatwesthealthcare.com

Revised 10/2009 (standard + CA)

**The Great-West Family of Companies** protects your privacy. We have strict policies to keep your nonpublic personal information private. We may share it with affiliates and third parties that we do business with, and in other ways permitted by law.

**Information We Collect** We collect and store information. It comes from forms that you complete, from business you have conducted with us and other parties we do business with and from consumer and insurance reporting companies.

**Security of Your Information.** We have physical, administrative, and technical safeguards in place to protect your privacy

**Access to Information.** The only employees who have access to your records are those who need it for business reasons

**Our Information Sharing Practices.** We limit the information we share and the parties we share it with. We share your information to help you do business with us. What we share depends on the types of products or services you request. For example, we may share information

- from business forms that you complete (such as your name, address, SSN, plan or ID number, assets and income from your application)
- about your business with us, or others (such as your policy or contract coverage and benefits and payment history)
- about your relationship with us (such as the products or services you purchased)
- from your employer, benefit plan sponsor, or group product (such as your name, address, SSN, plan or ID number and age)
- from consumer and insurance reporting organizations (such as your credit, financial or health history; please note, these organizations may retain information provided to us and disclose it to others)
- from other third parties (such as health and demographic information)
- from visitors to our Web sites (such as information you provide online by completing forms, site visit data and "cookies")

**Sharing of Health Information.** We won't share your health information, unless such sharing is permitted or required by law. For a description of how we share your health information, please contact our Privacy Officer at the address noted below.

**Sharing Information with Other Parties.** You may permit us to share your information with other parties. Your information may be shared without your consent with our affiliates and other third parties if permitted by law. We do not share your information for any purpose that requires an opt-in or opt-out.

Our affiliates are listed and include, but are not limited to, our broker-dealers and our trust company. Your information may be shared to serve you better or to make it easier for you to do

business with us.

We may also share your information with vendors and financial institutions. Vendors perform services for us such as processing transactions. Financial institutions such as banks have marketing agreements with us. We have agreements with these parties requiring them to protect the privacy of your information. They are not allowed to use the information other than as specified or permitted by law.

Other disclosures that may be made without your consent, include:

- To detect or prevent fraud & other criminal activity;
- To a medical professional for eligibility or audit purposes;
- In response to a question from a government agency;
- For purposes otherwise permitted or required by law;
- In response to a subpoena or court order;
- To a group policy holder to report claims experience or for an audit;
- In connection with a sale or merger of all or part of our business,
- To a government agency to determine your eligibility for benefits they may have to pay for,
- To a peer review committee to evaluate a medical professional,
- To a certificate holder or policyholder to provide information about the status of a transaction.

**Our Treatment of Information about Former Customers.** If our relationship ends, we will not share your information with third parties except as the law requires or permits.

**Access to Information.** You may access your information by submitting a written request that describes the information. We will respond within 30 business days or as required by state law. Our response will explain the nature and substance of the information on record. We will identify, if recorded, the parties we shared your information with over the last 2 years.

**Right to Correct, Amend or Delete Information.** You may submit a written request to us to correct, amend or delete any information in our records. We will respond to your request within 30 business days or as required by state law.

If we agree to your request, we will notify you in writing. We will provide the corrected information to any person you identify that has received the information in the last 2 years and to any insurance reporting organization we may have provided the information to over the last 7 years. If we refuse your request, we will explain why and you will have the right to file a statement of disagreement.

We reserve the right to revise this policy as needed. If changes are made, we'll send you a revised notice and post the new policy on the [www.greatwest.com](http://www.greatwest.com) web site.

**Privacy Officer**  
Great-West Life & Annuity Insurance Company  
8525 East Orchard Road  
Greenwood Village, CO 80111