

**Volume Submitter Adoption Agreement for
Governmental 401(a) Special Pay Plan**

**Volume Submitter Adoption Agreement for
GOVERNMENTAL 401(a) SPECIAL PAY PLAN**

The undersigned Employer, which is a part of the government of a State or political subdivision thereof, or by an agency or instrumentality of either of the foregoing, adopts the Governmental 401(a) Special Pay Plan ("Plan") for those Employees who shall qualify as Participants hereunder, to be known as the: City of Manitowoc 401a Special Pay Plan

The Employer hereby selects the following Plan specifications:

EMPLOYER INFORMATION

Name of Employer: City of Manitowoc
Address: 900 Quay Street
Manitowoc, WI 54220
Telephone Number: 920-686-6960
Employer Identification Number: 39-600551

Location of Employer:

State Commonwealth District of Wisconsin and the Plan shall be governed in accordance with retirement plan laws of Wisconsin.

Employer Fiscal Year:

The 12-consecutive month period ending on December 31 [month and day].

PLAN INFORMATION

Effective Date:

This Adoption Agreement of the 401(a) Plan shall:

- Establish a new Plan effective as of April 1, 2014 (hereinafter called the "Effective Date").
- Constitute an amendment and restatement in its entirety of a previously established 401(a) Plan of the Employer which was effective _____ (the "Effective Date"). Except as specifically provided in the Plan, the effective date of this amendment and restatement is ____ (not earlier than the first day of the 2007 Plan Year).

Plan Year:

The 12-consecutive month period commencing on January 1 [month and day], and ending on December 31 [month and day].

Anniversary Date of Plan (Annual Valuation Date): December 31 [month and day]

Name of Plan Administrator:

- Employer (use Employer address)
- Plan Administrator (other than Employer)

Name Pelion Benefits, Inc.
Address PO Box 110355
 Research Triangle Park, NC 27709

Telephone Number: 919-942-2828

Employer Identification Number: 56-1925983

ELIGIBILITY AND VESTING

Eligible Individuals:

- All Employees
- All Employees who have satisfied the eligibility requirements other than the following group or groups of Employees elected below:
 - Employees hourly paid.
 - Employees paid by salary
 - Nonresident aliens with no U.S. source of income
 - Employees whose employment is NOT governed by a collective bargaining agreement between the Employer and employee representatives
 - Management employees
 - Collectively bargained employees

Other (specify): Any employee who does not have a minimum \$5000.00 eligible contribution

NOTE: Eligibility may not be defined as only those employees terminated from service during the plan year. Moreover, the group(s) specified must correspond to a group of the same designation that is defined in statutes, ordinances, rules, regulations, personnel manuals or other authority for the state or local jurisdiction of the Employer. No maximum age requirement may be applied. Participation may not be confined to a named individual or a finite set of individuals.

Eligibility Requirements:

For purposes of this section, the term Employee shall be defined as set forth in the Basic Plan Document, and shall not include any other individual who might be characterized as an employee under the Code.

In order to participate in the Plan, Employees must satisfy the service and age requirements specified below:

Service Requirement

1/2 year

1 year

Other (specify): _____(The requirement inserted must be definitely determinable and not subject to Employer discretion.)

Age Requirement

18

21

Other (specify): 55 (The requirement inserted must be definitely determinable and not subject to Employer discretion. Moreover, no maximum age limitation can be imposed.)

Effective Date of Participation

An Eligible Individual shall become as Participant as of the:

First day of the Plan Year in which he met the requirements.

First day of the Plan Year in which he met the requirements, if he met the requirements in the first 6 months of the Plan Year, or as of the first day of the next succeeding Plan Year if he met the requirements in the last 6 months of the Plan Year.

Earlier of the first day of the seventh month or the first day of the Plan Year coinciding with or next following the date on which he met the requirements.

First day of the Plan Year next following the date on which he met the requirements.

First day of the month coinciding with or next following the date on which he met the requirements.

Other (specify):_____. (Whatever is inserted here must be definitely determinable and not subject to Employer discretion.)

Vesting of Participant's Interest in Employer Contributions and Employer Matching Contributions

The vesting schedule, based on number of years, shall be as follows:

100% upon entering Plan

0-2 years 0%

3 years 100%

0-4 years 0%

5 years 100%

0-2 years 0%

3 years 20%

4 years 40%

5 years 60%

6 years 80%

7 years 100%

Other: Years Percentage

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

The "Other" vesting schedule shall be at least as favorable as one of the following:

1. 15-year cliff vesting schedule: The plan provides that a participant is fully vested after 15 years of creditable service (as defined in section 4.1 of the Basic Plan Document).
2. 20-year graded vesting schedule: The plan provides that a participant is fully vested based on a graded vesting schedule of 5 to 20 years of creditable service (as defined in section 4.1 of the Basic Plan Document).
3. 20-year cliff vesting schedule for qualified public safety employees: The plan provides that a participant is fully vested after 20 years of creditable service (as defined in section 4.1 of the Basic Plan Document). This safe harbor would be available only with respect to the vesting schedule applicable to a group in which substantially all of the participants are qualified public safety employees (within the meaning of Section 72(t)(10)(B)).

Notwithstanding the foregoing, a Participant will be 100% vested upon attaining Normal Retirement Age, Total and Permanent Disability, termination of the Plan, or the complete discontinuance of Employer Contributions.

CONTRIBUTIONS AND ALLOCATIONS

Compensation:

- Compensation as defined under section 1.24 of the Basic Plan Document.
- Compensation reportable on Form W-2.

Compensation shall exclude (select all that apply):

- N/A - No exclusions
- Overtime
- Bonuses
- Other _____ (Please specify. Any exclusion from Compensation must meet the definite written program requirement and the definitely determinable benefits requirement of Treasury regulations section 1.401-1.)

Compensation shall be based on the:

- Plan Year.
- Fiscal Year coinciding with or ending within the Plan Year.
- Calendar Year coinciding with or ending within the Plan Year.

Compensation:

Shall Shall not

include compensation which is not currently includible in the Participant's gross income by reason of the application of Code Sections 125, 132(f), 402(e)(3), 402(h), or 403(b).

The limitation year shall be the:

- Plan Year.
- Fiscal Year coinciding with or ending within the Plan Year.
- Calendar Year coinciding with or ending within the Plan Year.

Employer Contributions – Conversion of Accumulated Leave:

Accrued Accumulated Leave shall be converted to Employer non-elective contributions each year on behalf of the Participant. Such Accrued Accumulated Leave shall be computed as an amount equal to _____ percent of the product of the number of hours of the Participant's Accumulated Leave times the Participant's hourly rate of Compensation at the end of the year.

Accumulated Leave Contributions shall be for the exclusive benefit of employees or their beneficiaries and meet the definite written program requirement and the definitely determinable benefits requirement of Treasury Regulations section 1.401-1.

Accrued Accumulated Leave shall be converted to Employer non-elective contributions on behalf of the Participant only in the year in which the Participant terminates employment with the Employer. Such Accumulated Leave shall be computed as an amount equal to 100 percent of the product of the number of hours of the Participant's Accumulated Leave, times the Participant's hourly rate of Compensation on the date of termination of employment with the Employer.

Non-elective Contributions shall be for the exclusive benefit of employees or their beneficiaries and meet the definite written program requirement and the definitely determinable benefits requirement of Treasury Regulations section 1.401-1.

Employer Non-elective Contributions:

Employer Non-elective Contributions shall be a

Fixed amount or formula (must select one option of Fixed Formula, below), or shall be

Discretionary as determined by the Employer's governing body. (If selecting Discretionary Non-elective Contributions, must select one option of Allocation of Discretionary Non-elective Contributions below).

Discretionary Non-elective Contributions shall be for the exclusive benefit of employees or their beneficiaries and substantial and recurring in accordance with Treasury Regulations sections 1.401-1(a)(3) and 1.401-1(b)(2).

Fixed Formula:

___% of each Participant's Compensation (*if selected, must be greater than 'zero'*).

Non-elective Contributions shall be for the exclusive benefit of employees or their beneficiaries and meet the definite written program requirement and the definitely determinable benefits requirement of Treasury Regulations section 1.401-1.

Allocation of Discretionary Non-elective Contributions (*select one*):

Pro-rata to Compensation: Such Discretionary Non-elective Contributions shall be allocated to each participant's account in the ratio as such participant's Compensation bears to the total Compensation of all eligible participants.

Per-capita: Such Discretionary Non-elective Contributions shall be evenly divided and allocated to each participant's account in the ratio as the total Discretionary Non-elective Contribution bears to the total number of eligible participants.

Notwithstanding the foregoing, the value of Accumulated Leave that will be the basis for the Employer Contributions under the Plan shall be determined before the time that such Employer Contributions are made.

Employer Matching Contributions:

The Employer Matching Contributions shall match a Participant's:

Code Section 414(h) Pick-Up Contributions

Voluntary Contributions

Amount of Employer Matching Contribution:

A matching contribution equal to _____% of each Participant's contribution to the Plan.

A matching contribution equal to _____% of each Participant's contribution to the Plan, not to exceed \$_____.

A matching contribution equal to a percentage of each Participant's contribution to the Plan in an amount to be determined each Plan Year by the Employer.

Code Section 414(h) Pick-Up Contributions:

Each Participant shall make Code Section 414(h) Pick-Up Contributions as indicated below:

_____% of Compensation (if selected must be a percentage greater than 'zero' percent.)

\$_____ (if selected must be a dollar amount greater than 'zero'.)

An amount equal to a _____ % of the product of the number of hours of the Participant's Accumulated Leave, times the Participant's hourly rate of Compensation on the date of termination of employment with the Employer.

Voluntary Contributions:

Each Participant may make Voluntary Contributions as indicated below:

_____% of Compensation

\$

Rollover Contributions:

Rollover Contributions shall shall not be permitted under the Plan.

Participant Direction of Investments

Participants shall shall not be permitted to direct the investment of the Employer Contributions Account.

Participants shall shall not be permitted to direct the investment of the Section 414(h) Pick-Up Contributions Account.

Participants shall shall not be permitted to direct the investment of the Voluntary Contributions Account.

Participants shall shall not be permitted to direct the investment of the Rollover Contributions Account

DISTRIBUTIONS

Normal Retirement Age:

The date a Participant attains his 55th birthday (not earlier than age 55 nor later than age 65)

The later of the date a Participant attains his ___ birthday (not earlier than 55 nor later than 65) or the ___ anniversary of the first day of the Plan Year in which participation in the Plan commenced.

The later of the date a Participant attains his 55th birthday or the ___ anniversary of the first day of the Plan Year in which participation in the Plan commenced.

Effective for Plan Years beginning on or after January 1, 2015 (or such later date as permitted by Notice 2012-29), except in the case of public safety employees, a Normal Retirement Age of less than 62 must meet the requirements of Treas. Reg. § 1.401(a)-1(b)(2).

Distribution Options for Participants and Beneficiaries:

Lump sum

Installment Payments, performed either monthly or quarterly, in such equal amounts of at least \$ 500.00 each so as to exhaust the Participant's account balance within the joint life expectancy of the Participant and the Participant's named beneficiary.

MISCELLANEOUS

Loans To Participants:

Loans are permitted under the Plan.

Loans are not permitted under the Plan.

CERTIFICATION AND SIGNATURE

Employer hereby represents that it is a unit of a State or local government or an agency or instrumentality of one or more units of a State or local government as described in Code Section 414(d). This Volume Submitter Adoption Agreement for Governmental 401(a) Special Pay Plan, the Governmental 401(a) Special Pay Plan Volume Submitter Basic Plan Document, and the Governmental 401(a) Special Pay Plan Volume Submitter Trust Agreement which are incorporated herein by reference and made a part hereof, together constitute the Plan.

This adoption agreement can only be used with the "Governmental 401(a) Special Pay Plan Volume Submitter Basic Plan Document." An employer's failure to properly fill out the adoption agreement may result in the failure of the plan to qualify under IRC section 401(a).

The Plan is a volume submitter plan, and has been approved by the IRS. If you are one of our clients, and adopt this volume submitter plan in the pre-approved form, you can rely on the advisory letter issued to the Plan subject to the requirements of Rev. Proc. 2011-49.

An employer adopting a Volume Submitter plan may rely on that plan's advisory letter if the employer's plan is identical to an approved M&P or specimen plan with a currently valid favorable advisory letter, the employer has not amended the plan other than to choose options provided under the approved plan or as provided below, and the employer has followed the terms of the plan. These employers can forego filing Form 5307 and rely on the plan's favorable advisory letter with respect to the qualification requirements, except as provided below.

(1) Except as provided in section 19.02(2), (3) and (4) of Rev. Proc. 2011-49, adopting employers of Volume Submitter plans may not rely on a favorable advisory letter with respect to the requirements of:

(a) § 401(a)(4), 401(a)(26), 401(l), 410(b), or 414(s); or

(b) if the employer maintains or has ever maintained another plan covering some of the same participants, § 415 or 416.

(2) Adopting employers of Volume Submitter plans may rely on the advisory letter with respect to the requirements of § 401(a)(26) (other than the § 401(a)(26) requirements that apply to a prior benefit structure) if 100 percent of all nonexcludable employees benefit under the plan.

The following conditions and limitations apply with respect to Volume Submitter plans:

(1) An adopting employer can rely on a favorable advisory letter for a plan that amends or restates a plan of the employer only if the plan that is being amended or restated was qualified.

(2) An adopting employer has no reliance if the employer's adoption of the plan precedes the issuance of an advisory letter for the plan.

(3) An adopting employer can rely on an advisory letter only if the requirements of this section are met, and the employer's plan is identical to an approved Volume Submitter plan with a currently valid favorable advisory letter; that is, the employer has not added any terms to the approved Volume Submitter plan and has not modified or deleted any terms of the

plan other than choosing options permitted under the plan or as provided below. Thus, for example, in the case of a VS plan, the employer's plan must be identical to the approved specimen plan except as the result of the employer's selection among options that are permitted under the terms of the approved specimen plan.

A plan will not fail to be identical to an approved Volume Submitter plan if:

- (a) the employer modifies or amends the plan to add or change a provision and/or to specify or change the effective date of a provision, provided the employer is permitted to make the modification or amendment under the terms of the approved specimen plan as well as under § 401(a) or 403(a), and, except for the effective date, the provision is identical to a provision in the approved plan;
- (b) the employer, sponsor or practitioner adopts an interim or discretionary amendment in accordance with section 21 or Rev. Proc. 2007-44; or
- (c) the employer adopts a model or sample amendment that the Service has indicated will not cause the plan to be treated as an individually designed plan.

For example, an employer is not required to restate its Volume Submitter plan in order to change options under the plan or to specify different effective dates. An adopting employer cannot rely on an advisory letter if the adopting employer has modified the terms of the plan's approved trust in a manner that would cause the plan to fail to be qualified under § 401(a).

The IRS approval provides no ruling on the taxability to participants of any picked-up contributions.

The name, address, and telephone number of the volume submitter practitioner, for any inquiries by an adopting employer, are as follows:

Pelion Benefits, Inc.

PO Box 110355

Research Triangle Park, NC 27709

888.532.7526

We will inform you of any amendments made to the Plan or of the discontinuance or abandonment of the Plan.

IN WITNESS WHEREOF, the Employer hereby causes this Plan to be executed on this ____ day
of _____, ____.

EMPLOYER:

City of Manitowoc

By: Justin M. Nickels, Mayor
Authorized Signature

By: Jennifer Hudon, City Clerk

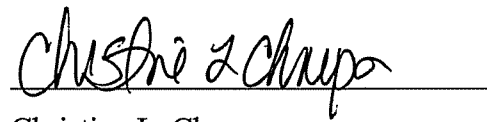
Further, the Employer hereby appoints the below named as Trustee under the Plan. By
signature below the Trustee accepts appointment as Trustee effective the date of the Plan, if a new
plan, or the effective date of this Plan amendment, if this is an amendment of an existing Plan.

TRUSTEE:



Vint C. Butler

PELION BENEFITS, INC



Christine L. Chnupa

PELION BENEFITS, INC.