

**NORTH LEBANON TOWNSHIP**  
**Lebanon County, Pennsylvania**

**ORDINANCE NO. 2-2024**

**AN ORDINANCE OF NORTH LEBANON TOWNSHIP, LEBANON COUNTY, PENNSYLVANIA, AMENDING THE NORTH LEBANON TOWNSHIP 457(B) PLAN, ORIGINALLY EFFECTIVE JULY 1, 2007, AS AMENDED AND RESTATED EFFECTIVE JANUARY 1, 2023.**

WHEREAS, North Lebanon Township previously established the North Lebanon Township 457(b) Plan (sometimes referred to herein as the "Plan"), with an original effective date of July 1, 2007; and

WHEREAS, North Lebanon Township, in order to clarify the terms and conditions of the Plan and to continue its compliance with the requirements of the Internal Revenue Code of 1986 (as amended) section 457(b), enacted a restatement of the Plan in its entirety with appropriate amendments through the adoption of Ordinance 7-2023 on October 16, 2023, with an effective date of January 1, 2023; and

WHEREAS, since the adoption of Ordinance 7-2023, it was determined that the Plan, as amended and restated effective January 1, 2023, did not incorporate a previously-adopted amendment to the Plan which specified that employees are not permitted to participate in the Plan until they complete their probationary periods with the Employer; and

WHEREAS, the previously-adopted amendment, enacted through Ordinance 1-2019, was unintentionally omitted from the Plan as amended and restated effective January 1, 2023; and

WHEREAS, North Lebanon Township wishes to amend the North Lebanon Township 457(b) Plan, as amended and restated effective January 1, 2023, to include the previously-adopted amendment; and

WHEREAS, North Lebanon Township wishes to adopt an updated Trust Agreement for the Plan, which reflects a change in the appointed Trustee and names the North Lebanon Township Board of Supervisors as successor Trustee.

NOW THEREFORE, be it ordained and enacted by North Lebanon Township as follows:

**Section 1.**

The attached amendment to the North Lebanon Township 457(b) Plan, as amended and restated effective January 1, 2023, is hereby enacted, with an effective date of

January 1, 2023. The amendment is attached hereto as Exhibit "A". All other provisions of the North Lebanon Township 457(b) Plan, as amended and restated effective January 1, 2023, shall remain in full force and effect.

**Section 2.**

Previous ordinances or resolutions relating to the North Lebanon Township 457(b) Trust Agreement with an effective date prior to the adoption date of the amendment and restatement of the Trust are hereby repealed and the attached amendment and restatement of the Trust is enacted, effective May 1, 2024. The amendment and restatement of the Trust is attached hereto as Exhibit "B".

**Section 3.**

Lori A. Books, Secretary, as the agent of the Employer, is authorized and directed to execute the attached amendment of the Plan and the attached amendment and restatement of the Trust.

**Section 4.**

The North Lebanon Township Board of Supervisors is hereby appointed as Trustee of the Trust, effective May 1, 2024.

**THIS ORDINANCE DULY ORDAINED AND ENACTED** this 20<sup>th</sup> day of May, 2024 by the Board of Supervisors of North Lebanon Township, Lebanon County, Pennsylvania.

ATTEST:  
(SEAL)

NORTH LEBANON TOWNSHIP  
BOARD OF SUPERVISORS

Lori A. Books  
Lori A. Books, Secretary

By: Edward A. Brensinger  
Edward A. Brensinger, Chairman

By: Gary R. Heisey  
Gary R. Heisey, Vice Chairman

By: Arden A. Snook, Sr.  
Arden A. Snook, Sr., Treasurer

**AMENDMENT #1  
TO THE  
NORTH LEBANON TOWNSHIP 457(b) PLAN**

As authorized by the North Lebanon Township 457(b) Plan ("Plan") as amended and restated effective January 1, 2023, the employer, North Lebanon Township, hereby amends the Plan in the following manner:

**FIRST: Eligibility Conditions**

The Plan initially became effective July 1, 2007. Amendment #1 to the Plan, as effective July 1, 2007, provided that the employee must complete his probationary period with the employer before he can participate in the plan. The Plan was amended and restated effective January 1, 2023. Section 2.2(a)(1) of the Plan, as amended and restated effective January 1, 2023, is amended to clarify that the Plan continues to require that an employee complete his probationary period with the employer before he can participate in the Plan. As amended, Section 2.2(a)(1) of the Plan, as amended and restated effective January 1, 2023, is amended to read as follows:

- (1) **Age/Service Requirements** – An employee who is a member of the eligible class of employees shall be eligible for plan participation after he completes his probationary period with the employer. Such probationary period shall not exceed 12 months.

**SECOND: Entry Date**

The Plan initially became effective July 1, 2007. Amendment #1 to the Plan, as effective July 1, 2007, provided that the employee is covered by the Plan immediately following completion of his probationary period. The Plan was amended and restated effective January 1, 2023. Section 2.2(b) of the Plan, as amended and restated effective January 1, 2023, is amended to clarify that the Plan continues to provide that the employee is covered by the Plan immediately following the completion of his probationary period. As amended, Section 2.2(b) of the Plan, as amended and restated effective January 1, 2023, is amended to read as follows:

- (b) **Entry Date** – An employee who is eligible to be covered by this plan shall participate as of the date he meets the age and service requirements, provided he is employed on that date.

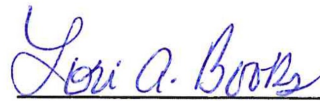
**THIRD: Effective Date**

These amendments are made effective as of January 1, 2023.

**FOURTH: Remaining Plan Provisions**

All other provisions of the Plan remain in full force and effect.

Executed this 20<sup>th</sup> day of May, 2024 by the duly authorized agent of North Lebanon Township.

  
\_\_\_\_\_  
Title: Township Manager

**NORTH LEBANON TOWNSHIP 457(B) PLAN**  
**TRUST AGREEMENT**

THIS AGREEMENT, made and entered into on the date of its execution, is effective for all purposes as of May 1, 2024, by and between:

North Lebanon Township ("Employer")

and

North Lebanon Township Board of Supervisors ("Trustee"),

and shall be construed in accordance with the laws of Pennsylvania.

W I T N E S S E T H :

WHEREAS, the Employer has established the 457(b) Plan ("Plan");

NOW THEREFORE, the Employer and the Trustee do hereby agree to the following provisions of this Trust Agreement established for the purpose of implementing said Plan.

## ARTICLE I – DEFINITIONS

### Section 1.01 – General

The definitions set forth in the Plan shall govern in this Trust Agreement.

### Section 1.02 – Trustee

The Trustee may be one or more individuals or an institution; the pronoun "it" when referring to the Trustee shall mean he, she, they, or it as necessary.

Where the Trustee is more than one individual, the individuals shall determine, subject to the approval of the Employer, how responsibilities shall be allocated. The actions of the Trustee shall be determined by the vote or other affirmative expression of a majority of the appointed individuals.

## ARTICLE II – ESTABLISHMENT OF THE TRUST

### Section 2.01 – Establishment of the Trust

The Employer hereby establishes with the Trustee a trust fund consisting of such sums of money or other property, real or personal, as shall from time to time be transferred to the Trustee. All such money and property, all investments and reinvestments made therewith and proceeds thereof and all earnings and profits thereon, less any losses thereon and less the payments which at the time of reference shall have been made by the Trustee, as authorized herein, are referred to herein as the "fund" or "trust fund." The fund shall be held by the Trustee in trust and dealt with in accordance with the provisions of this Trust Agreement.

The Trustee hereby accepts this trust and agrees to hold all property constituting the trust fund subject to the terms and conditions of this Trust Agreement and the Plan.

The trust is intended to be a qualified trust under section 457(b) of the Internal Revenue Code of 1986, as amended, ("IRC") and exempt from taxation thereunder.

## ARTICLE III – PROVISIONS RELATING TO THE TRUSTEE

### Section 3.01 – General Responsibilities

The Trustee accepts the trust hereby created in accordance with the documents and instruments governing the Plan, insofar as they are consistent with law and upon the express terms and conditions of the Plan, including the following:

- (a) The Trustee shall have exclusive authority and discretion to manage, invest and control the trust fund, as provided in this Trust Agreement, and shall have no other responsibilities other than those provided in this Trust Agreement.
- (b) The Trustee shall exercise its powers and shall discharge its duties with respect to the Plan and this Trust Agreement solely in the interests of the participants and beneficiaries and for the exclusive purpose of providing benefits to participants and their beneficiaries and for defraying reasonable expenses of administering the Plan. The said powers and duties shall be discharged with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims. The duty to invest shall be discharged by diversifying the investments of the fund so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.
- (c) The Trustee shall maintain proper care and custody of all funds, securities and other properties in the fund. The Trustee shall receive all payments or other transfer of assets of the fund as shall be made from time to time. However, the Trustee shall not be under any duty to determine the amount of contributions to be paid by the Employer or to take any steps to collect such amounts as may be due to it under the Plan.
- (d) Whenever in the administration of the Plan a certification is required to be given to the Trustee or the Trustee shall deem it necessary that a matter be proved prior to taking, permitting, or omitting any action hereunder, such certification shall be duly made and said matter may be determined to be conclusively proved by an instrument delivered to the Trustee signed by the Employer, or, if the matter shall concern the authority of the Plan Administrator, signed as provided in Section 5.01; but in its discretion, the Trustee may in lieu thereof accept other evidence of the matter or may acquire such further evidence as

is reasonable. The Trustee shall be protected in acting in good faith upon any written document reasonably believed by the Trustee to be genuine and to have been signed by the proper party or parties.

- (e) All moneys deposited with the Trustee under any provisions hereof may be deposited by the Trustee in a trust account. The Trustee shall be under no duty to invest or disburse such moneys except as provided in the Plan and this Trust Agreement.
- (f) The Trustee may consult with legal counsel (who may be counsel for the Employer) with respect to the interpretation of the Trust Agreement or its duties hereunder or with respect to any legal proceeding or any question of law and shall be fully protected with respect to any act taken or omitted by it in good faith pursuant to the advice of such counsel. Expenses or fees incurred by the Trustee in its consultation shall be paid or reimbursed from the fund.
- (g) The Trustee may make any payment required to be made hereunder either through direct deposit to the person's bank account or by mailing its check in the amount thereof by first class mail in a sealed envelope addressed to the person to whom such payment is to be made, in either case according to the certification of the Plan Administrator. The Trustee shall not be required to make any investigation to determine the identity, routing number, or mailing address of any person entitled to benefits under the Plan and shall be entitled to withhold making payments or giving instructions to issuing companies pertaining to the payment of benefits until the identity, routing number, and/or mailing address of the person entitled to benefits are certified to it by the Plan Administrator. The Trustee shall not be responsible in any way respecting the purpose or propriety of such payments except for the provisions of Section 3.03. In the event that any dispute shall arise as to the identity or rights of persons entitled to benefits hereunder, the Trustee may withhold payment of benefits until such dispute shall have been determined by arbitration or by a court of competent jurisdiction or shall have been settled by written stipulation by the parties concerned.
- (h) The Trustee shall receive reasonable compensation for its services from the Employer or the trust fund on a basis as shall be mutually agreed upon by the Employer and the Trustee. All reasonable unreimbursed expenses of the fund, taxes and other items not payable out of the Trustee's compensation shall be paid from the fund. However, if the Trustee is an individual who is compensated as a full-time employee of the Employer, he shall receive no compensation for serving as a Trustee and all reasonable expenses incurred as Trustee shall be paid from the fund.
- (i) The Trustee shall pay from the fund all taxes of any kind or nature which are imposed either as a result of the creation or operation of the fund or because of any payment made under this Trust Agreement.
- (j) The Trustee shall keep full records of the administration of the trust which the Plan Administrator shall have the right to examine at any time.

Within sixty (60) days following the close of each plan year and within sixty (60) days after its resignation or removal, the Trustee shall furnish the Plan Administrator with a statement of its account. This account shall contain such information as is required to comply with the requirements of Act 205. The report shall show all purchases, sales, receipts, disbursements and other transactions effected by the Trustee during the year or period for which the report is filed, and shall contain an exact description, the cost as shown on the Trustee's books, and where readily ascertainable, the market value as of the end of such period of every item held in the trust and the amount and nature of every obligation owed by the trust. For purposes of determining the market value of securities held by the Trustee, such securities shall be valued as of the close of business on the last day of the reporting period.

The account may be approved by the Plan Administrator by written notice of approval delivered to the Trustee or by failure to object in writing to the Trustee within ninety (90) days from the date on which the statement of account was delivered to the Plan Administrator.

The approval by the Plan Administrator of the final statement of account upon the Trustee's resignation or removal or the Plan's termination shall be binding as to all matters embodied in the statement, on all parties to the trust and on all participants to the same extent as if the account of the Trustee had been settled by a judgment or decree in an action for judicial settlement of its account in a court of competent jurisdiction in which the Trustee, the Employer, the Plan Administrator and all persons having or claiming any interest in the trust fund were parties. If the Plan Administrator disapproves the Trustee's statement and the matter cannot be satisfactorily adjusted by the parties, the Trustee shall have the right to apply to a court of competent jurisdiction for judicial settlement of its account.

- (k) The Trustee is authorized to sue upon, defend, compromise or otherwise settle any obligation or liability due to or from it as Trustee hereunder, including any claim that may be asserted for taxes under present or future laws or to contest the same by appropriate legal proceedings; but it shall not be required to institute or continue litigation unless it is in possession of money sufficient for that purpose or unless it

has been indemnified by the Employer against counsel fees and all other expenses and liabilities to which it may, in its judgment, be subject by such action, provided further that the Trustee shall be entitled out of recoveries of any litigation to reimbursement for its expenses in connection therewith. Further, the Trustee is authorized with regard to an obligation due the fund to reduce the rate of interest thereon, extend or otherwise modify it, or to foreclose upon default or otherwise enforce any such obligation; to bid in property on foreclosure or to take a deed in lieu of foreclosure with or without paying consideration therefor and in connection therewith to release the obligation on the bond secured by the mortgage.

- (l) A third party dealing with the Trustee shall not be required to make any inquiry whether the Plan Administrator has instructed the Trustee or the Trustee is otherwise authorized to take or omit any action.
- (m) A Plan Fiduciary shall be liable for a breach of fiduciary responsibility of another fiduciary of the Plan or this trust as provided by law, under the following circumstances:
  - (1) If it participates knowingly in, or knowingly undertakes to conceal an act or omission of such other fiduciary, knowing such act or omission is a breach;
  - (2) If, by its failure to comply with the prudent man standard (established in Section 3.01(b) of this Trust Agreement or the administrative provisions of the Plan) in the administration of its specific responsibilities which give rise to its status as a fiduciary, it has enabled such other fiduciary to commit a breach; or
  - (3) If it has knowledge of a breach by some other fiduciary, unless it makes reasonable efforts under the circumstances to remedy the breach.
- (n) Any liabilities under the Plan shall be satisfied only out of the fund unless the liability is due to or arising from fraud, dishonesty, misconduct of the Trustee or arising from acts which are in violation of the Trustee's duties as set forth in Section 3.01(b) and Section 3.03 or which are described in Section 3.01(m).
- (o) The Trustee is hereby authorized to execute all necessary receipts and releases to any insurance companies concerned, and it shall be under the duty, upon being advised by the Plan Administrator that the proceeds of any life insurance, retirement income, endowment, or annuity contract have become payable, to take whatever steps may be indicated, with reasonable diligence, in collecting such sums as may appear to be due.

The Trustee shall have no responsibility for the form, genuineness, validity, sufficiency, or effect of any life insurance, retirement income, endowment, or annuity contract at any time included in the trust or for any act of the Employer, the Plan Administrator, a participant, or any other person which may render any such contract void, or for the failure of any insurer to pay the proceeds of any such contract as and when the same shall become payable or for any delay occasioned by reason of any provision contained in any such contract, or for the refusal of any insurer to take any action requested by the Trustee, or for any reason whatsoever (except for the Trustee's own violation of the prudent man rule in Section 3.01(b)) any contract shall lapse or otherwise become uncollectable.
- (p) The Trustee may enter into any transaction authorized by this Trust Agreement with trustees or legal representatives of any other trust or estate, even though any such trustee or legal representative is also Trustee hereunder.
- (q) If the Trustee shall determine that the trust assets consist in whole or in part of property not traded freely on a recognized market, or that information necessary to ascertain the fair market value thereof is not readily available to the Trustee, the Trustee shall request the Plan Administrator to instruct the Trustee as to the value of such property, for all purposes under the Plan and this Trust Agreement; and the Plan Administrator shall comply with such request. The value placed upon such property by the Plan Administrator's instructions to the Trustee shall be conclusive and binding upon the Trustee subject to the Trustee's responsibility not to commit a prohibited transaction. If the Plan Administrator shall fail or refuse to instruct the Trustee as to the value of such property within a reasonable time after receipt of the Trustee's request to do so, the Trustee may engage a competent appraiser to fix the fair market value of such property for all purposes hereunder. The determination of any such appraiser as to the fair market value of such property shall be the value reported hereunder. The reasonable fees and expenses incurred for any such appraisal shall be deemed an expense of the Trustee and paid as provided herein.

### **Section 3.02 – Resignation or Removal of Trustee**

- (a) The Trustee may resign at any time upon delivering to the Employer a written notice of its resignation to take effect not less than thirty (30) days after the delivery thereof, unless such notice shall be waived.

- (b) Any Trustee appointed hereunder may be removed by delivering to the Trustee a written notice from the Employer removing the Trustee, to take effect at a date specified therein, which shall not be less than thirty (30) days after delivery of such notice to such Trustee, unless such notice shall be waived.
- (c) In case of resignation or removal of the Trustee, the Trustee shall have the right to a settlement of its accounts as described in Section 3.01(j). Upon such settlement, the Trustee shall transfer to the successor Trustee the trust fund as it may then be constituted and copies of such of its records as relate to the trust and shall execute upon request all documents necessary for transferring the assets of the trust and thereupon the Trustee shall be discharged from further accountability for all matters embodied in such settlement.
- (d) The Employer shall appoint forthwith a successor Trustee. A successor Trustee so appointed may qualify as such by executing, acknowledging and delivering to the Employer and to the resigned or removed Trustee an instrument accepting such appointment; and upon delivery of the fund, such successor Trustee without further act shall be vested with all of the duties, rights, and powers of its predecessor Trustee with the same effect as if it had been originally named as Trustee herein.

### **Section 3.03 – Prohibited Transactions**

Notwithstanding any other provision of this Trust Agreement, the Trustee is expressly prohibited from engaging in the following actions:

- (a) diversion of any part of the fund to any purpose other than the exclusive benefit of participants and beneficiaries under the Plan.
- (b) engaging in any transaction which results in a diversion of any part of the fund to the Employer or to any other person or entity with whom or which such a transaction is prohibited by the Internal Revenue Code (unless there is an applicable statutory or administrative exemption), including with regard to such persons or entities: lending any part of the fund without adequate security and a reasonable rate of interest; paying any compensation in excess of a reasonable allowance for services actually rendered; making any purchase of securities or other property at more than fair market value; selling any securities or other property for less than fair market value; or making any part of the fund available on preferential basis.

## **ARTICLE IV – INVESTMENT OF PLAN ASSETS**

### **Section 4.01 – Investment of Plan Assets**

The Trustee shall manage the fund in the manner and for the uses and purposes herein provided. The Trustee is authorized to manage the fund in accordance with the funding policy; provided, however, that if an investment manager has been appointed or if the Employer provides specific investment directions, the Trustee shall be subject to the directions of said investment manager or the Employer. To the extent that a participant has given specific investment directions as allowed by the Plan, the Trustee shall be subject to such directions as transmitted to it by the Plan Administrator. In addition to the powers given by law, the Trustee is authorized, within its discretion and subject to the above conditions:

- (a) To invest and reinvest the fund or any part thereof without distinction between principal and income in any common or preferred stocks, bonds, mortgage notes, put and call options (including the granting of options to purchase and sell securities) or other securities, or any other form of property, real or personal on margin or otherwise (including short sales), as authorized by law for the investment of trust funds, including common or pooled investment funds established and maintained by the Trustee or an affiliate of the Trustee and interests in any registered investment company which may be advised by the Trustee or any affiliate or from which the Trustee may receive compensation as advisor or provider of other services. Whenever the fund acquires units in a common/collective trust available only to trust funds qualified under IRC section 457(b), the provisions of the particular common/collective trust indenture, as amended from time to time, with respect to investment duties, responsibilities and powers of its trustee shall be deemed to be incorporated herein and be a part hereof to the extent required by law. The trustee of the common/collective trust shall be governed solely by such trust indenture. For purposes of valuation, the value of the interest maintained by the fund in such common/collective trust shall be the fair market value of the units held, determined in accordance with generally recognized valuation procedures and any applicable regulations. The Employer expressly understands and agrees that any such common/collective trust may provide for the lending of its securities by its trustee and that the common/collective trust's trustee will receive compensation from such trust for the lending thereof which is separate from any compensation of the Trustee hereunder or any compensation of the common/collective trust's trustee for the management of such trust. Further, the Trustee shall diversify



the investments of the fund so that the risk of loss will be minimized unless under the circumstances it is clearly prudent not to do so.

- (b) To retain in cash or other property unproductive of income so much of the fund as may be deemed advisable, or to invest in the savings department of a banking institution, including a bank acting as Trustee, or a bank affiliated with the Trustee, or in a loan association or building and loan association. Such investments may include savings accounts, time deposits or certificates of deposit with maturities of less or more than one year; however, such investments shall be federally insured and shall bear a prevailing rate of interest.
- (c) To sell property held in the fund at either public or private sale for cash or on credit at such times as it may deem appropriate; to exchange such property; to grant options for the purchase or exchange thereof without need for the purchasers to see to the application of the purchase money.
- (d) To oppose or consent to and participate in any plan of reorganization, recapitalization, consolidation, sale, merger, extension, or other similar plan affecting property held in the fund; to consent to any contract, lease, mortgage, purchase, sale, or other action by any corporation pursuant to any such plan; to accept and retain property issued under such plan.
- (e) To deposit property in the fund with any protective, reorganization, or similar committee; to delegate discretionary power thereto and to pay the reasonable share in such committee's expenses and compensation and any assessments levied with respect to any property so deposited.
- (f) To exercise all conversion and subscription rights pertaining to property held in the fund.
- (g) To vote in person or by proxy the stocks, securities, or other investments which it holds as Trustee; and to execute and deliver proxies, powers of attorney, and other agreements which it deems advisable; to exchange the securities of any corporation or issuing authority for other securities upon such terms and conditions as it deems advisable; to consent to or oppose any corporate action; to pay all assessments and subscriptions as it deems advisable; to exercise options and, in general, to exercise in respect of all stocks, securities, or other investments which it holds as Trustee all rights, powers, and privileges as might be exercised by an individual in his own right.
- (h) To cause securities and other properties to be registered and held in its name as Trustee, provided that the records of the Trustee show that all such investments are part of the fund; or in the name of a nominee or in street name, provided the investments are held on behalf of the plan by:
  - (1) A bank or trust company that is subject to supervision by the United States or a State, or a nominee of such bank or trust company;
  - (2) A broker or dealer registered under the Securities Exchange Act of 1934, or a nominee of such broker or dealer; or
  - (3) A "clearing agency," as defined in section 3(a)(23) of the Securities Exchange Act of 1934, or its nominee.

Where properties are held by a 502(c) corporation, the stock of such corporation shall be held in trust on behalf of the plan by the Trustee. If the assets of an entity in which the plan invests include plan assets by reason of the plan's investment in the entity, the indicia of ownership of the plan's interest in the entity shall be held in trust on behalf of the plan by the Trustee.

- (i) To borrow money (subject to the prohibitions of Section 3.03) for the purposes of the Plan and, for sums so borrowed, to issue a promissory note or bond and mortgage and to secure payment thereof by the pledging of securities held in the fund or mortgaging real property contained therein, and to pay interest at a reasonable rate upon sums so borrowed; however, no insurance contract shall be pledged except to secure a loan to pay premiums thereon. Borrowing on insurance contracts to pay premiums shall be on a pro rata basis.
- (j) To invest the fund or any part thereof with an insurance company under a deposit administration contract, an investment-only contract, or contracts of like character offered by such insurance company; to apply for, purchase, hold, or transfer, pursuant to the Plan, and in accordance with written instructions from the Plan Administrator, any life insurance, retirement income, endowment, or annuity contract; to exercise any of the rights under any such contract, in any manner for the purpose of benefiting the Plan.
- (k) To invest in life insurance contracts on the lives of key employees of the Employer; such contracts shall be owned by and shall name the Trustee as beneficiary for the benefit of the trust fund as a whole and shall not be allocated to the account of any particular participant.
- (l) To make participant loans, if permitted, in accordance with Plan provisions.

- (m) To receive, hold, manage, improve, repair, lease, pledge, mortgage, or otherwise dispose of all or any part of the fund upon such terms, prices, and conditions as it deems advisable; to execute such instruments, deeds, leases, mortgages, contracts, agreements, assignments, transfers, bills of sale, and other documents of any kind, as it deems advisable; to pay out of trust assets normal brokerage charges, commissions, taxes, and other costs incident to the purchase and sale of securities which are included in the cost of securities purchased, or charges against the proceeds in the case of sales.
- (n) To employ agents with or without discretionary powers (including investment counsel, attorneys, auditors, depositories, and proxies) for advice and to manage the investment of the trust property. All such parties shall have the right to rely upon and execute the written instructions of the Trustee and shall not be obliged to inquire into the propriety of the acts or directions of the Trustee.
- (o) Generally, to do such acts, execute all such instruments, act on such proceedings, and exercise all rights and privileges with relation to property constituting the fund as if it were the absolute owner thereof.

#### **Section 4.02 – Reserved**

#### **Section 4.03 – Title of Contracts**

All title in every contract purchased and held hereunder shall be vested in the Trustee.

#### **Section 4.04 – Appointment of Investment Manager**

The Employer may at any time and from time to time appoint, and revoke the appointment of, an investment manager ("Investment Manager"), who shall be registered as an investment advisor under the Investment Advisers Act of 1940, shall be exempt from such registration as a trust company or as a commercial bank authorized to conduct trust business, or shall be an insurance company qualified to perform investment services under the laws of more than one state of the United States who acknowledges in writing to the Employer and the Trustee that he is a fiduciary with respect to the Plan. The Investment Manager shall not be the agent of the Trustee. The Employer shall notify the Trustee in writing of any such appointment (or revocation thereof), and the Trustee shall be protected in relying upon such appointment continuing in effect until it receives written notice from the Employer of its revocation. So long as, and to the extent that, any such Investment Manager is appointed, the following provisions shall apply:

- (a) The Trustee shall invest, reinvest, and retain the trust fund in accordance with the instructions received from such Investment Manager;
- (b) With respect to assets in the trust fund, the Trustee shall follow any instructions received by it from such Investment Manager as to the exercise by the Trustee of the powers conferred upon it under Section 4.01 (a), (c), (d), (f), (g), (j), and (m) hereof; and
- (c) That part of the trust fund not assigned to an Investment Manager shall be invested, reinvested, and retained by the Trustee in accordance with Section 4.01.
- (d) All instructions from the Investment Manager to the Trustee shall be in writing (or by telephone confirmed in writing) and shall be complete in all reasonable and necessary details. In writing for this purpose shall include communication by facsimile or electronic delivery (e.g., e-mail). The Trustee shall have no duty to question such instructions nor shall the Trustee incur any liability for its actions in following such instructions or for its omissions when no instructions are received by it.
- (e) The Employer shall indemnify and hold the Trustee or its nominee harmless against any and all claims, actions, demands, liabilities, losses, damages, or expenses of whatsoever kind and nature, which either arise from the failure of the Trustee to pay for property purchased by the Investment Manager for the trust fund by reason of the insufficiency of funds in the trust fund, or from any actions taken by the Trustee in following investment direction of the Investment Manager or inaction by the Trustee in the absence of investment direction by an Investment Manager, or from the trading activities conducted by the Investment Manager on behalf of the trust fund.
- (f) The Trustee shall be the custodian of the assets that are under the direction of the Investment Manager, unless the Employer so directs the Investment Manager to take and keep custody and possession of all or part of the assets of the fund and to perform the functions of the Trustee as set forth in this Trust Agreement. The accounts, books, and records of the Trustee shall reflect the segregation of said portions of the fund in separate investment management accounts. The Investment Manager's records shall at all times reflect fund assets in its custody as assets of the trust. The Trustee shall have no further responsibility for either the safekeeping or management of such assets. The Trustee shall continue to perform its recordkeeping function under Section 3.01(j) as to such assets, but in doing so may rely on information furnished by the Investment Manager. Upon notification by the Employer and the receipt of

physical custody of assets held by the Investment Manager, the Trustee shall assume management responsibility for such assets in accordance with Articles III and IV.

- (g) If an investment advisor is granted the limited authority to rebalance investments, such investment manager authority shall not cause such investment advisor to be an Investment Manager for the purposes of this Trust Agreement.

#### **Section 4.05 – Appointment of Custodian**

In the event that a custodian is appointed by the Employer to maintain proper care and custody of all or a part of the assets of the trust fund, then the Trustee shall not have responsibility for the proper care and custody of such assets as are held by the custodian, nor shall it have responsibility to keep full records with respect to those assets, which shall become the responsibility of the custodian.

## **ARTICLE V – PROVISIONS RELATING TO THE PLAN ADMINISTRATOR AND EMPLOYER**

#### **Section 5.01 – Plan Administrator**

Whenever a new Plan Administrator or a new member of an administrative committee is appointed, the Employer shall certify to the Trustee in writing the name or names of the person or persons so appointed, and the Trustee shall be fully warranted in assuming that such person or persons shall continue in office until advised differently in the same manner. Whenever the Trustee must or may act upon the direction or approval of an administrative committee, the Trustee may act upon written communication signed by its Chairman or Secretary or any agent appointed in writing by all members of the committee to act on their behalf, and the authority of any such agent shall be deemed to continue until revoked in writing.

#### **Section 5.02 – Duties of Employer**

It shall be the duty of the Employer, subject to the provisions of the Plan, to pay over to the Trustee from time to time its contributions to the trust fund as provided in the Plan and to keep accurate books and records with respect to the employees and their compensation.

The Employer shall deliver to the Trustee a copy of the Plan and any amendments thereto as soon as administratively feasible.

The Employer shall indemnify the Trustee by paying the costs of defending a suit, including any settlement or judgment connected therewith, for any act or omission in accordance with instructions received from the Employer or Plan Administrator and in connection with which no gross negligence or lack of good faith can be shown. The Employer may agree to further indemnify the Trustee as to certain or all additional liability in connection with its duties as set forth herein, instead of permitting the trust fund to satisfy the liability as provided in Section 3.01(n).

## **ARTICLE VI – AMENDMENT OR TERMINATION OF TRUST**

#### **Section 6.01 – Right to Discontinue and Amend**

The Employer may amend or terminate this Trust Agreement at any time; provided that no amendment affecting the Trustee may be made without its consent, nor shall any amendment divest any benefit then vested in a participant or his beneficiary under the Plan. The Employer shall deliver to the Trustee notice of any amendment or termination of the Plan or Trust Agreement.

#### **Section 6.02 – Termination of Plan**

If the Plan is terminated (including a partial termination), if there is a complete discontinuance of contributions to the Plan, or if this Trust Agreement is revoked or terminated; the Trustee shall reserve such sums as the Trustee shall deem necessary to settle its accounts and to discharge any obligation of the trust fund for which the Trustee may be liable. Thereafter, the Trustee shall apply and distribute the trust fund in accordance with the provisions of the Plan and any written instructions of the Plan Administrator pursuant thereto.

#### **Section 6.03 – Account Settlement**

The Trustee shall have a right to have its accounts settled as provided in Section 3.01(j) of this Trust Agreement. When the trust fund shall have been so applied or distributed and the accounts of the Trustee shall have been so settled, the Trustee shall be released and discharged from all further accountability or liability respecting the trust fund, or any part thereof so applied or distributed.

#### **Section 6.04 – Continuation of the Trust**

The trust shall continue until it has been entirely transferred, paid over, or distributed pursuant to the directions of the Plan Administrator. If, pursuant to the provisions of the Plan, the Employer's liability is assumed by any other business organization; then, such other business organization shall be deemed to succeed to the position of Employer under this Trust Agreement.

### **ARTICLE VII – MISCELLANEOUS PROVISIONS**

#### **Section 7.01 – No Reversion to Employer**

The Plan and this Trust Agreement are created for the exclusive benefit of the employees of the Employer and shall be interpreted in a manner consistent with being a plan established and maintained under IRC section 457(b) by a governmental entity. Subject to Article VI and this Section 7.01, the trust is irrevocable. The corpus and income of the trust may not be diverted to or used for other than the exclusive benefit of the participants or their beneficiaries (except for defraying reasonable expenses of administering the Plan).

Notwithstanding the above, a contribution paid by the Employer to the trust may be repaid to the Employer because of a mistake of fact. The Trustee shall not return any portion of the Employer's contribution under the provisions of this paragraph more than one year after The date on which the Employer made the contribution by mistake of fact. The Trustee will not increase the amount of the Employer contribution returnable under this paragraph for any earnings attributable to the contribution, but the Trustee will decrease the Employer contribution returnable for any losses attributable to it. The Trustee may require the Employer to furnish whatever evidence it deems necessary to confirm that the amount the Employer has requested be returned is properly returnable.

#### **Section 7.02 – Binding Agreement**

This Trust Agreement shall be binding on the heirs, executors, administrators, successors, and assigns as such terms may be applicable to any or all parties hereto, and on any participants, present or future.

#### **Section 7.03 – Trust Fund Exclusive Source**

All payments of benefits under the Plan shall be made exclusively from the assets of the trust fund as they may be constituted at the time or times of payment; and no persons shall be entitled to look to any other source for such payments.

#### **Section 7.04 – Separability Provision**

If any provision of this Trust Agreement shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof; and this Trust Agreement shall be construed and enforced as if such provision had not been included.

#### **Section 7.05 – Construction**

This Trust Agreement shall be construed in accordance with the laws of the state named in the preamble, except to the extent preempted by Federal law.

#### **Section 7.06 – Copies of Agreement**

This Trust Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and said counterparts shall constitute but one and the same instrument which may be sufficiently evidenced by any one counterpart.

#### **Section 7.07 – Other Employer**

If any other employer adopts the Plan, it shall be deemed thereby to have assented to the provisions of this Trust Agreement and to have become a party hereto as fully and completely as if it had been named herein as an Employer and had executed same.

#### **Section 7.08 – Successor Employer**

If a corporation with which the Employer is merged or consolidated, or a corporation which acquires substantially all of the assets of the Employer, elects to continue the Plan, such surviving or acquiring corporation may notify the Trustee, in writing; and thereafter every reference to Employer herein shall be treated as a reference to such surviving or acquiring corporation. If the Employer is liquidated or merged or consolidated with another company and the Plan is not continued, then the Plan Administrator shall succeed to the functions of Employer under the Plan and this Trust Agreement.

**Section 7.09 – Enforcement**

The Employer or Plan Administrator shall have authority to enforce this Trust Agreement on behalf of any person claiming any interest in the fund or under the Plan. To protect the fund from expenses which might otherwise be incurred, it is agreed and imposed as a condition for securing any interest in the fund that no other person may institute or maintain any action or proceeding against Trustee or the fund in the absence of written authority from the Employer or Plan Administrator or the judgment of a court of competent jurisdiction.

**Section 7.10 – Alienation**

No distribution or payment under this Trust Agreement to any participant or his beneficiary under the Plan shall be subject in any manner to anticipation, sale, transfer, assignment, or encumbrance, whether voluntary or involuntary; and no attempt to so anticipate, sell, transfer, assign, or encumber the same shall be valid or recognized by the Trustee, nor shall any such distribution or payment be in any way liable for or subject to the debts, contracts, liabilities, or torts of any person entitled to such distribution or payment, except to such extent as may be required by law or expressly provided in the Plan.

**Section 7.11 – Counterparts**

This Trust Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Employer and the Trustee have caused this Trust Agreement to be executed by their duly authorized representatives on this 20 day of May, 2024

Employer:

North Lebanon Township

By:

John A. Booth

Title:

Township Manager

Trustee:

North Lebanon Township Board of Supervisors

By:

Eldon A. Bey

Title:

Chairman