

ABOUT YOUR PLAN AMENDMENT

THE ALTERNATE PLAN FOR GALVESTON COUNTY EMPLOYEES

WI971617

January 29, 2025

This amendment makes changes to the way your plan should be administered. The employer and the plan administrator have an obligation to understand the terms of the plan and to follow the terms in operation. The companies of OneAmerica FinancialSM make every attempt to ensure the amendment is drafted consistent with your operational intent. As the employer, you have the ultimate responsibility to make certain that your plan is operated in accordance with the written plan document.

OneAmerica Financial does not render legal advice; therefore, it is very important that you review this amendment carefully with your legal counsel before signing it.

*If you determine that changes to the amendment are necessary, **DO NOT SIGN** the amendment. Please notify OneAmerica Financial of the changes being requested to the amendment. The requested changes will be reviewed, and if needed, a new amendment may be provided to you for your signature.*

Please refer to the Fee Disclosures, as applicable, for the most current plan and participant expenses.

Amendment Number Three has an effective date of **January 31, 2025**. The terms contained in the amendment will become effective on the later of (i) the stated effective date of the amendment or (ii) the signature date of the amendment.

The amendment includes the following changes:

- Participant consent will not be required for distributions of vested account balances of \$1,000 or less.
- In determining the \$1,000 distribution threshold, rollover contributions must be included.

AMENDMENT NUMBER THREE
TO
THE ALTERNATE PLAN FOR GALVESTON COUNTY EMPLOYEES

EFFECTIVE DATE: JANUARY 31, 2025

The plan document for The Alternate Plan for Galveston County Employees, which was restated effective January 3, 2025, is hereby amended as follows:

The plan document is amended to read:

18. **TIME AND METHOD OF PAYMENT OF ACCOUNT (4.02).** The Plan will distribute to a Participant who incurs a Severance from Employment his/her Vested Account as follows:

Timing. The Plan, in the absence of a permissible Participant election to commence payment later, will pay the Participant's Account *(Choose one of a. through e.):*

- a. ☐ **Specified Date.** _____ days after the Participant's Severance from Employment.
- b. ☒ **Immediate.** As soon as administratively practicable following the Participant's Severance from Employment.
- c. ☐ **Designated Plan Year.** As soon as administratively practicable in the _____ Plan Year beginning after the Participant's Severance from Employment.
- d. ☐ **Normal Retirement Age.** As soon as administratively practicable after the close of the Plan Year in which the Participant attains Normal Retirement Age.
- e. ☐ **Specify:** _____.

Method. The Plan, in the absence of a permissible Participant election, will distribute the Participant's Account under one of the following method(s) of distribution *(Choose one or more of f. through j. as applicable):*

- f. ☒ **Lump sum.** A single payment.
- g. ☒ **Installments.** Multiple payments made as follows: monthly, quarterly, semi-annual or annual cash installments.
- h. ☐ **Installments for required minimum distributions only.** Annual payments, as necessary under Plan Section 4.03.
- i. ☐ **Annuity distribution option(s):** _____.
- j. ☒ **Specify:** Partial withdrawals.

Participant Election. [Plan Sections 4.02(A) and (B)] The Plan *(Choose one of k., l. or m.):*

- k. ☒ **Permits.** Permits a Participant, with Plan Administrator approval of the election, to elect to postpone distribution beyond the time the Employer has elected in a. through e. and also to elect the method of distribution (including a method not described in f. through j. above).
- l. ☐ **Does not permit.** Does not permit a Participant to elect the timing and method of Account distribution.
- m. ☐ **Specify:** _____.

Mandatory Distributions. Notwithstanding any other distribution election, following Severance from Employment *(Choose n. or o.):*

- n. ☐ **No Mandatory Distributions.** The Plan will not make a Mandatory Distribution.
- o. ☒ **Mandatory Distribution.** If the Participant's Vested Account is not in excess of \$5,000 (unless a different amount selected below) as of the date of distribution, the Plan will make a Mandatory Distribution following Severance from Employment.
 - 1. ☒ **Mandatory Distribution.** If the Participant's Vested Account is not in excess of \$ 1,000 as of the date of distribution, the Plan will make a Mandatory Distribution following Severance from Employment.

Rollovers in determination of \$5,000 threshold. Unless otherwise elected below, amounts attributable to rollover contributions (if any) will be **included** in determining the \$5,000 threshold for timing of distributions, form of distributions or consent rules.

p. ☐ Exclude rollovers (rollover contributions will be **excluded** in determining the \$5,000 threshold)

NOTE: Regardless of the above election, if the Participant consent threshold is \$1,000 or less, then the Administrator must include amounts attributable to rollovers for such purpose. In such case, an election to exclude rollovers above will apply for purposes of the timing and form of distributions.

Any provisions not included in this amendment remain in full force and effect as stated in current plan documents. The County of Galveston, Texas has caused its name to be signed by its duly authorized officer to evidence adoption of this plan amendment as of the date designated below.

Employer/Plan Administrator
The County of Galveston, Texas

By: 

Title: Mark Henry, County Judge

Date: February 17, 2025

**SUMMARY OF MATERIAL MODIFICATION
FOR
THE ALTERNATE PLAN FOR GALVESTON COUNTY EMPLOYEES**

Due to the recent amendment of the above-referenced Plan, changes have been made that could affect your rights under the Plan. This Summary of Material Modifications (SMM) describes the recent Plan amendment and how that amendment may affect you. This SMM overrides any inconsistent information included in the Plan's Summary Plan Description (SPD) or other Plan forms.

The modifications described in this SMM are effective as of **January 31, 2025**. All other provisions are effective as described in the SPD.

When will I be entitled to a distribution from the Plan?

Distributions under the Plan may generally not be made prior to your termination of employment (for whatever reason, including death). The rules are explained in more detail below.

If you terminate employment for any reason and at any age (including retirement), then you will be entitled to a distribution within a reasonable time after you terminate employment. (See the question "How will my benefits be paid?" for a further explanation of how benefits are paid from the Plan.)

If your benefit does not exceed \$1,000 then the distribution will automatically be paid to you as soon as administratively practical following your termination of employment. If your benefit exceeds \$1,000, then you will be given the opportunity to elect to defer payment of the benefit, subject to certain limitations. In determining whether your vested account balance exceeds the \$1,000 threshold, "rollovers" (and any earnings allocable to "rollover" contributions) will be taken into account.

If the Plan Administrator approves, you (1) may elect to postpone distribution of your benefit to any fixed or determinable date including, but not beyond, your "required beginning date" described below; and (2) you may elect the method of payment.

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. There may also be benefits for employees who die or become disabled while on active duty. Employees who receive wage continuation payments while in the military may benefit from various changes in the law. If you think you may be affected by these rules, ask the Administrator for further details.

Required beginning date.

Regardless of the above, the law requires that certain minimum distributions be made from the Plan. Distributions are required to begin not later than the April 1st following the later of the end of the year in which you reach age 70 1/2 (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949) or terminate employment. You should see the Plan Administrator if you think you may be affected by these rules.

ADDITIONAL INFORMATION

If you have any questions about the modifications described in this SMM or about the Plan in general, or if you would like a copy of the SPD or other Plan documents, you may contact:

The County of Galveston, Texas
722 Moody Avenue, 3rd Floor
Galveston, Texas 77550