

**2017-1 Amendment
to the
State of Connecticut Alternate Retirement Program**

Pursuant to Section 10.01 of the State of Connecticut Alternate Retirement Program (the "Plan"), the State hereby amends the Plan as follows:

1. Section 3.01, Commencement of Participation, is hereby amended in its entirety, effective March 31, 2017, to read as follows:

An Eligible Employee will begin participation in this Plan on the Entry Date that is as soon as administratively practicable following an irrevocable written election to participate in the Plan made pursuant to the applicable rules set forth in this Section 3.01.

(a) An Eligible Employee whose pension rights are governed by the State Employees Bargaining Agent Coalition Agreement V ("SEBAC V") must make a written election to participate in this Plan (in lieu of participation in the State Employees Retirement Plan) on a form approved by the Plan Administrator. The signed, completed form must be returned to the Plan Administrator on the Eligible Employee's Date of Employment. Except as set forth in subparagraph (b) hereof, if an Eligible Employee fails to enroll within said period, he or she shall be deemed to have waived participation in the Plan.

(b) A part-time Eligible Employee covered by an agreement concerning special payroll lecturers, dated May 26, 2005, between the University of Connecticut and the University of Connecticut Chapter of the American Association of University Professors, will commence participation in the Plan on the Entry Date that is as soon as administratively practicable following the earlier of:

(i) The date on which the part-time Eligible Employee completes and returns to the Plan Administrator a written election to participate in this Plan on a form approved by the Plan Administrator.

(ii) The expiration of the Eligible Employee's Date of Employment.; provided, however, a part-time Eligible Employee who has submitted to the Plan Administrator a signed, irrevocable waiver declining participation in the Plan on the Date of Employment shall not commence participation.

(c) Notwithstanding subsection (a), an Eligible Employee who is either a faculty member of the University of Connecticut or a faculty member of the University of Connecticut Health Center and not covered by subsection (b) shall be automatically enrolled in the Plan unless such Eligible Employee makes a written election to enroll in the State Employees Retirement Plan on the Eligible Employee's Date of Employment. Except as set forth in subparagraph (b) hereof, if such Eligible Employee fails to elect not to enroll on such Date of Employment, he or she shall be deemed to have made an

irrevocable written election to participate in the Plan. Subsections (a) and (b) shall continue to apply to all other Eligible Employees.

2. Section 4.01 Plan Contributions is hereby amended in its entirety, effective July 1, 2017, to read as follows:

Plan Contributions will be made in accordance with the following schedule:

Plan Contributions as a Percentage of Compensation

<u>By the Participant*</u>	<u>By the Employer</u>
5% for Eligible Employees who first become Participants prior to September 1, 2017	8% prior to July 1, 2017
6.5% (effective September 1, 2017 for Eligible Employees who first become Participants on or after September 1, 2017 only)	7.25% (effective July 1, 2017)
	7% (effective July 1, 2019)

*Such amounts are Employee Contributions as defined in Section 2.14

Notwithstanding the foregoing, an Eligible Employee who first becomes a Participant on or after September 1, 2017 shall have the right to elect a 5% Participant Contribution in lieu of the 6.5% Participant Contribution set forth above on a form provided by the Plan Administrator. The signed, completed form must be returned to the Plan Administrator on the Eligible Employee's Date of Employment. If such Eligible Employee fails to elect a 5% Plan Contribution on such date, he or she shall be deemed to have made an irrevocable written election to have a 6.5% Participant Contribution apply. Eligible Employees who became Participants prior to September 1, 2017 shall not be entitled to make this election, and shall continue at a 5% Participant Contribution.

During a paid leave of absence, Plan Contributions will continue to be made for a Participant on the basis of Compensation then being paid by the Employer. Each Employer retains the discretion to provide for Plan Contributions to be made during a period of disability in accordance with the terms of a separate disability plan or program. Such Plan Contributions, if any, shall be made pursuant to applicable law and the terms of the applicable disability plan or program; provided, however, such contributions shall cease upon the commencement of the distribution of benefits under this Plan.

3. Section 7.08, Beneficiary Designations, is hereby amended for clarification purposes, effective January 1, 2017, by restating subsections (a) thereof to add a new last sentence, as follows:

(a) A Participant shall have the right to designate a Beneficiary or Beneficiaries for his or her Account, and to amend or revoke such designation at any time, in writing, on a form approved by the Plan Administrator. Such designation, amendment or revocation shall be effective upon receipt by the Plan Administrator, provided that the written designation is in good order. In determining the effectiveness of any designation, the Plan Administrator will honor the most recent designation form provided by and on file with the Plan's third party administrator with whom the member's account funds were held at the time of designation (Prudential or any successor thereto); if and only if no such designation exists, the Plan Administrator will honor a designation provided to and on file with the Retirement Services Division of the Office of the State Comptroller.

4. Section 7.08, Beneficiary Designations, is hereby amended for clarification purposes, effective January 1, 2018, by restating subsection (g) thereof to read as follows:

(g) If a Beneficiary has not been designated, or a designation is ineffective due to the death of all Beneficiaries prior to the death of the Participant, or the designation is ineffective for any other reason, then the Participant's Account shall be paid to (i) the Participant's Spouse, or (ii) if no Spouse survives the Participant, the Participant's children *per stirpes*, or (iii) if neither a Spouse nor any children survives the Participant, the Participant's estate.

5. Section 7A.03 Participants Employed Prior to July 1, 1997 is hereby amended in its entirety, effective July 1, 2017 to read as follows:

A Participant who was actively employed by the Employer on or before July 1, 1997 and who elects to transfer his or her membership from this Plan to the Hybrid Plan shall continue to be a Participant in the Plan to the limited extent set forth in this Section 7A.03. Such Participant shall be required to continue making Employee Contributions equal to 2% of Compensation as long as, but for his or her election to transfer membership to the Hybrid Plan, he or she would be an active Participant in the Plan; provided however that such mandatory contribution shall be reduced to .5% effective October 13, 2017 and to 0% effective July 1, 2019. No Employer Contributions shall be made to a Participant's Account during or after such continuation period.

**CONNECTICUT STATE
EMPLOYEES RETIREMENT
COMMISSION**

**OFFICE OF THE STATE COMPTROLLER
OF THE STATE OF CONNECTICUT, ON
BEHALF OF THE STATE OF
CONNECTICUT AND THE CONNECTICUT
STATE EMPLOYEES RETIREMENT
COMMISSION**

By: *Peter Adomait*
Chairman: _____

By: *Kevin Lembo*
State Comptroller: Kevin Lembo

Date: *2-15-18*

Date: *2-15-18*