

Title 27: Personnel
Part 250: PERS, Hybrid Defined Contribution Plan

**MISSISSIPPI HYBRID
DEFINED CONTRIBUTION RETIREMENT PLAN**

**PLAN DOCUMENT
Effective March 1, 2026**

**MISSISSIPPI HYBRID
DEFINED CONTRIBUTION RETIREMENT PLAN**

Table of Contents

	<u>Page</u>
ARTICLE I ESTABLISHMENT OF PLAN AND TRUST.....	4
1.1 Establishment of Plan	4
ARTICLE II DEFINITIONS	5
2.1 Account Balance	5
2.2 Accumulation Account	5
2.3 Annual Additions	5
2.4 Beneficiary	5
2.5 Board.....	5
2.6 Code	6
2.7 Compensation	6
2.8 Covered Position.....	6
2.9 Date of Employment or Reemployment	6
2.10 Effective Date	6
2.11 Eligible Employee.....	6
2.12 Employee	7
2.13 Employer.....	7
2.14 Employer Contribution	7
2.15 Fund	7
2.16 Hardship Distribution.....	7
2.17 Limitation Year.....	7
2.18 Participant	7
2.19 Participant Plan Contributions	7
2.20 Participation Agreement	8
2.21 Plan	8
2.22 Plan Contributions	8
2.23 Plan Entry Date	8
2.24 Plan Sponsor	8
2.25 Plan Year.....	8
2.26 Provider.....	8
2.27 Rollover Contribution	8
2.28 Severance from Employment.....	8
2.29 State Service.....	9
2.30 Third-Party Administrator	9
2.31 Transfer Contribution.....	9
2.32 Trust	9
ARTICLE III ELIGIBILITY FOR PARTICIPATION	10
3.1 Participation	10

3.2	Notification	10
3.3	Reemployment	10
3.4	Cessation of Active Participation.....	10
ARTICLE IV PLAN CONTRIBUTIONS.....		11
4.1	Participant Plan Contributions	11
4.2	Employer Contributions.....	11
4.3	Contributions during Qualified Military Service	11
4.4	Rollover Contributions and Transfers from Other Eligible Plans	12
4.5	Maximum Contribution	13
4.6	Reversion	13
4.7	Allocation of Plan Contributions	13
4.8	Fee Paid Officials.....	14
ARTICLE V ACCOUNTS AND REPORTS		15
5.1	Participant Account.....	15
5.2	Statement of Account to Participants.....	15
5.3	Valuation.....	15
5.4	Deposits.....	15
5.5	Records and Reports	15
ARTICLE VI VESTING		16
6.1	Participant Plan Contributions	16
6.2	Employer Contributions.....	16
ARTICLE VII INVESTMENT OF CONTRIBUTIONS		17
7.1	Investment Options	17
7.2	Direction by Participant	17
7.3	Investment Default.....	17
7.4	Conflicts.....	17
7.5	Excessive Trading.....	17
7.6	Discontinuance of Investment Option	18
ARTICLE VIII BENEFITS		19
8.1	When Benefits are Payable	19
8.2	Benefit Payments	19
8.3	Application for Benefits.....	19
8.4	Payment Options.....	19
8.5	Minimum Distribution Rules	20
8.6	Payments to Beneficiary	20
8.7	Distribution for Incompetent or Minor Beneficiary.....	21
8.8	Location of Participant or Beneficiary Unknown.....	22
8.9	Beneficiary Designation.....	22
8.10	Hardship Distributions	22
8.11	Direct Rollover.....	24
8.12	Effect of Unused Leave at Retirement or Severance from Employment.....	25

ARTICLE IX ADMINISTRATION.....	26
9.1 Plan Administrator.....	26
9.2 Authority of the Board.....	26
9.3 Reliance on Information from Employer.....	26
9.4 Payment of Expenses.....	27
ARTICLE X NONASSIGNABILITY.....	28
10.1 Nonassignment.....	28
ARTICLE XI AMENDMENT AND TERMINATION.....	29
11.1 Right to Amend Plan.....	29
11.2 Nonforfeitable Benefits upon Termination.....	29
ARTICLE XII MISCELLANEOUS.....	30
12.1 Compliance with Code Section 401(a).....	30
12.2 Assumption of Risk.....	30
12.3 Disputes.....	30
12.4 Governing Law.....	30
ARTICLE XIII TRUST.....	31
13.1 Trust.....	31
13.2 Trust Status.....	31
13.3 Trust Fund.....	31
13.4 Trustee.....	31

ARTICLE I
ESTABLISHMENT OF PLAN AND TRUST

1.1 Establishment of Plan

House Bill No. 1, enacted by the Legislature of the State of Mississippi, established the Hybrid Defined Contribution Plan (the “Plan”) as of March 1, 2026. This Plan document sets forth the provisions of this Defined Contribution (Profit Sharing) Retirement Plan, which is a governmental plan as defined in Internal Revenue Code Section 414(d), and establishes a Trust for the Plan assets. The Plan is intended to be a qualified, defined contribution plan under Code Section 401(a).

The Plan and Trust are established for the exclusive benefit of Participants and their Beneficiaries. Consistent with Code Section 401(a)(2), no amount held under the Plan will ever inure to the benefit of the Plan Sponsor, any Employer, or any successor of any of them, and all Plan investments and amounts will be held for the exclusive purpose of providing benefits to the Plan’s Participants and their Beneficiaries. Notwithstanding anything in the Plan to the contrary, it will be impossible at any time before the satisfaction of all liabilities to Participants and Beneficiaries for any part of the Plan assets to be used for or diverted to purposes other than for the exclusive benefit of Participants and Beneficiaries, except that payment of taxes and administration expenses may be made from the Plan assets as provided by the Plan or permitted by applicable law.

Plan Contributions are invested, at the direction of each Participant, in one or more investment options available to Participants under the Plan. Required Participant Plan Contributions are designated picked-up by the Employer so as not to be included in Participants’ gross income for federal tax purposes as provided by Code Section 414(h)(2).

ARTICLE II DEFINITIONS

2.1 Account Balance

“Account Balance” means the total Participant Plan Contributions made by the Participant, Employer Contributions, any Rollover Contribution amounts and Transfer Contribution amounts under Section 4.4, and any investment gains or losses thereon.

2.2 Accumulation Account

“Accumulation Account” means the separate account established for each Participant to which will be credited all Plan Contributions, less expense charges, plus earnings thereon.

2.3 Annual Additions

“Annual Additions” means the annual addition as defined in Code Section 415(c) and as modified in Code Sections 415(l)(1) and 419A(d)(2). In general, Code Section 415(c) defines the annual addition as the sum of the following amounts credited to a Participant’s accounts for the Limitation Year under this Plan and any other defined contribution plan maintained by the Employer:

- (a) Participant Plan Contributions;
- (b) Employer Contributions;
- (c) forfeitures;
- (d) amounts allocated to an individual medical account, as defined in Code Section 415(l)(2), which is part of a pension or annuity plan maintained by the Employer, as applicable; and
- (e) mandatory employee contributions to a defined benefit plan maintained by the Employer, unless the contributions are picked up by the Employer pursuant to Code Section 414(h)(2).

2.4 Beneficiary

“Beneficiary” means the individual, entity, trustee, or estate designated by the Participant to receive benefits or otherwise entitled to receive benefits that may become payable hereunder after the death of such Participant.

2.5 Board

“Board” means the Public Employees’ Retirement System of Mississippi (PERS) Board of Trustees.

2.6 Code

“Code” means the Internal Revenue Code of 1986, as amended. Reference to a specific Code Section includes not only the section but any comparable section or sections of any future legislation that amends, supplements, or supersedes the section.

2.7 Compensation

“Compensation” means the full amount earned during a fiscal year by an Employee as defined in Miss. Code Ann. Section 25-11-103(1)(k) (1972, as amended) and Board Regulation 65. Such amount shall also include Compensation which is not currently includable in the Participant’s gross income by reason of application of Code Sections 125, 403(b), 414(h)(2), or 457. Compensation includes the following amounts paid following the Participant’s Termination of Employment: (1) amounts that would have been paid in the absence of a Termination of Employment and is regular pay for services (such as regular wages, overtime, or shift differential or other similar Compensation); and (2) amounts that are payment for accrued bona fide sick, vacation, or other leave pursuant to Miss. Code Ann. Section 25-11-103(1)(f) (1972, as amended) that would have been used if employment continued, provided such payments are made by the later of 2 ½ months after Termination of Employment or the last day of the Plan Year that includes the date of the Termination of Employment. Compensation does not include other amounts paid following Termination of Employment, including severance pay or deferred Compensation.

2.8 Covered Position

“Covered Position” means any office or any employment covered under PERS in accordance with Miss. Code Ann. Section 25-11-101, et seq. (1972, as amended) and Board Regulation 36. Based on Mississippi Law and Board regulations, the Employer shall determine upon initial employment, and during the course of employment of an Employee who does not meet the criteria for coverage in PERS based on the position held, whether the Employee is or becomes eligible for coverage in PERS based upon any other employment in a covered agency or political subdivision.

2.9 Date of Employment or Reemployment

“Date of Employment or Reemployment” means the date of the appointment on which Compensation begins for an Employee in an PERS-eligible Covered Position.

2.10 Effective Date

“Effective Date” means March 1, 2026, which is the Effective Date of the Plan.

2.11 Eligible Employee

“Eligible Employee” means any Employee hired in a Covered Position. An Eligible Employee is paid regular, periodic Compensation that is subject to payroll taxes, is provided all other Employee benefits and meets the PERS requirements as adopted by the

Board through regulation. Effective March 1, 2026 and after, participation in this Plan is mandatory for any new Eligible Employee.

2.12 Employee

“Employee” means any person legally occupying a position in State Service and includes the Employees of the PERS. An Employee is a person in the service of another where the Employer has the power or right to control and direct the Employee in the material details of how the work is to be performed. Only Employees are eligible for membership in PERS and participation in the Plan.

2.13 Employer

“Employer” means the State of Mississippi or any of its departments, agencies, political subdivisions, or instrumentalities from which any Employee receives his or her Compensation.

2.14 Employer Contribution

“Employer Contribution” means amounts which may be contributed to the Plan for actively contributing Participants who are Employees of the Employer pursuant to the Employer’s specific Participation Agreement.

2.15 Fund

“Fund” means a registered investment company or an insurance company separate account or collective investment fund or group trust or any similar pooled investment under which the value of the holder’s interest is calculated according to the number of shares or units held for the holder’s account.

2.16 Hardship Distribution

“Hardship Distribution” means a distribution under Section 8.10.

2.17 Limitation Year

“Limitation Year” means the period beginning on July 1 of each year and ending on June 30 of the next succeeding year.

2.18 Participant

“Participant” means any Employee who participates in the Plan in accordance with Article III.

2.19 Participant Plan Contributions

“Participant Plan Contributions” means the pre-tax, picked-up contributions by a Participant under this Plan, as required by Article IV. Participant Plan Contributions are

designated by the Employer as being made by the Employer in lieu of Plan Contributions by the Participant. Furthermore, the pick-up amounts cannot be received directly by the Participants in accordance with Code Section 414(h)(2).

2.20 Participation Agreement

“Participation Agreement” means the agreement (in the form prescribed by the Board or the Third- Party Administrator), as amended from time to time, entered into by and between the Employer and the Board for any Employer opting to make Employer Contributions.

2.21 Plan

“Plan” means the Mississippi Hybrid Defined Contribution Plan as contained herein or as duly amended.

2.22 Plan Contributions

“Plan Contributions” means contributions by the Participant and the Employer under this Plan in accordance with Article IV.

2.23 Plan Entry Date

“Plan Entry Date” means the later of the Effective Date of the Plan or the date on which an Employee begins employment in a Covered Position.

2.24 Plan Sponsor

“Plan Sponsor” means the State of Mississippi or the Mississippi Legislature.

2.25 Plan Year

“Plan Year” means the twelve (12) consecutive month period beginning on July 1 and ending on June 30.

2.26 Provider

“Provider” means any entity that has been approved by the Board to provide investment options under the Plan.

2.27 Rollover Contribution

“Rollover Contribution” means an amount or property received into this Plan under Section 4.4.

2.28 Severance from Employment

“Severance from Employment” or “Termination of Employment” means the complete severance of employment by resignation, death, dismissal, discharge, or retirement as

determined by the Board. Such severance shall mean the absence of any employment in any capacity (Employee or Independent Contractor) with a covered Employer.

In the event that a Participant changes his or her employment from the State of Mississippi or any member agency or political subdivision, which is covered by this Plan, to another Employer also covered by this Plan, the Participant is not considered to have satisfied the provisions for a distribution in accordance with Section 8.1(a)(i). The benefits conferred and protected hereunder shall be continued in full force and effect, and the transfer of the Employee from one covered Employer to another shall have no adverse effect upon the Participant rights as pursuant to the Plan.

2.29 State Service

“State Service” means all offices and positions of trust or employment in the employ of the state, or any political subdivision or instrumentality of the state that elects to participate in PERS by way of joinder agreement in accordance with Miss. Code Ann. Section 25-11-105(f) (1972, as amended), including the position of elected fee officials of the counties and their deputies and employees performing public services and any department, independent agency, board or commission, and also including all offices and positions of trust or employment in the employ of joint state and federal agencies administering state and federal funds and service rendered by employees of the public schools.

2.30 Third-Party Administrator

“Third-Party Administrator” means the entity with which the Board has contracted to perform such administrative duties as delegated by the Board.

2.31 Transfer Contribution

“Transfer Contribution” means an amount or property transferred into this Plan under Section 4.4.

2.32 Trust

“Trust” means and refers to the legal entity and the legal relationship created by Section 1.1 of Article 1 and pursuant to Article XIII. Consistent with Code Section 401(a)(2), the Trust must be solely for purposes of the Plan and consistent with Section 1.1 of Article I and Article XIII.

**ARTICLE III
ELIGIBILITY FOR PARTICIPATION**

3.1 Participation

Participation in this Plan is mandatory for any new Eligible Employee in a Covered Position. An Employee is eligible for membership under this Plan on the first day of employment. Such eligibility, however, shall terminate at any time employment with the Employer is terminated. A Participant transferred or reclassified to a position that does not qualify for participation in this Plan will cease to participate in the Plan.

3.2 Notification

The Employer will notify each Eligible Employee when participation in the Plan begins. Each Participant is entitled to the benefits and is bound by all of the terms, provisions, and conditions of this Plan, including any and all amendments which from time to time may be adopted, including the terms, provisions and conditions of any contract and/or certificate under the Plan.

3.3 Reemployment

Once an Eligible Employee is enrolled in the Plan, the Eligible Employee must once again participate in the Plan upon any subsequent reemployment in a Covered Position. Moreover, any Eligible Employee drawing a monthly retirement allowance from PERS, who is subsequently employed by an Employer must comply with the reemployment limitations as they may be amended from time to time as set forth in Miss. Code Ann. Sections 25-11-126 and 25-11-127 (1972, as amended), unless such retirement allowance is terminated and the Employee returns to active, PERS-covered employment.

3.4 Cessation of Active Participation

A Participant shall no longer continue to contribute to the Plan if:

- (a) he or she is retired or terminated from employment;
- (b) he or she is transferred or reclassified to a position that does not qualify for participation in this Plan; or
- (c) the Plan is terminated.

ARTICLE IV PLAN CONTRIBUTIONS

4.1 Participant Plan Contributions

Each Participant shall participate in the 401(a) Plan at a pre-tax contribution rate of five percent (5%) of the Employee's Compensation. These funds, designated as Participant Plan Contributions, shall be paid by the Employer for all Participants and picked up pursuant to Code Section 414(h)(2) and credited to the Participant's account. Participants may not elect to receive such Participant Plan Contributions directly instead of having them paid by the Employer to the Plan. All Plan Contributions are fully vested and nonforfeitable. Plan Contributions during personal or medical leave are provisional on the continuation of salary or Compensation by the employing Employer. Participant Plan Contributions shall be remitted to the Third-Party Administrator within five (5) business days following the end of the month in which such amount is withheld from the Compensation of the Participant. As set forth in Board Regulation 14, Section 104, interest shall be assessed to the Employer and applied to any delinquent contributions received fifteen (15) business days or more after the date following the end of the month in which such amount is withheld from the Compensation of the Participant.

4.2 Employer Contributions

Employers may elect to contribute an amount up to the maximum pre-tax amount allowable under Code Section 415. Employer Contributions shall be remitted to the Third-Party Administrator within five (5) business days following the end of the month in which such amount is attributable. Any changes to the Employer Contribution rate shall be adopted by the Employer no more than annually and shall be effective on the first day of the Plan Year, following the adoption and notification to the Board. Each Employer shall enter into a Participation Agreement with the Board specifying the amount of Employer Contributions adopted for the Plan Year. As set forth in Board Regulation 14, Section 104, interest shall be assessed to the Employer and applied to any delinquent contributions received fifteen (15) business days or more after the date following the end of the month in which such amount is withheld from the Compensation of the Participant.

4.3 Contributions during Qualified Military Service

Notwithstanding any provision of this Plan to the contrary, contributions and benefits with respect to Qualified Military Service will be provided in accordance with Code Section 414(u)(5). A Participant shall be allowed to make Participant Plan Contributions for each year of Qualified Military Service in any amount up to the maximum Participant contributions the Participant would have been eligible to contribute had he or she not been in Qualified Military Service based on his or her Compensation as herein defined, provided such Participant entered such Qualified Military Service directly from the employ of the Employer and was reemployed by the Employer immediately following discharge from such Qualified Military Service. The Participant shall be required to contribute such make-up Participant Plan Contributions during the period which begins on the date of the Participant's reemployment with the Employer and not exceeding three (3) times the

Participant's Qualified Military Service; provided however, that in no event shall such period exceed five (5) years.

If the Participant makes the required Participant Plan Contribution as noted above, any eligible Employer Contribution shall be made for any eligible Participant for each year of Qualified Military Service in an amount equal to the amount the Participant would have been credited had he or she not been in Qualified Military Service based on his or her Compensation as herein defined.

A Participant who is in Qualified Military Service shall be treated as receiving Compensation during such period of Qualified Military Service equal to the Compensation the Participant would have received during such period if the Participant were not in Qualified Military Service, determined based on the rate of pay the Participant would have received from the Employer but for absence during the period of Qualified Military Service.

Any contributions made pursuant to this Section shall not be subject to any otherwise applicable limitations contained in Code Section 404(a), 402(g), or 415 with respect to the year in which the Contributions are made; however, such contributions shall be subject to such limitations with respect to the year to which the contributions relate.

Qualified Military Service means any service in the uniformed services (as defined in Chapter 43, Title 38, United States Code) by any individual if such individual is entitled to reemployment rights under such chapter with respect to such services.

4.4 Rollover Contributions and Transfers from Other Eligible Plans

- (a) To the extent permitted by the applicable provisions of the Code and regulations issued thereunder, a Participant may contribute to the Plan in cash as a Rollover Contribution a qualified rollover amount from an eligible retirement plan as such terms are defined in Code Sections 402(c)(4) and 402(c)(8)(B), and as permitted by Code Section 408(d)(3); provided that the Third-Party Administrator, in its discretion, determines that the contribution satisfies all applicable requirements of the Code. A Rollover Contribution shall be allocated to the Rollover Contribution account of the Participant as of the date of the contribution. The Participant's Rollover Contribution account shall be available for distribution at any time at the direction of the Participant, subject to any applicable penalties or other distribution requirements under the Code.
- (b) To the extent permitted by the applicable provisions of the Code and regulations issued thereunder, a Participant may make a plan-to-plan transfer to this Plan from another qualified plan as provided in this section. Such a transfer is permitted only if the other plan provides for the direct transfer of the Participant's interest therein to the Plan. The Third-Party Administrator may require in its sole discretion that the transfer be in cash or other property acceptable to the Third-Party Administrator. The Third-Party Administrator may require such documentation from the other plan as it deems necessary to effectuate the transfer and to confirm

that the other plan is a qualified plan as defined in Section 401(a) of the Code. The amount so transferred shall be credited to the Participant's Transfer Contribution account and shall be held, invested, accounted for, administered, and otherwise treated in the same manner as a Rollover Contribution, subject to any applicable distribution requirements or limitations under the Code.

4.5 Maximum Contribution

Notwithstanding anything contained in this Plan document to the contrary, the total annual additions made on behalf of any Participant for any year will not exceed the amount permitted under Code Section 415. Notwithstanding the foregoing, the otherwise permissible annual contributions for any Participant under this Plan may be further reduced to the extent necessary to prevent disqualification of the Plan under Code Section 415.

If the Annual Additions exceed the limitations under Code Section 415, the failure to limit Annual Additions may be corrected in any manner permitted by the Internal Revenue Service under its Employee Plans Compliance Resolution System.

If the limitations are exceeded because the Participant is also participating in another Plan required to be aggregated with this Plan for the purposes of Code Section 415, then the extent to which annual contributions under this Plan will be reduced, as compared with the extent to which annual benefits or contributions under any other plans will be reduced, will be determined by the Employer in a manner as to maximize the aggregate benefits payable to the Participant from all plans. If the reduction is under this Plan, the Employer will advise affected Participants of any additional limitation on their annual contributions required by this paragraph.

4.6 Reversion

All contributions and earnings credited to the Plan and/or a Participant's Accumulation Account shall be irrevocable except as provided herein and may only be used for the exclusive benefit of the Participant and his or her designated Beneficiaries. Under no circumstances or conditions will any Plan Contributions revert to or be paid to the benefit of the Employer, directly or indirectly.

However, erroneous Plan Contributions will be corrected and returned by the Third-Party Administrator to the Employer no later than thirty (30) days after notification of the error if such correction and return can be completed within one (1) year of the erroneous contributions. In any event, any correction made under this section shall be made in accordance with the Internal Revenue Service Employee Plans Compliance Resolution System.

4.7 Allocation of Plan Contributions

Plan Contributions to the Participant's account shall be forwarded by the Employer to the Third-Party Administrator and may be allocated by the Participant to one (1) or more investment options.

4.8 Fee Paid Officials

For each covered constable, chancery clerk, and circuit clerk, under Miss. Code Ann. Sections 25-11-106 and 25-11-106.1 (1972, as amended), the applicable county shall pay any elective Employer Contribution on direct payroll income as set forth under Section 4.2.

If the county elects under Miss. Code Ann. Sections 25-11-106 and 25-11-106.1 (1972, as amended), the applicable county may be responsible for any elective Employer Contribution on fee income and such Employer Contributions shall be received by the Plan from the county no later than April 15 of the following tax year.

All retirement contributions due from the Participant and not withheld and submitted to the Board by the applicable county shall be paid by the Participant no later than April 15 of the following year on a post-tax basis. For any retirement contributions not received by April 15, PERS shall certify the delinquency to the applicable county and the county shall withhold any and all payments and fees due to the Participant until such time as the retirement contributions are fully reported and made. Any amounts due and not remitted by April 15 begin accruing interest daily at the rate specified in Board Regulation 43 from April 15 until the date of payment.

Any excess Participant Plan Contributions shall be distributed to the Participant after April 15 of the following year with applicable earnings thereon, if any, from April 15 until the date of payment.

ARTICLE V ACCOUNTS AND REPORTS

5.1 Participant Account

The Third-Party Administrator shall maintain a Participant's Accumulation Account with respect to each Participant, and that account shall be credited with the Participant's annual deferral for each pay period. The balance of such account shall be adjusted daily to reflect any distribution to the Participant and all interest, dividends, account charges, and changes of market value resulting from the investment of the Participant's contributions. All Plan records, including individual information, that are maintained by the Third-Party Administrator shall be the exclusive property of the Board. Participant's Accumulation Account includes any account established under Section 4.4 for Rollover Contributions and Transfer Contributions.

5.2 Statement of Account to Participants

A written report of the status of each Participant's account shall be furnished by the Third-Party Administrator within twenty (20) days after the end of each Plan quarter. All reports to Participants shall be based on the fair market value of investments credited to their accounts as of the reporting dates. Participant reports shall be deemed to have been accepted by the Participant as correct unless written notice to the contrary is received by the Third-Party Administrator within thirty (30) days after the mailing or distribution of a report to the Participant.

5.3 Valuation

The Third-Party Administrator and/or the managers of each investment Provider shall value the investments in their Fund each business day based on acceptable industry practices. All daily transactions shall be based on that day's closing market values. The Third-Party Administrator shall apply such values, including earnings and losses, to appropriate Participant accounts.

5.4 Deposits

In all cases, deposits of deferrals shall be treated as actually made only as of the date the funds are accepted as in good order by the Third-Party Administrator. Such deposits received by the Third-Party Administrator after 3:00 p.m. Central Time will be processed on the next business day the New York Stock Exchange is open.

5.5 Records and Reports

The Third-Party Administrator shall keep a record of all actions taken and shall keep all other books of account, records, and other data that may be necessary for proper administration of the Plan and shall be responsible for supplying all information and reports to the Internal Revenue Service, Participants, Beneficiaries, and others as required by law.

**ARTICLE VI
VESTING**

6.1 Participant Plan Contributions

A Participant is immediately vested in Participant Plan Contributions made to that Participant's account. Participant Plan Contributions shall at all times be nonforfeitable.

6.2 Employer Contributions

A Participant is immediately, one hundred percent (100%) vested in amounts credited to the Participant account derived from Employer Contributions, and such amounts shall at all times be nonforfeitable.

**ARTICLE VII
INVESTMENT OF CONTRIBUTIONS**

7.1 Investment Options

The Board shall screen and approve any investment option under this Plan for the investment of contributions by Participants or their Beneficiaries. The investment options must be authorized for PERS investment under Miss. Code Ann. Section 25-11-121 (1972, as amended). The Board shall monitor and evaluate at least annually the available investment options, as well as the appropriateness of continued offerings by the Plan. The Board shall determine, in its sole discretion, whether to add additional investment options and/or to terminate options that are determined to be no longer appropriate for offering.

The Plan may offer a self-directed brokerage account for additional investment choices. The Plan investments may only be made in the self-directed brokerage account as a transfer of assets from the account balance in the Plan's investment options. A minimum balance of \$2,500 in the Plan's investment options is required for a Participant or Beneficiary to be eligible to establish and maintain a self-directed brokerage account. Additionally, Plan assets held in a self-directed brokerage account are not eligible for a plan-to-plan transfer. Participants must first move any self-directed brokerage account assets they wish to transfer to another eligible government plan to the Plan's investment options before a plan-to-plan transfer can be executed.

7.2 Direction by Participant

Participants will direct the investment of their Participant accounts among the investment options offered under the Plan. The Employer, Board, and the Third-Party Administrator shall be under no duty to question any investment direction of a Participant or to make suggestions to the Participant regarding such investment, nor shall they be held responsible in any manner for investment loss or depreciation in asset value of any such investment.

7.3 Investment Default

In the event a Participant fails to select any investment option upon enrollment in the Plan, the Board shall direct those contributions to the target date fund with a target year closest to the year the Participant will reach age 65.

7.4 Conflicts

If any provision of an investment option agreement is not consistent with the Plan provisions, the terms of the Plan shall control.

7.5 Excessive Trading

The Third-Party Administrator shall administer any excessive trading policy, and restrictions on such excessive trading, that is applicable.

7.6 Discontinuance of Investment Option

If an investment option ceases to be eligible to receive deferrals under the Plan, the Board may direct that both existing amounts under Participant Accumulation Accounts that were invested with such investment option and any future contributions be transferred to the remaining investment options that are approved to receive deferrals under the Plan.

ARTICLE VIII BENEFITS

8.1 When Benefits are Payable

- (a) A Participant Accumulation Account may not be paid to a Participant (or, if applicable, the Beneficiary) until one of the following events has occurred:
 - (i) at least thirty (30) days following the Participant's Severance from Employment or death;
 - (ii) a Hardship Distribution, within the meaning of and subject to Section 8.10;
- (b) A Participant Contribution Rollover account shall be paid to a Participant in accordance with Section 4.4.

8.2 Benefit Payments

Benefits shall be paid from the Trust in accordance with this Article following one of the events noted in Section 8.1. Benefits payable to a Participant or a Beneficiary shall be based upon the value of the Participant's account.

Payment of benefits under this Plan and Trust shall be made only to the extent of amounts that are available under the Plan as measured by the elections made by the Participant, and no responsibility is assumed for the investments or performance results thereof. The value of any benefit shall be determined by the actual value of the Participant's account at the time of benefit payment unaffected by an independent or arbitrary standard of calculation with respect thereto.

8.3 Application for Benefits

Upon a Participant's application for benefits, the Third-Party Administrator shall direct the distribution of a Participant account in accordance with this Article VIII. Benefit payments to a Participant or Beneficiary, if applicable, shall be made according to the manner and method of payments as elected by the Participant.

Benefit payments to a Participant or Beneficiary shall be made after final contributions are posted to the Participant's Accumulation Account, or at least thirty (30) days following Severance from Employment.

8.4 Payment Options

A Participant or Beneficiary may choose from the following benefit distribution options subject to the requirements of Code Section 401(a):

- (a) Lump Sum Payment;
- (b) Partial Lump Sum Payment;

- (c) Systematic Withdrawal Option;
- (d) A direct rollover to an eligible retirement plan; or
- (e) Any other form approved by the Board.

8.5 Minimum Distribution Rules

Notwithstanding any provisions in the Plan to the contrary, any distribution under the Plan shall be made in accordance with a reasonable and good faith interpretation of Code Section 401(a)(9), including the incidental benefit rules of Section 401(a)(9)(G) of the Code, Treasury Regulations 1.401(a)(9)-1 through -9 as they are amended. No payment option may be selected by a Participant unless the amounts payable to the Participant are expected to be at least equal to the minimum distribution required under Section 401(a)(9) of the Code.

The accounts of a Participant shall be distributed to the Participant beginning no later than the Participant's "required beginning date." For purposes of this Section, "required beginning date" means April 1 of the calendar year following the later of (i) the calendar year in which the Participant reaches the applicable age or (ii) the calendar year in which the Participant retires. For a Participant who attains age 72 after December 31, 2022, and age 73 before January 1, 2033, the applicable age is 73. For a Participant who attains age 74 after December 31, 2032, the applicable age is 75. The applicable age is defined in Code Section 401(a)(9)(C)(v).

8.6 Payments to Beneficiary

- (a) Upon the death of a Participant before distributions of his or her account begin under Section 8.5, the following distribution provisions will take effect; provided, however, that such provisions are subject to any regulations or other guidance issued under Code Section 401(a)(9):
 - (i) If the Participant has no designated Beneficiary within the meaning of Code Section 401(a)(9)(E)(i), the Participant's account under the Plan will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
 - (ii) If any portion of the Participant's account is payable to a designated Beneficiary within the meaning of Code Section 401(a)(9)(E)(i), the Participant's account shall be distributed to the designated Beneficiary by December 31 of the calendar year containing the tenth anniversary of the Participant's death.
 - (iii) Notwithstanding paragraph (ii), if any portion of the Participant's account is payable to an Eligible Designated Beneficiary, within the meaning of Code Section 401(a)(9)(E)(ii) and as set forth in paragraph (b), the Eligible Designated Beneficiary may elect for the Participant's account to be distributed (A) by December 31 of the calendar year containing the tenth

anniversary of the Participant's death, or (B) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving spouse, the Eligible Designated Beneficiary may elect to delay payment under item (B) until December 31 of the calendar year in which the Participant would have reached the applicable age. If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's account(s) shall be distributed in accordance with item (A). A surviving spouse who is the Participant's sole designated Beneficiary may elect to be treated as if the surviving spouse were the Participant as provided under Code Section 401(a)(9)(B)(iv).

(iv) Upon either (A) the death of an Eligible Designated Beneficiary before distribution of the Participant's entire account or (B) the attainment of the age of majority, as defined under the laws of the State of Mississippi, for an Eligible Designated Beneficiary who is a minor child of the Participant, subparagraph (iii) shall no longer apply, and the remainder of the account shall be distributed under subparagraph (i) or (ii), as applicable.

(b) For purposes of this Section 8.6, and in accordance with Code Section 401(a)(9)(E)(ii), an "Eligible Designated Beneficiary" is a designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority, as defined by the laws of the State of Mississippi; (iii) disabled within the meaning of Code Section 72(m)(7); (iv) chronically ill within the meaning of Code Section 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten (10) years younger than the Participant.

8.7 Distribution for Incompetent or Minor Beneficiary

In the event a distribution is to be made to a minor Beneficiary, then the Board may direct that such distribution be paid to the legal guardian, or if none, to a custodial parent of such Beneficiary, or to the legal custodian for such Beneficiary. Such a payment to the legal guardian, parent or legal custodian of a minor Beneficiary shall fully discharge the Provider, any other providers of the Plan, Board, Employer, and Plan from further liability on account thereof.

In the event a distribution is to be made to an incompetent person as declared by a physician, then the Board may direct that such distribution be paid to the court appointed and currently acting conservator of the incompetent person or to other such individual who is legally responsible for the incompetent person as permitted by the laws of the state in which the incompetent person resides. Such a payment to the conservator or other such

individual who is legally responsible for the incompetent person shall fully discharge the Provider, any other providers of the Plan, Board, Employer, and Plan from further liability on account thereof.

8.8 Location of Participant or Beneficiary Unknown

In the event that the Administrator does not have current contact information for or is unable to identify a Participant or Beneficiary under the Plan, the Administrator shall make reasonable attempts to determine the address and identity of the Participant or Beneficiary entitled to benefits under the Plan. A reasonable attempt to locate a missing or lost Participant or Beneficiary may include (i) providing notice to the Participant at the Participant's last known address via certified mail; (ii) determining whether the Employer's records or the records of another plan maintained by the Employer has a more current address for the Participant; (iii) attempting to contact any named Beneficiary of the Participant; and (iv) searching for the missing Participant via free electronic search tools, such as Internet search engines, public record databases, obituaries, and social media.

If such search methods are unsuccessful, based on the facts and circumstances, the Third-Party Administrator may use other search methods, including using Internet search tools, commercial locator services, credit reporting agencies, information brokers, investigation databases, and analogous services that may involve charges. The Third-Party Administrator may charge missing Participants and Beneficiaries reasonable expenses for efforts to find them.

In the event that all, or any portion, of the distribution payable to a Participant or Beneficiary hereunder shall remain unpaid solely by reason of the inability of the Third-Party Administrator to ascertain the whereabouts of such Participant or Beneficiary, the amount so distributable shall be held within the Plan's uncashed check account. Distributions will be reissued at the request of Participant or Beneficiary, or after the Third-Party Administrator confirms the location of the recipient.

8.9 Beneficiary Designation.

A Participant or former Participant in the plan may designate one or more individuals as a Beneficiary by filing a written notice of Beneficiary designation with the Third-Party Administrator. If the Participant fails to designate a Beneficiary, the designated Beneficiary is deceased, or the designated beneficiary is otherwise disqualified, then the Beneficiary shall be deemed to be the statutory Beneficiary under Miss. Code Ann. Section 25-11-117.1.

8.10 Hardship Distributions

- (a) A Participant shall be permitted to make a hardship withdrawal from the Account Balance of amounts credited for Participant Plan Contributions and Employer Contributions if the Participant self-certifies that the Participant has incurred an immediate and heavy financial need for funds and the withdrawal is necessary to satisfy the financial need.

- (b) The amount of any Hardship Distribution by a Participant shall not exceed the amount necessary to satisfy the immediate and heavy financial need and not reasonably available from other resources of the participant. For these purposes, a Hardship Distribution will be treated as necessary to satisfy an immediate and heavy financial need if the Participant self-certifies that the need cannot be relieved; (1) through reimbursement or compensation by insurance or otherwise; (2) by liquidation of the Participant's assets to the extent such liquidation would not itself cause an immediate and heavy financial need; or (3) by other currently available distributions from the Plan or by borrowing from commercial sources on reasonable commercial terms.
- (c) The following situations are deemed to meet the requirements for an immediate and heavy financial need:
 - (i) Expenses incurred for, or necessary to obtain, medical care as described in Code § 213(d) (determined without regard to whether the expenses exceed 7.5% of adjusted gross income) for the Participant, Participant's spouse, or Participant's dependents (as defined in Code § 152), or the primary Beneficiary,
 - (ii) Costs directly related to the purchase of a principal residence for the Participant (excluding mortgage payments),
 - (iii) Payments of tuition, related educational fees and room and board expenses for the next 12 months of post-secondary education, including expenses for the then current semester or quarter, for the Participant or the Participant's spouse, children, dependents (as defined in Code § 152, without regard to Code § 152(b)(1), (b)(2) and (d)(1)(B)), or primary Beneficiary,
 - (iv) Payments necessary to prevent the eviction of the Participant from the Participant's principal residence or foreclosure on the mortgage on that residence,
 - (v) Payments for funeral or burial expenses for the Participant's deceased parent, spouse, child, or dependent (as defined in Code § 152, without regard to Code § 152(d)(1)(B)), or primary Beneficiary,
 - (vi) Expenses to repair damage to the Participant's principal residence that would qualify for a casualty loss deduction under Code § 165 (determined without regard to Code § 165(h)(5) and whether the loss exceeds 10% of adjusted gross income),
 - (vii) Expenses and losses (including loss of income) incurred by the Participant on account of a disaster declared by the Federal Emergency Management Agency (FEMA) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 100-707, provided that the Participant's principal residence or principal place of employment at the

time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster, or

- (viii) Such other financial circumstances as declared by the Commissioner of Internal Revenue to constitute immediate and heavy financial need under applicable Code sections and Treasury Regulations.

8.11 Direct Rollover

- (a) Consistent with Code Section 401(a)(31), a Participant shall be permitted to elect to have any “eligible rollover distribution” transferred directly to an “eligible retirement plan” specified by the Participant. The Plan provisions otherwise applicable to distributions continue to apply to the direct transfer option. The Participant shall, in the time and manner prescribed, specify the amount to be directly transferred and the “eligible retirement plan” to receive the transfer. Any portion of a distribution which is not transferred shall be distributed to the Participant. For purposes of this Section, the term “eligible rollover distribution” means any distribution of the balance to the credit of the Participant other than: (i) a distribution of substantially equal periodic payments over the life or life expectancy of the Participant (or joint life or joint life expectancies of the Participant and the designated Beneficiary) or, (ii) a distribution over a specified period certain of ten (10) years or more. Amounts required to be distributed under Code Section 401(a)(9) are not eligible rollover distributions. The direct transfer option described in subsection (a) applies only to eligible rollover distributions which would otherwise be includible in gross income if not transferred. For purposes of the direct rollover provision of this Plan, a portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax Employee contributions which are not includible in gross income.
- (b) For purposes of this Section, the term “eligible retirement plan” means an individual retirement account as described in Code Section 408(a), an individual retirement annuity as described in Code Section 408(b), an annuity plan as described in Code Section 403(a), or a qualified retirement plan as described in Code Section 401(a) which is exempt from tax under Code Section 501(a) and which accepts rollover distributions. Transfers under this section shall not be considered assignments under Section 10.1. An eligible retirement plan shall also mean an annuity contract described in Code Section 403(b) and an eligible plan under Code Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. Effective January 1, 2008, “eligible retirement plan” may also include a Roth IRA as described in Code Section 408A. Effective for distributions made after December 18, 2015, an eligible retirement plan includes a SIMPLE IRA as described in Code Section 408(p), provided that the rollover contribution is made after the two-year period beginning on the date the distributee first participated in any qualified salary reduction arrangement maintained by the distributee’s employer under Code Section 408(p)(2), as described in Code Section 72(t)(6).

The definition of “eligible retirement plan” shall also apply in the case of a distribution to a surviving spouse. The election described in subsection (a) also applies to the surviving spouse after the Participant’s death.

A distribution of all or any portion of the balance to the credit of a deceased Participant payable to a non-spouse Beneficiary is also qualified as an eligible rollover distribution. However, a nonspouse Beneficiary may rollover the distribution only to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution, and the account or annuity will be treated as an “inherited” individual retirement account or annuity.

8.12 Effect of Unused Leave at Retirement or Severance from Employment

If, at retirement or Severance from Employment, a Participant in the Plan has unused leave, then the Participant may be paid for any such unused leave to the extent allowed by state law. Appropriate Employer and Participant Plan Contributions shall be made to the Plan for such lump sum payment of unused leave in accordance with Miss. Code Ann. Section 25-11-103(1)(f) (1972, as amended). Where an Employee has earned and has been reported for the maximum annual allowable earnings, he or she may be paid for unused leave in accordance with the leave laws of the State of Mississippi; however, contributions shall not be withheld on any such lump sum leave payment resulting in the earnings for the year which exceed the maximum allowable under the Plan for the year or a proportionate share of a year, whichever is applicable. Any remaining unused, uncompensated leave lapses upon retirement or Severance from Employment.

ARTICLE IX ADMINISTRATION

9.1 Plan Administrator

This Plan shall be administered by the Board.

9.2 Authority of the Board

The Board, which is the administrator for purposes of Miss. Code Ann. Section 25-11-101 et seq. (1972, as amended), has all the powers and authority expressly conferred upon it herein and further has the sole right to interpret and construe the Plan and to determine any disputes arising under it. In exercising these powers and authority, the Board will at all times exercise good faith, apply standards of uniform application and refrain from arbitrary action. The Board may employ attorneys, agents, and accountants as it finds necessary or advisable to assist it in carrying out its duties. The Board may designate a person or persons other than the Board to carry out any of its administrative powers, authority, or responsibilities.

Consistent with the authority noted above, the Board's determination shall be final and conclusive upon all persons affected thereby. It is recognized that unusual circumstances may occur and questions may arise that are not specifically covered by any provision of the Plan, and the Board shall have the right to resolve all such questions. Notwithstanding the above, the Board's power and responsibility under the Plan shall not extend to, nor have any control over, those responsibilities and duties of the Providers.

The Employer, Providers, the Board, and the persons they designate to carry out or help carry out their duties or responsibilities, are fiduciaries under the Plan. Each fiduciary has only those duties or responsibilities specifically assigned to him under the Plan or Trust, or delegated by another fiduciary. Each fiduciary may assume that any direction, information or action of another fiduciary is proper and need not inquire into the propriety of any such action, direction, or information. Except as provided by law, no fiduciary will be responsible for the malfeasance, misfeasance, or nonfeasance of any other fiduciary.

The Board and all other fiduciaries shall discharge their duties with respect to this Trust solely in the interest of the Participants and Beneficiaries of the Plan. Such duties shall be discharged for the exclusive purpose of providing benefits to the Participants and Beneficiaries and defraying expenses of the Plan. The Board powers and duties shall be those defined for the Board under applicable Mississippi State Statutes.

9.3 Reliance on Information from Employer

To enable the Board or its designee to perform their functions, the Employer shall supply the necessary information to the Board or its designee on a timely basis regarding the Participants under the Plan, including but not limited to Compensation, date of hire, date of death, Severance from Employment, and such other pertinent facts and data as the Board may require. The Board may rely upon such information as is supplied by the Employer

and shall have no duty or responsibility to verify such information. In the event of an error, the Employer shall use good faith efforts to coordinate with the Board to correct the error.

9.4 Payment of Expenses

The Board may assess the Employer an amount, out of the PERS statutory employer contribution rate under Miss. Code Ann. Section 25-11-123 (1972, as amended), up to 0.2% of the Participant's total earned Compensation as defined in Miss. Code Ann. Section 25-11-103(1)(k) (1972, as amended) to provide for administrative expenses.

**ARTICLE X
NONASSIGNABILITY**

10.1 Nonassignment

All Participant rights, benefits, contributions, contracts, and Accumulation Accounts under the Plan shall not be assignable and shall be exempt from levy, sale, garnishment, attachment, domestic relations orders, or any other process, including any Mississippi state, county, or municipal tax.

**ARTICLE XI
AMENDMENT AND TERMINATION**

11.1 Right to Amend Plan.

The Board shall have the right at any time to amend this Plan subject to the limitations of Code Section 401(a) and applicable state law. Any such amendment shall become effective as provided therein upon its execution.

Provided however, no amendment to the Plan shall be effective if it authorizes or permits any part of the Plan assets (other than such part as is required to pay taxes and administrative expenses) to be used for or diverted to any purpose other than for the exclusive benefit of the Participants or Beneficiaries; or causes or permits any portion of the Plan assets to revert to or become property of the Employers.

11.2 Nonforfeitable Benefits upon Termination.

In the event of termination of the Plan, the rights of each Participant to all benefits accrued to the date of such termination, shall be one hundred percent (100%) nonforfeitable and fully vested in each Participant.

**ARTICLE XII
MISCELLANEOUS**

12.1 Compliance with Code Section 401(a)

The intention of the Employers is that the Plan shall comply with the provisions of Code Section 401(a) and the corresponding provisions of any subsequent laws. This Trust is intended to be exempt from taxation under Code Section 501(a). The provisions of the Plan shall be construed to effectuate such intention.

In the event any provision shall be determined to be illegal or invalid for any reason, the illegal or invalid provision shall not affect the remaining parts of the Plan and the Board and the Third-Party Administrator may perform such alternative acts which most clearly carry out the intent and purpose of the Plan.

12.2 Assumption of Risk

Each Participant and Beneficiary assumes all risk in connection with the investment decisions made and any decrease in the value of their accounts. Neither the Board, the Third-Party Administrator, an Employer, nor the Plan shall be liable or responsible for any investment losses under the Plan.

12.3 Disputes

If a dispute as to the proper payee arises, the Third-Party Administrator may delay payment until after the dispute is resolved by a court of competent jurisdiction or is settled by the parties involved.

12.4 Governing Law

Except as provided under federal law, the provisions of the Plan are governed by and construed in accordance with the laws of the State of Mississippi. Venue for the resolution of any dispute shall be Jackson, Hinds County, Mississippi.

ARTICLE XIII TRUST

13.1 Trust

A Trust is hereby established under State Law.

13.2 Trust Status

All assets held in connection with the Plan, including all amounts of Compensation remitted pursuant to the Plan, all property and rights acquired or purchased with such amounts, and all income attributable to such amounts, property or rights shall be held and invested in trust for the exclusive benefit of Participants and their Beneficiaries under the Plan. No part of the assets and income of the Plan shall be used for or diverted to purposes other than for the exclusive benefit of the Participants and their Beneficiaries and for defraying reasonable expenses of the Plan.

13.3 Trust Fund

Effective March 1, 2026, all amounts remitted pursuant to the Plan, all property and rights acquired or purchased with such amounts, and all income attributable to such amounts, property or rights held as part of the Plan, shall be held, managed, invested and distributed as part of the Trust in accordance with the provisions of the Plan. All contributions to the Plan must be transferred by the Employers to the Trust pursuant to Article IV. All benefits under the Plan shall be distributed solely from the Trust pursuant to Article VIII.

13.4 Trustee

The Board is the trustee for assets of the Trust.