

## SUMMARY OF MATERIAL MODIFICATIONS

**Plan Name:** Dauphin County, PA Deferred Compensation Plan

Your plan has been amended effective January 1, 2023.

This Summary is intended to give you an easily understood explanation of the changes made in the Plan. You should file this with your copy of the Summary Plan Description.

The following has been amended in the Summary Plan Description:

### **Can I withdraw money from my account while working for the Employer?**

You may receive a distribution from the Plan prior to your termination of employment if you satisfy certain conditions. These conditions are described below. However, this distribution will reduce the value of the benefits you will receive when you retire. Any in-service distribution is made at your election and will be made in accordance with the forms of distribution available under the investment product you have selected or under the Plan.

You may receive a distribution if you have an "unforeseeable emergency," which is severe financial hardship resulting from an accident or illness to you, your spouse, dependent(s) or beneficiaries, a loss of property due to casualty, or other extraordinary and unforeseeable circumstances beyond your control.

You may elect to receive a "de minimis" distribution of up to \$5,000 provided: (i) your account does not exceed \$5,000; (ii) you have not made any Salary Reduction Contributions or received any Employer contribution during the prior two years ending on the date you would have received the de minimis distribution; and (iii) you have not previously taken a de minimis distribution from the Plan.

You may request a distribution of up to your entire account once you reach age 70 1/2.

Effective 1/1/23, allow 59 1/2 in-service distributions and Qualified Birth or Adoption Distributions

**Qualified Birth or Adoption Distribution.** Effective January 1, 2023, you may request a distribution of up to \$5,000 per child as a Qualified Birth or Adoption Distribution (QBAD), provided certain conditions are met. A QBAD must be made during the 1-year period beginning on the date your child is born or the date you adopt someone who is not your child or your spouse's child and who is under age 18 or is physically or mentally incapable of caring for themselves. You can later recontribute this distribution to an IRA or, in some situations, to this Plan. If you have separated from service, you cannot request a QBAD. A QBAD may be made from all accounts provided the account is 100% vested.

**Required Minimum Distributions.** The law requires that retirement plans distribute funds at least as rapidly as specified in the required minimum distribution (RMD) rules. The Plan has been amended to conform to recent changes in those rules. Effective after December 31, 2021, the law now requires complete distributions to some beneficiaries of deceased participants within 10 years after death. Generally, if your beneficiary is not a person, then your entire death benefit must be paid within five years after your death.

Distributions must generally begin by April 1 of the calendar year following the year you turn age 70 1/2 (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949) or, in some cases, when you retire, if later. For more information, see IRS Publication 590-B.

**In-Service Distributions.** Beginning January 1, 2023 a Participant can take an in-service distribution from the Plan at age 59 1/2. The amount of the distribution will be limited to the Participant's vested accrued benefit or account balance. It will be subject to all restrictions, procedures, and plan provisions which otherwise apply to such in-service distributions.

This Summary is intended to describe the changes that were made by the Plan amendment. This is not intended to interpret the Plan provisions. The Plan Document, including any amendments, will control on all questions of interpretation. A copy of the Plan is available in your Employer's office and can be reviewed during regular business hours.