

Voluntary Employee Contributions

457 Plan Investment Options

An active Closed Defined Benefit Pension Plan employee will be able to make voluntary contributions into the *Knox County Voluntary 457 Plan* or one of the Knox County Retirement Board-approved 457 Plans. Your voluntary 457 Plan contribution is in addition to the 5% mandatory contribution required in the Closed Defined Benefit Plan. This benefit is effective July 1, 2008.

Contribution Deposits	
Employee Contributions	Employer Contributions
457 Plan	Asset Accumulation Plan (401(a) Plan)

Matching Contributions

Your employer will make a matching contribution to individuals enrolled in the *Knox County Voluntary 457 Plan* or a Board-approved 457 Plan.

Voluntary pre-tax contributions to the 457 Plan are matched dollar-for-dollar by your employer up to a maximum of 3% and are deposited in your Asset Accumulation Plan (401(a) Plan). Your contributions are matched on a regular basis.

401(a) Plan

All matching contributions will be deposited into an account in the Asset Accumulation Plan (401(a) Plan) administered by USI Consulting Group. An account in the Asset Accumulation Plan (401(a) Plan) will be opened in your name, if you choose to contribute to the *Knox County Voluntary 457 Plan* or a Board-approved 457 Plan.

Rollover Contributions

You may be able to transfer, or "rollover", a distribution from your previous employer's plan to the *Knox County Voluntary 457 Plan* provided

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the previous plan was qualified under IRC section §401(a), 401(k), 403(b) or 457(b). You may also rollover a distribution from an IRA as long as the amounts deposited into the IRA come from a 401(a), 401(k), 403(b) or 457(b) plan only.

If you are contributing to a 457 provider other than the *Knox County Voluntary 457 Plan*, other rollover conditions may apply. Contact your 457 provider for more information.



Knox County Retirement & Pension Board

Knox County

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Please Note:

This summary highlights the provisions of the Plan, which are in a written Plan and Trust Agreement. It is not meant to interpret, extend or change the Plan in any way.

Accordingly, the actual and complete provisions of the Plan can only be determined accurately by consulting the Plan and Trust Agreement itself. A copy of the Plan and Trust Agreement is on file at the Knox County Retirement Office and may be read at any reasonable time. In the event of any discrepancy between this guide and the actual provisions of the Plan, the Plan shall govern.

Any questions you have about the Plan should be addressed to the Retirement Office.

Closed Defined Benefit Pension Plan

Summary of Plan Provisions

NOTE:

This Plan is closed to employees hired or rehired after 1991.

The Knox County Closed Defined Benefit Pension Plan provides a benefit to you at retirement based on a formula.

Effective Date

July 1, 1968

Eligibility

All active employees hired before the Plan Close Date of September 30, 1991, and did not convert to the Asset Accumulation Program.

Employee Contributions

Each member must contribute to the plan an amount equal to 5% of annual earnings. All employee contributions shall be assumed by the employer under Section 414(h) of the Internal Revenue Code. Contributions are subject to FICA tax.

Normal Retirement Date

First day of the month coinciding with or next following attainment of age 65 or, if later, five years of Credited Service, or, if an elected official, the later of his 55th birthday and completion of five years of Credited Service.

Normal Retirement Benefits

Benefit Formula

Monthly benefit equal to one-twelfth (1/12) of Credited Service multiplied by the greater of:

- 1.75% of Average Monthly Compensation, or
- \$30 a month

Average Monthly Compensation

Monthly average of total compensation, excluding any earnings covered by a pension plan maintained by the State of Tennessee, for the 60 consecutive months highest compensation prior to retirement, or such lesser number of months of Credited Service actually completed.

Credited Service

All continuous, uninterrupted service expressed in years and decimal fraction of a year based on months of service.

Normal Form of Benefit

Life Annuity with an annual 3% cost of living adjustment (COLA) one full calendar year after retirement.

Accrued Benefit

Normal Retirement Benefit based on earnings and service to date.

Early Retirement Benefit

- Minimum Age:** 55
- Minimum Service:** 5 years
- Benefit Amount:** Accrued benefit, reduced by 5/12% for each month that the early retirement precedes normal retirement.

Post-Retirement Death Benefit

- Eligibility:** Retirement status
- Benefit Amount:** Lump sum benefit equal to \$300 multiplied by full years of service. All retirees are eligible to receive this benefit.

If Retired: At the time of your retirement, instead of retaining this death benefit, you may elect to be paid the actuarial present value of this death benefit in a lump sum. The Knox County Retirement & Pension Board Office will calculate the lump sum when you apply for retirement.

Lump Sum at Retirement

Upon retirement, retirees will receive a lump sum equal to \$300 multiplied by his/her number of full, completed years of Credited Service. This benefit was effective January 1, 1998.

Vested Termination Benefit

Upon termination after five years of service, 100% of the Accrued Benefit, deferred to Normal Retirement Date.