

**SEVENTH AMENDMENT
to the
CITY OF LAKEWOOD POLICE
MONEY PURCHASE PENSION PLAN AND TRUST AGREEMENT**

WHEREAS, the City of Lakewood adopted the Lakewood Police Money Purchase Pension Plan and Trust Agreement ("Plan"), effective March 28, 1978; and

WHEREAS the City of Lakewood amended and restated the Plan, effective January 1, 1994; and

WHEREAS the City of Lakewood adopted the First Amendment to the Plan effective January 1, 1999, the Second Amendment to the Plan effective January 1, 2002, the Third Amendment to the Plan effective January 1, 2003, the Fourth Amendment to the Plan effective January 1, 2003, the Fifth Amendment to the Plan effective upon IRS approval, and the Sixth Amendment to the Plan effective January 1, 2008; and

WHEREAS, the City of Lakewood desires to further amend the Plan to incorporate the final Treasury Regulations to Code Section 415.

NOW THEREFORE, in consideration of the premises the Plan is hereby amended, effective January 1, 2008, by the adoption of the following provisions:

1. ARTICLE IV, CONTRIBUTIONS, Section 4.02, Limitation on Annual Additions, shall be amended to read as follows:

4.02 Limitation on Annual Additions.

(a) Annual Additions Limitation. The "Annual Additions" to the account of any Participant for a limitation year shall not exceed the lesser of forty thousand dollars (\$40,000.00) (as adjusted for cost of living increases by the Secretary of Treasury) or one-hundred percent (100%) of such Participant's "Compensation". The Annual Additions limitation shall apply to limit the total Annual Additions to all of the defined contribution plan accounts of a Participant. The Annual Additions limitation year shall be the Plan Year.

(b) “Annual Addition”. For the purpose of applying the limitations of this section, "Annual Additions" include City contributions, forfeitures, contributions by the state, and Participant contributions. "Annual Additions" shall not include (i) restorative payments made to restore losses to the Plan resulting from actions by a fiduciary for which there is a reasonable risk of liability for breach of fiduciary duty under applicable Colorado law, where participants who are similarly situated are treated similarly with respect to the payments; (ii) the direct transfer of a benefit or employee contributions from a qualified plan to this Plan; (iii) rollover contributions as described in Code Sections 401(a)(31), 402(c)(1), 403(a)(4), 403(b)(8), 408(d)(3), and 457(e)(16); or (iv) repayments of loans made to a participant from the Plan.

(c) “Compensation”. For purposes of applying the limitations of this section, the term "Compensation" shall mean Compensation as defined in Section 2.05, and, in addition, the following amounts shall be included for Plan Years beginning on or after January 1, 2008:

1. wages and other regular pay, including overtime or shift differentials, commissions, bonuses, or other similar payments, received by a Participant within the later of 2 ½ months after the Participant's severance from employment or the end of the limitation year in which the Participant's severance from employment occurs, but only to the extent such wages and other regular pay represents payment for services performed prior to severance from employment and would have been paid to the Participant if he or she continued employment with the City; and

2. vacation and sick leave payments received by a Participant within the later of 2 ½ months after the Participant's severance from employment or the end of the limitation year in which the Participant's severance from employment occurs, but only to the extent such vacation and sick leave payments are for unused bona fide sick, vacation or other leave and the Participant would have been able to use the leave if he or she continued employment with the City; and

3. amounts received pursuant to a nonqualified deferred compensation plan, but only if the payment would have been paid such amounts at the same time if the Participant had continued in employment with the City and only to the extent the payment is included in the Participant's gross income.

Further, for the purposes of applying the limitations of this section, "Compensation" for Plan Years beginning on or after January 1, 2008 shall not include:

1. payments to a Participant who does not currently perform services for the City by reason of qualified military service;

2. amounts paid to a Participant who is permanently and totally disabled; or

3. any amounts earned by a Participant but not paid during the limitation year solely because of the timing of pay periods and pay dates.

2. All other terms and provisions of the Plan shall remain unchanged and in full force and effect.

This Seventh Amendment to the Plan was passed and adopted at a regular meeting of the Council of the City of Lakewood this _____ day of _____, 2008.

CITY OF LAKEWOOD

By: Bob Murphy, Mayor

Date

PLAN MANAGER OF THE CITY OF
LAKEWOOD POLICE MONEY PURCHASE
PENSION PLAN

By:

Date