

**SEVENTH AMENDMENT
to the
LAKEWOOD EMPLOYEES
MONEY PURCHASE PENSION PLAN AND TRUST**

WHEREAS, the City of Lakewood adopted the Lakewood Employees Money Purchase Pension Plan and Trust Agreement ("Plan") March 1, 1991; and

WHEREAS the City of Lakewood restated the Plan, effective January 1, 1999; and

WHEREAS the City of Lakewood adopted the First Amendment to the Plan effective April 1, 2000, the Second Amendment to the Plan effective January 1, 2002, the Third Amendment to the Plan effective January 1, 2003, and the Fourth Amendment to the Plan effective January 1, 2004, 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 tax law changes from the Final Treasury Regulations under Internal Revenue Code Section 415, effective January 1, 2008, and to provide for the transition of employees of the Lakewood Housing Authority to a separate qualified plan sponsored by the Lakewood Housing Authority, effective December 14, 2008.

NOW THEREFORE, in consideration of the premises the Plan is hereby amended, effective January 1, 2008 (except as otherwise specifically provided herein), by the adoption of the following provisions:

1. ARTICLE II, DEFINITIONS AND CONSTRUCTION, Section 2.1(j), Employee, shall be amended, effective as of December 14, 2008, to read as follows:

(j) Employee: Any person who is a Regular Full-Time Employee or Regular Part-Time Employee, who is receiving remuneration for personal services rendered to the Employer (or who would be receiving such remuneration except for an Authorized Leave of Absence). "Employee" shall not include sworn police officers, Seasonal Employees, Temporary Employees, and Provisional Employees, and shall not include the City Manager (except when there is no other money purchase retirement plan provided by the Employer for the City Manager). Effective

as of December 14, 2008, "Employee" shall not include employees of the Lakewood Housing Authority.

A Regular Full-Time Employee is one who works 37 hours or more per week and who has been assigned to a position in the City of Lakewood that has a total benefits package. A Regular Part-Time Employee is one who is paid on an hourly basis, whose average workweek is at least 20 hours per week and less than 37 hours per week on a continuous year-round basis, and who has been assigned to a position in the City of Lakewood that has a total benefits package.

(1) A Seasonal Employee is one who is hired for a designated period of time, generally not to exceed nine (9) months, is paid on an hourly basis, whose work schedule may be part-time or full-time, and whose position has no benefits.

(2) A Temporary Employee is one who has not been assigned to a regular or provisional position in the City of Lakewood, whose work schedule is generally part-time, and whose position has no benefits.

(3) A Provisional Employee is one who is either part-time or full-time, is hired for a period of time not to exceed two (2) years, and who receives benefits (excluding pension contributions).

2. ARTICLE V, ALLOCATIONS TO PARTICIPANTS' ACCOUNTS, Section 5.3, Maximum Additions, shall be amended to read as follows:

5.3 Maximum Additions: Notwithstanding anything contained herein to the contrary, the total Additions made to both the Employer and Employee Contribution Accounts of a Participant for any Year shall not exceed the lesser of \$40,000 as adjusted for increases in the cost-of-living under section 415(c)(3) of the Code,

or 100% of the Participant's Compensation for such Year. For purposes of this Section:

(a) The term "Additions" means the total of the Employer contributions and forfeitures allocated to a Participant's Employer Contribution Account plus, the amount of any Employee Contributions to the Plan, both Mandatory and Voluntary. The term "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.

(b) As of January 1 of each calendar year, and applicable for that Plan Year, the dollar limit may be adjusted for increases in the cost of living in accordance with regulations prescribed by the Secretary of the Treasury or his delegate.

If such additions exceed the limitation, the contributions made by the Participant for the Year, which cause the excess, shall be returned to the Participant. If, after returning the Participant's contribution an excess still exists, such excess which is attributable to Forfeitures shall be held in a suspense account. Such account may be maintained if (1) no Employer contributions are made when their allocation could be precluded by Section 415 of the Internal Revenue Code, (2) no income is allocated to the account, and (3) amounts in the account are allocated as of each allocation date on which Forfeitures may be allocated until the account is exhausted.

Upon termination of the Plan, the balance of such account may revert to the Employer.

(d) For purposes of this Section, the limitation year shall mean the Plan Year.

(e) The term "Compensation" means, for purposes of Sections 5.3 and 5.4 only, a Participant's earned income, wages, salaries, fees for professional services and other amounts received for personal services actually rendered in the course of employment with an employer maintaining the Plan including bonuses, cash awards and elective contributions. "Elective contributions" are amounts excludible from an Employee's gross income under Code Section 125, and amounts contributed by the Employer, at the Employee's election, to a Code Section 457 Plan arrangement or a cafeteria plan.

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.

3. ARTICLE XII, SUCCESSOR EMPLOYER AND MERGER OR CONSOLIDATION OF PLANS, is hereby renamed SUCCESSOR EMPLOYER, CONTROLLED ENTITY, AND TRANSFERS OF PLAN ASSETS, and is amended by the addition of new Section 12.2, Controlled Entity (with subsequent sections of Article XII renumbered accordingly), effective as of December 14, 2008, to read as follows:

12.2 Controlled Entity: In the event that an entity controlled by the Employer, as determined under Code Section 414(c), sponsors its own separate qualified retirement plan, the Employer shall transfer the assets and liabilities of the Trust with respect to employees of the controlled entity

to the trust of the controlled entity's plan. Any such transfer of assets and liabilities shall be made in accordance with Section 12.3.

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

IN WITNESS WHEREOF, the undersigned hereby accept this Amendment to the Plan and agree to be bound thereby:

CITY OF LAKEWOOD

By: Bob Murphy, Mayor

Date

CITY OF LAKEWOOD RETIREMENT BOARD

By:

Date