

**AMENDMENT NO. 2024-1 TO THE
GOVERNMENT OF GUAM
DEFINED CONTRIBUTION RETIREMENT SYSTEM
PLAN AND TRUST AGREEMENT
(EFFECTIVE JANUARY 1, 2024)**

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GOVERNMENT OF GUAM
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PLAN AND TRUST AGREEMENT**

In accordance with Resolution No. _____ of the Board of Trustees of the Government of Guam Retirement Fund, the Government of Guam Defined Contribution Retirement System Plan and Trust Agreement (“Plan”) is amended as described below.

1. Effective as of January 1, 2024, Article IA of the Plan is hereby amended by adding the following paragraph immediately before Section IA.1 thereof:

This Article IA shall not be effective on or after January 1, 2024, as of which date it shall be superseded by Article IB.

2. Effective as of January 1, 2024, the Plan is hereby amended by adding the following new Article IB immediately following Article IA thereof:

ARTICLE IB

**COORDINATION WITH PARTICIPATION IN
GOVERNMENT OF GUAM
DEFINED BENEFIT 1.75 RETIREMENT SYSTEM**

This Article IB shall be effective as of January 1, 2024.

IB.1 Election to Participate in Alternative Plan

Public Law No. 33-186, approved on September 14, 2016, establishes the “Defined Benefit 1.75 Retirement System” or “DB 1.75 Plan” as codified in Article 5, Chapter 8, Title 4 of the Guam Code Annotated (“GCA”) and the “Guam Retirement Security Plan” (“GRSP Plan”), both Plans which have been approved effective as of April 1, 2017. In accordance with GCA Article 5, certain Participants under this Government of Guam Defined Contribution Retirement System Plan may elect to participate in the DB 1.75 Plan or the GRSP Plan effective as of various participation dates, at which time the Participants shall concurrently terminate active participation in this Defined Contribution Retirement System Plan and transfer a specified portion of their Accounts to the relevant DB 1.75 Plan or GRSP Plan.

Public Law No. 35-72, enacted on February 14, 2020, repeals Section 5 of Public Law No. 33-186, which approved and directed the establishment of the “Guam Retirement Security Plan”, and repeals its codification at GCA Article 6, Chapter 8, Title 4.

Public Law No. 36-130, enacted on December 27, 2022, amends GCA Sections 8502 and 8503 of GCA Article 5, Chapter 8, Title 4, to provide certain participants under this Defined Contribution Retirement System Plan with a limited window to elect to participate in the DB 1.75 Plan effective as of January 1, 2024, at which time the

participants shall concurrently terminate active participation in this Defined Contribution Retirement System Plan and transfer a specified portion of their Accounts to the DB 1.75 Plan. New employees who commence employment on or after January 1, 2024, will also be permitted to elect to participate in the DB 1.75 Plan instead of this Defined Contribution Retirement System Plan.

(a) Election to Participate in Defined Benefit 1.75 Plan

In accordance with Article I of the DB 1.75 Plan, a Participant may elect to participate in the DB 1.75 Plan and terminate active participation in this Defined Contribution Retirement System Plan as follows:

(1) New Employee Election

(i) Election by Certain New Employees in 2017. An Employee whose employment commences with the Government of Guam between April 1, 2017, and December 31, 2017, who would otherwise be treated as a Participant under this Defined Contribution Retirement System Plan and who makes a “New Employee Election” as described in Article I of the DB 1.75 Plan, shall be eligible to participate in the DB 1.75 Plan effective as of January 1, 2018, and shall terminate active participation under this Defined Contribution Retirement System Plan as of January 1, 2018.

(ii) Election by Certain New Employees During or After 2024. Further, an Employee whose employment commences with the Government of Guam on or after January 1, 2024, who would otherwise be treated as a Participant under this Defined Contribution Retirement System Plan and who makes a “Post-2023 New Employee Election” as described in Article I of the DB 1.75 Plan, shall be eligible to participate in the DB 1.75 Plan effective as of the Employee’s employment commencement date, and shall terminate active participation under this Defined Contribution Retirement System Plan as of the Employee’s employment commencement date.

(2) Active Member Election

(i) Election by Active Members in 2017. An Employee who is an active Participant in this Defined Contribution Retirement System Plan on March 31, 2017, and who makes an “Active Member Election” as described in Article I of the DB 1.75 Plan, shall be eligible to participate in the DB 1.75 Plan effective as of January 1, 2018, and shall terminate active participation under this Defined Contribution Retirement System Plan as of January 1, 2018.

- (ii) Election by Active Members in 2023. Further, an Employee who is an active Participant in this Defined Contribution Retirement System Plan at any time between June 1, 2023, and December 31, 2023, inclusive, and who makes a “2023 Active Member Election” as described in Article I of the DB 1.75 Plan, shall be eligible to participate in the DB 1.75 Plan effective as of January 1, 2024, and shall terminate active participation under this Defined Contribution Retirement System Plan as of January 1, 2024.

- (3) Reemployed Member Election
 - (i) Reemployment Between April 1, 2017, and September 30, 2017. An Employee who is reemployed by the Government of Guam during the period commencing April 1, 2017, and ending on September 30, 2017, and who makes a “Reemployed Member Election” as described in Article I of the DB 1.75 Plan, shall be eligible to participate in the DB 1.75 Plan effective as of January 1, 2018, and shall terminate active participation under this Defined Contribution Retirement System Plan as of January 1, 2018.

 - (ii) Reemployment Between June 1, 2023, and December 31, 2023. Further, an Employee who is reemployed by the Government of Guam during the period commencing June 1, 2023, and ending on December 31, 2023, inclusive, and who makes a “2023 Reemployed Member Election” as described in Article I of the DB 1.75 Plan, shall be eligible to participate in the DB 1.75 Plan effective as of January 1, 2024, and shall terminate active participation under this Defined Contribution Retirement System Plan as of January 1, 2024.

- (4) Late Reemployed Member Election. An Employee who is reemployed by the Government of Guam during the period commencing October 1, 2017, and ending on December 31, 2017, and who makes a “Late Reemployed Member Election” as described in Article I of the DB 1.75 Plan, shall be eligible to participate in the DB 1.75 Plan effective as of January 1, 2018, and shall terminate active participation under this Defined Contribution Retirement System Plan as of January 1, 2018.

- (5) Reemployed Disability Member Election. An Employee who receives disability benefits under GCA Section 8213 or GCA Article 4, Chapter 8, Title 4, on or before September 30, 2017, and is reemployed by the Government of Guam or terminates employment from the Government of Guam on or after January 1, 2018, and who makes a “Reemployed Disability Member Election” as described in Article I of the DB 1.75 Plan, shall be eligible to participate in the DB 1.75 Plan effective as of the date

of his or her reemployment or retirement or other termination of employment as applicable, and shall terminate active participation under this Defined Contribution Retirement System Plan as of the applicable date.

(b) Election to Participate in the Guam Retirement Security Plan

Due to the repeal of the legislation that approved and directed the establishment of the GRSP Plan, this Section IB.1(b) shall not be effective on or after January 1, 2018.

In accordance with Article I of the GRSP Plan, a Participant may elect to participate in the GRSP Plan and terminate active participation in this Defined Contribution Retirement System Plan as follows:

- (1) New Employee Election. An Employee whose employment commences with the Government of Guam between April 1, 2017, and December 31, 2017, who would otherwise be treated as a Participant under this Defined Contribution Retirement System Plan and who makes a “New Employee Election” as described in Article I of the GRSP Plan, shall be eligible to participate in the GRSP Plan effective as of January 1, 2018, and shall terminate active participation under this Defined Contribution Retirement System Plan as of January 1, 2018.
- (2) Active Member Election. An Employee who is an active Participant in this Defined Contribution Retirement System Plan on March 31, 2017, and who makes an “Active Member Election” as described in Article I of the GRSP Plan, shall be eligible to participate in the GRSP Plan effective as of January 1, 2018, and shall terminate active participation under this Defined Contribution Retirement System Plan as of January 1, 2018.
- (3) Reemployed Member Election. An Employee who is reemployed by the Government of Guam during the period commencing April 1, 2017, and ending on September 30, 2017, and who makes a “Reemployed Member Election” as described in Article I of the GRSP Plan, shall be eligible to participate in the GRSP Plan effective as of January 1, 2018, and shall terminate active participation under this Defined Contribution Retirement System Plan as of January 1, 2018.
- (4) Late Reemployed Member Election. An Employee who is reemployed by the Government of Guam during the period commencing October 1, 2017, and ending on December 31, 2017, and who makes a “Late Reemployed Member Election” as described in Article I of the GRSP Plan, shall be eligible to participate in the GRSP Plan effective as of the date of January 1, 2018, and shall terminate active participation under this Defined Contribution Retirement System Plan as of January 1, 2018.

- (5) Reemployed Disability Member Election. An Employee who receives disability benefits under GCA 8213 or GCA Article 4, Chapter 8, Title 4, on or before September 30, 2017, and is reemployed by the Government of Guam or terminates employment from the Government of Guam on or after January 1, 2018, and who makes a “Reemployed Disability Member Election” as described in Article I of the GRSP Plan, shall be eligible to participate in the GRSP Plan effective as of the date of his or her reemployment or retirement or other termination of employment as applicable, and shall terminate active participation under this Defined Contribution Retirement System Plan as of the applicable date.

(c) Account Transfers to Defined Benefit 1.75 Plan or Guam Retirement Security Plan

Due to the repeal of the legislation that approved and directed the establishment of the GRSP Plan, references to the GRSP Plan in this Section IB.1(c) shall not be effective on or after January 1, 2018.

(1) New Employee Election

- (i) Election by Certain New Employees in 2017. In the case of an Employee who makes a “New Employee Election” to participate in the DB 1.75 Plan or the GRSP Plan as described in the above in this Section IB.1, the Member’s Account in this Defined Contribution Retirement System Plan shall be transferred to the Retirement Fund or the GRSP, as the case may be. In the case of a transfer to the Retirement Fund, such transfer shall occur as of the close of the “New Employee Election Window” as described in Article I of the DB 1.75 Plan.
- (ii) Election by Certain New Employees During or After 2024. Further, in the case of an Employee who makes a “Post-2023 New Employee Election” to participate in the DB 1.75 Plan as described above in this Section IB.1, the Member’s Account in this Defined Contribution Retirement System Plan shall be transferred to the Retirement Fund as of the close of the “Post-2023 New Employee Election Window” as described in Article I of the DB 1.75 Plan.

(2) Active Member Election

- (i) Election by Active Members in 2017. In the case of a Participant who makes an “Active Member Election” to participate in the DB 1.75 Plan or the GRSP Plan as described in the above in this Section IB.1, the Member’s Account in this Defined Contribution Retirement System Plan shall be transferred to the Retirement Fund or the GRSP Plan, as the case may be, in the amount equal to: (a) the Member’s Account balance as described in GCA Section

8209 (Employer Contribution Account); plus (b) the lesser of (i) the Member's Account balances as described in GCA Sections 8208 (i.e., Member Pick Up Contribution Account) and 8209.1(a) (i.e., Rollover Account of Member Contribution Reserve from Existing Retirement System), or (ii) the "Actuarial Cost of Credited Service". (However, for purposes of determining the transfer to the GRSP Plan, the Actuarial Cost of Credited Service component in (c)(2)(b)(ii) of the preceding sentence shall not apply, and thus the GCA Sections 8209, 8208 and 8209.1(a) Account balances shall fully transfer.) In the case of a transfer to the Retirement Fund, such amount shall be transferred to the Retirement Fund as of January 1, 2018.

- (ii) Election by Active Members in 2023. Further, in the case of a Participant who makes a "2023 Active Member Election" to participate in the DB 1.75 Plan as described above in this Section IB.1, the Member's Account in this Defined Contribution Retirement System Plan shall be transferred to the Retirement Fund in the amount equal to: (a) the Member's Account balance as described in GCA Section 8209 (Employer Contribution Account); plus (b) the lesser of (i) the Member's Account balances as described in GCA Sections 8208 (i.e., Member Pick Up Contribution Account) and 8209.1(a) (i.e., Rollover Account of Member Contribution Reserve from Existing Retirement System), or (ii) the "Actuarial Cost of Credited Service". Such amount shall be transferred to the Retirement Fund as of the close of the "2023 Active Member Election Window" as described in Article I of the DB 1.75 Plan.

The following portion of this Section IB.1(c)(2) shall be applicable in the case of a Participant who makes an "Active Member Election" or a "2023 Active Member Election".

In the case that the Actuarial Cost of Credited Service is less than the Member's Account balances as described in GCA Sections 8208 (i.e., Member Pre-Tax Pick-Up Contribution Account) and 8209.1(a) (i.e., Rollover After-Tax Account of Member Contribution Reserve from Existing Retirement System), then the "Actuarial Cost of Credited Service": (a) first shall be funded from the Member's GCA Section 8209.1(a) Account (i.e., Rollover After-Tax Account of Member Contribution Reserve from Existing Retirement System); and (b) second any further amounts needed to fund up to the Actuarial Cost of Credited Service shall be funded from the Member's GCA Section 8208 Account (i.e., Member Pre-Tax Pick-Up Contribution Account).

For purposes of this Defined Contribution Retirement System Plan, the term "Actuarial Cost of Credited Service" shall be defined in accordance with the DB 1.75 Plan and, as so defined, such term means a percentage of historical base

salary corresponding to the service for which a Participant's Account is credited with Employer Contributions under this Defined Contribution Retirement System Plan through the date preceding the Participant's effective date of participation in the Defined Benefit 1.75 Retirement System. The applicable percentage shall be specified by the Board based on an actuarial review of the cost of credited service. The same percentage shall apply to all members within categories of similarly situated members, which categories may be determined at the sole and complete discretion of the Board.

(3) Reemployed Member Election

(i) Reemployment Between April 1, 2017, and September 30, 2017. In the case of a Participant who makes a "Reemployed Member Election" to participate in the DB 1.75 Plan or the GRSP Plan as described above in this Section IB.1, the Member's Account in this Defined Contribution Retirement System Plan shall be transferred to the Retirement Fund or GRSP Plan, as the case may be, in the amount equal to that described in the above IB.1(c)(2) relating to the transfer applicable to an "Active Member Election". In the case of a transfer to the Retirement Fund, such amount shall be transferred to the Retirement Fund as of January 1, 2018.

(ii) Reemployment Between June 1, 2023, and December 31, 2023. Further, in the case of a Participant who makes a "2023 Reemployed Member Election" to participate in the DB 1.75 Plan as described above in this Section IB.1, the Member's Account in this Defined Contribution Retirement System Plan shall be transferred to the Retirement Fund in the amount equal to that described in the above Section IB.1(c)(2) relating to the transfer applicable to a "2023 Active Member Election". Such amount shall be transferred to the Retirement Fund as of the close of the "2023 Reemployed Member Election Window" as described in Article I of the DB 1.75 Plan.

(4) Late Reemployed Member Election. In the case of a Participant who makes a "Late Reemployed Member Election" to participate in the DB 1.75 Plan or the GRSP Plan as described above in this Section IB.1, the Member's Account in this Defined Contribution Retirement System Plan shall not be subject to any transfer to the Retirement Fund or GRSP Plan.

(5) Reemployed Disability Member Election. In the case of a Participant who makes a "Reemployed Disability Member Election" to participate in the DB 1.75 Plan or the GRSP Plan as described above in this Section IB.1, the Member's Account in this Defined Contribution Retirement System Plan shall be transferred to the Retirement Fund or GRSP Plan, as the case may be, in the amount equal to that described in the above IB.1(c)(2) relating to the transfer applicable to an "Active Member Election". In the

case of a transfer to the Retirement Fund, such amount shall be transferred to the Retirement Fund as of the date of the Member's participation in the DB 1.75 Plan as described in Article I of the DB 1.75 Plan.