

**AMENDMENT NUMBER ONE TO THE
STATE OF MARYLAND HIGHER EDUCATION INSTITUTIONS SUPPLEMENTAL
401(a) MATCHING PLAN AND TRUST**

WHEREAS, Morgan State University ("University") adopted and maintains for its employees the State of Maryland Higher Education Institutions Supplemental 401(a) Matching Plan and Trust ("Plan"), effective January 1, 2008, and most recently amended and restated effective January 1, 2016, which is intended to be a qualified defined contribution retirement plan under Section 401(a) of the Internal Revenue Code;

WHEREAS, the University signed a Participating Employer addendum to the Plan on June 24, 2016, effective June 24, 2016;

WHEREAS, the Board of Regents of Morgan State University ("Board of Regents") has authority under Plan Section 16.01 to amend the Plan at any time;

WHEREAS, the Board of Regents desires to amend the Plan for discretionary changes and changes in the law since it was last restated.

NOW, THEREFORE, the Plan is hereby amended effective as of January 1, 2022, unless otherwise stated below, as follows:

1. A new Section 1.25 and Section 1.26 are hereby added to the Plan to be and read as follows:

1.25. "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

1.26. "Eligible Designated Beneficiary" means a Designated Beneficiary who meets the additional criteria under Code Section 401(a)(9)(E)(ii).

2. Section 10.01 of the Plan, related to Benefit Payments, is hereby amended to be and read as follows:

10.01. Benefit Payments. Benefits shall be paid from the Trust Fund in accordance with this Article following a Participant's Separation from Service, death or Disability. Benefits payable to a Participant or a Beneficiary shall be based upon the value of the Participant's Account.

(a) **Separation from Service.** Upon Separation from Service, a Participant may elect to have benefits commence on a date which is no later than his or her applicable age within the meaning of Code Section 401(a)(9)(C)(v). Such election shall be made within forty-five (45) days after Separation from Service. If no election is made, benefits shall commence seventy-five (75) days after Separation from Service. A Participant may elect to change the commencement date of distribution of the Account to a later date otherwise permitted under this Article, so long as the commencement date meets the required distribution commencement date provisions of Code Section 401(a)(9). All benefits shall be

paid under a payment option under Section 10.02, subject to the restrictions in Section 10.04.

(b) **Death.** In the event of the Participant's death prior to the commencement of benefits under paragraph (a), the value of the Participant's Account shall be paid to the Beneficiary under a payment option elected by the Beneficiary under Section 10.02, subject to the restrictions in Section 10.06. Such benefits shall be payable commencing within sixty (60) days after receipt by the Administrator of satisfactory proof of the Participant's death. However, if the Beneficiary is the spouse of the Participant, then the spouse may elect within sixty (60) days of Participant's death to defer distribution to a date which is no later than the date when the Participant would have attained his or her applicable age within the meaning of Code Section 401(a)(9)(C)(v).

(c) **Disability.** Upon Separation from Service with the Employer because of becoming Disabled, a Participant may elect to have benefits commence on a date which is no later than his or her applicable age within the meaning of Code Section 401(a)(9)(C)(v). Such election shall be made within forty-five (45) days after becoming Disabled. If no election is made, benefits will commence seventy-five (75) days after becoming Disabled. A Participant may change the commencement date of distribution of the Account to a later date otherwise permitted under this Article, so long as the later commencement date meets the required distribution commencement date provisions of Code Section 401(a)(9). All benefits shall be paid under a payment option under Section 10.02, subject to the restrictions in Section 10.04.

3. Section 10.04 of the Plan, related to Minimum Distribution Rules, is hereby amended to be and read as follows:

10.04. Minimum Distribution Rules.

(a) The provisions of this Section 10.04 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G) and the changes under the Setting Every Community Up for Retirement Enhancement ("SECURE") Act of 2019 effective as of January 1, 2020, the SECURE 2.0 of 2022 effective as of January 1, 2023, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.

(b) Distributions may only be made over one of the following periods (or a combination thereof):

- (1) The life of the Participant;
- (2) The life of the Participant and a Designated Beneficiary;

(3) A period certain not extending beyond the life expectancy of the Participant; or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and Designated Beneficiary.

(c) A Participant's Account shall be distributed to the Participant beginning no later than April 1 of the calendar year following the later of (i) the calendar year in which the Participant attains his or her applicable age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year in which the Participant retires.

(d) A Participant or Beneficiary who would have been required to receive required minimum distributions for 2020 but for the enactment of Code Section 401(a)(9)(I) ("2020 RMDs"), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2020 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2020 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's Designated Beneficiary, or for a period of at least ten (10) years ("Extended 2020 RMDs") will receive those distributions for 2020 unless the Participant or Beneficiary chooses not to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence. In addition, solely for purposes of applying the direct rollover provisions of the Plan, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

4. Section 10.06 of the Plan, related to Payments to Beneficiary, is hereby amended to be and read as follows:

10.06. Payments to Beneficiary.

(a) Subject to regulations or other guidance issued under Code Section 401(a)(9), upon the death of the Participant after December 31, 2021, but before distribution of his or her Account has begun under paragraph (c) of Section 10.04, the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth (5th) anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth (10th) anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth (10th) anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the applicable age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). Notwithstanding the foregoing, effective January 1, 2025, if the Eligible Designated Beneficiary is the surviving spouse, he or she will be deemed to have elected payments consistent with an election under Code Section 401(a)(9)(B)(iv).

(b) Subject to regulations or other guidance issued under Code Section 401(a)(9), upon the death of the Participant after December 31, 2021, and after distribution of his or her Account has begun under paragraph (c) of Section 10.04, any remaining portion of his or her Account shall continue to be distributed at least as rapidly as under the method of distribution in effect at the time of the Participant's death; provided, however, that (i) the portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed in its entirety by December 31 of the calendar year containing the tenth (10th) anniversary of the Participant's death and (ii) effective January 1, 2025, the portion of the Participant's Vested Account payable to an Eligible Designated Beneficiary who is the surviving spouse shall be distributed in accordance with the treatment under Code Section 401(a)(9)(B)(iv) unless otherwise elected by such eligible designated beneficiary.

(c) Upon the death of an Eligible Designated Beneficiary, or the attainment of age twenty-one (21) of an Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (a) or (b), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth (10th) anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age thirty-one (31), as applicable.

(d) Notwithstanding the foregoing, any payment to an estate shall be made in a lump sum.

(e) Any distribution required under the incidental death benefit requirements of Code Section 401(a) shall be treated as distributions required under this Section 10.06.

5. Effective January 1, 2026, a new paragraph is added to the end of Article XVII, Termination, to be and read as follows:

In connection with the Board's termination of the Plan for its Participants and/or spin-off of the portion of the Plan for its Participants, the Participating Employer may direct a transfer of Participant Accounts from this Plan to another Code Section 401(a) plan maintained by the Participating Employer if: (i) the other Code Section 401(a) plan provides for the receipt of plan-to-plan transfers; (ii) each Participant will have an accumulated benefit immediately after the transfer at least equal to the accumulated benefit with respect to that Participant immediately before the transfer; (iii) the Participants whose Accounts are being transferred are employees or former employees of the Participating Employer; (iv) the transfer constitutes a complete transfer of each Participant's interest in the Plan; and (v) the transfer satisfies such rules and policies established by the Administrator or Service Manager.

6. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the Board of Regents has caused this amendment to be executed by its duly authorized representative as of the date written below.

**MORGAN STATE UNIVERSITY BOARD OF
REGENTS**

By:
Kweisi Mfume, Chair

Date