

**CITY OF HOLLYWOOD EMPLOYEES RETIREMENT FUND  
HYBRID PLAN DOCUMENT**

**Effective February 1, 2026**

ADOPTION RESOLUTION

Resolved, that effective February 1, 2026, in accordance with Chapter 33, Section 33.025 City of Hollywood, Florida Code of Ordinances, the City of Hollywood Employees Retirement Fund has adopted this Hybrid Plan document. The Plan is a governmental plan under Internal Revenue Code section 414(d) that is intended to satisfy the qualification requirements of sections 401 and 501 of the Internal Revenue Code and its associated regulations.



Chairman / Trustee  
Phyllis Shaw



Secretary

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## ARTICLE 1 DEFINITIONS

The following words and phrases shall, when used in this Plan, have the following meanings unless the context clearly indicates otherwise. Additional defined terms may be provided in other provisions of this Plan.

- 1.1 Accumulated Contributions means the sum of their Employee contributions made to the Defined Benefit Component plus simple interest thereon at a rate of four percent (4%) per year through the date of the Employee's separation or death.
- 1.2 Actuarial Equivalent means a benefit of equal value, based upon the 1983 Group Annuity Mortality Table for males and an interest rate of eight percent (8%) per annum, or such other rate that is recommended by the Plan's actuary and approved by the Board.
- 1.3 Administrator means the Board or the person(s) designated by the Board and any successor thereto. The Board may delegate administrative responsibilities to third-party contractors as it deems necessary or desirable in connection with Plan administration pursuant to their authority as set forth in the Ordinance.
- 1.4 Beneficiary means a living person or persons, other than a Participant, who is entitled to receive benefits from the Plan upon the death of a Participant because of the designation for such benefits in writing by a Participant in a manner approved by the Administrator or because of the provisions of the Plan, including Sec. 33.025 of the Ordinance. If the Participant does not designate a beneficiary, the estate shall be the beneficiary by default.
- 1.5 Board means the Board of Trustees of the City of Hollywood, Florida Employees' Retirement Fund ("COHERF"), which contains three plans: the Defined Benefit Plan, Hybrid Plan, and Defined Contribution Plan.
- 1.6 Code means the Internal Revenue Code of 1986, as amended from time to time, and as interpreted by applicable regulations and rulings.
- 1.7 Compensation means only a Participant's base pay received from the City, and includes longevity and certification pay, but no other payments.

The "Annual Compensation" of each Employee taken into account in determining allocations and benefits for any Plan Year shall not exceed the limit described in Code section 401(a)(17)(B). Annual Compensation for this purpose means Compensation during the Limitation Year or such other consecutive twelve (12) month period over which Compensation otherwise is determined under the Plan (the determination period). The cost-of-living adjustment in effect for a calendar year applies to Annual Compensation for the determination period that begins with or within such calendar year.

- 1.8 Effective Date means February 1, 2026.
- 1.9 Employee means any person employed by the City on a full-time basis whose services are compensated in whole or in part by the City, with or without grant funds, including all employees hired on or after February 1, 2026 or hired on or before January 31, 2026 who

are eligible for membership under the Ordinance to make an election to participate in the Hybrid Plan. The term “Current Employee” means any Employee hired on or before January 1, 2026, and “New Employee” means any Employee hired on or after February 1, 2026.

- 1.10 Employer means the City of Hollywood, Florida (“City”).
- 1.11 Individual Account means the account(s) established for each Participant in this Plan under the Defined Contribution Component in accordance with Section 7.2.
- 1.12 Limitation Year means the twelve-consecutive-month period beginning January 1 and ending December 31, not the Plan Year. Limitation Year is applicable for limits described in the Code.
- 1.13 Member means a Current Employee or New Employee who elects to participate in the Hybrid Plan in accordance with Article 2, as well as any retiree receiving benefits from the Plan.
- 1.14 Ordinance means Chapter 33, Sec. 33.025 to Sec. 33.031 of the Code of Ordinances for the City. To the extent the provisions of this Hybrid Plan document differ from the terms of the Ordinance, the Ordinance shall control.
- 1.15 Participant means any individual who has satisfied the eligibility and participation requirements of this Hybrid Plan, as provided in Article 2, and each Employee or former Employee or Beneficiary for whom an Individual Account is being maintained.
- 1.16 Plan means the City of Hollywood Employees Retirement Fund Hybrid Plan, as stated herein, and as amended from time to time. This Hybrid Plan consists of both a “Defined Benefit Component” and a “Defined Contribution Component”, as described herein.
- 1.17 Plan Year means the twelve-consecutive-month period beginning October 1 and ending the following September 30.
- 1.18 Spouse means a person to whom a Participant is legally married.
- 1.19 Trust Fund means the assets of the Plan held in trust by a Trustee of the Trust Fund.
- 1.20 Trustee of the Trust Fund means the Board and any successor thereto.

**ARTICLE 2  
ELIGIBILITY AND PARTICIPATION**

- 2.1 Initial Participation. Initial participation in the Plan shall be determined as follows:
- (a) For New Employees hired on or after February 1, 2026, participation shall be based on a one-time, irrevocable election made at the time of hire to participate in the Plan.
  - (b) For Current Employees hired on or before January 31, 2026, participation shall be based on a one-time, irrevocable election made within a 30-day window ending on March 11, 2026 to participate in the Plan.
- 2.2 Entry Date After Initial Participation. Participation in this Plan shall commence on the applicable entry date following satisfaction of the initial participation requirements.
- (a) For New Employees, participation in the Plan shall be effective on the first day of the first full pay period on or after the Employee's date of hire.
  - (b) For Current Employees, participation in the Plan shall be effective on the entry date corresponding to the City's pay period start date of March 30, 2026, with a pay date of April 17, 2026.
- 2.3 Termination and Reinstatement of Participation. A Participant's participation in the Defined Contribution Component of the Plan terminates in the month in which the entire amount of the Participant's Account Balance has been paid to or on behalf of the Participant.

A Participant's participation in the Defined Benefit Component of the Plan terminates when the Member separates from employment and forfeits their Credited Service after receiving a refund of their Accumulated Contributions.

A former Member who terminated participation in the Plan by receiving a refund of their Accumulated Contributions and thereby forfeited their right to receive a monthly retirement benefit from the Defined Benefit Component, may, upon rehire, reinstate their participation in the Defined Benefit Component and their Credited Service in accordance with the provisions of Section 3.2.

**ARTICLE 3  
CREDITED SERVICE**

3.1 Credited Service. Current Employees and New Employees who are Members shall receive credit for service rendered during their period of employment for which they receive Compensation, except for service rendered after any Member enters the DROP, as set forth in Section 5.6.

- (a) For purposes of computing Credited Service, twelve (12) months of service constitutes a year of service, and fifteen (15) calendar days or more of service during any month shall constitute a month of service.
- (b) A Member may receive additional Credited Service for up to six (6) months in the last year of employment with the Employer by paying into the Trust Fund the Employee contributions required for the Defined Benefit Component, as set forth in Section 4.1, that the Member would have paid if they were employed for the remainder of the twelve-month period, that is, their last year of employment. Such additional Credited Service may not be used to obtain the minimum service required to attain vested status or participate in the DROP or reach a Normal Retirement Date but will be used to calculate the Member's amount of retirement benefits under Article 5.
- (c) Notwithstanding any other provisions of this Plan, a Member who is receiving retirement benefits from COHERF which are based on previous employment with the City shall not be required to make employee contributions to this Plan and shall not accrue any additional benefits or receive additional Credited Service for any additional periods of employment with the City.

3.2 Purchase of Credited Service. Any Employee rehired after September 30, 2025, who is a contributing Member of this Plan, may purchase Credited Service under the Plan for each period of prior or current employment in a full-time position for which they forfeited Credited Service due to receiving a refund of their employee contributions or for which they have not received Credited Service as a Member of a contributory defined benefit plan of the City.

Such Member may enter into an agreement ("Credited Service Agreement") within one year of the date of rehire to purchase such Credited Service by paying their current employee contribution rate for the Plan multiplied by the years of Credited Service being purchased multiplied by their current Compensation. Under this option, the Member may elect to pay for the purchase of Credited Service through a one-time payment or post-tax payroll deduction on a time payment plan over a period of not more than two (2) years after entering into the Credited Service Agreement. No Credited Service shall be earned until the entire payment amount of the Credited Service Agreement is made.

3.3 Defined Benefit Component Vesting. A Participant attains vested status in their Defined Benefit Component upon earning seven (7) years of Credited Service.

3.4 Defined Contribution Component Vesting. A Participant's interest in the Account Balance of their Individual Account, including Employee Contributions and Employer

Contributions, shall be immediately fully vested. Thus, Credited Service is not applicable for the Defined Contribution Component.

- 3.5 Military Service. Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code section 414(u) to both the Defined Benefit Component and Defined Contribution Component of the Plan, as applicable.

Notwithstanding any other provisions of the Plan to the contrary, in accordance with the Heroes Earnings Assistance and Relief Tax (“HEART”) Act of 2008, for purposes of payment of a Plan death benefit, including pre-retirement death benefits, Employees who die while in qualified military service will be treated as if they had returned to active employment before their death.

In addition, to the extent required under Code section 414(u)(12), an individual receiving differential wage payments, as defined in Code section 3401(h), from the City shall be treated as employed by the City, and the differential wage payments shall be treated as compensation for purposes of applying the limits on annual additions under Code section 415(c).

The provisions of this Section 3.5 shall be subject to the specific terms of the Ordinance relating to “Qualified Military Service” as defined therein.

**ARTICLE 4**  
**CONTRIBUTIONS AND ALLOCATIONS**

- 4.1 Employee Contributions to the Defined Benefit Component. Current Employees and New Employees who elect to participate in this Plan shall be required to contribute five percent (5%) of their Compensation to the Defined Benefit Component of the Plan. All Employee contributions to this Plan shall be treated as picked-up contributions pursuant to Code section 414(h)(2). Members shall not have the option to choose to receive the contributions directly instead of having them paid to the Plan.

Employee contributions paid by the Employer under this Section 4.1 shall be treated as Employer contributions under the Code and applicable state tax law. Such contributions may not be included in the gross income of the Employee in determining tax treatment until they are distributed or made available.

- 4.2 Employer Contributions to the Defined Benefit Component. The Employer will make contributions to the Trust Fund in amounts necessary to maintain the Plan in sound actuarial and financial condition and as required by law.

Any benefits from the Defined Benefit Component that are forfeited due to termination of employment prior to fully vesting in such benefits or due to death of a Member or Beneficiary or because a Member or Beneficiary cannot be located, or for any other reason, shall not be applied to increase the benefits provided by the Plan.

- 4.3 Employee Contributions to the Defined Contribution Component.

- (a) Current Employees who were contributing eight percent (8%) of their Compensation to the Defined Benefit Plan as set forth under Sec. 33.025 of the Ordinance and elect to participate in the Hybrid Plan shall contribute three percent (3%) of their Compensation to an Individual Account within the Defined Contribution Component of this Plan.
- (b) Current Employees who were contributing nine percent (9%) of their Compensation to Defined Benefit Plan and elect to participate in the Hybrid Plan shall contribute three percent (4%) of their Compensation to the Defined Contribution Component of this Plan.
- (c) New Employees who elect to participate in the Hybrid Plan are not required to make any contributions to the Defined Contribution Component of this Plan.
- (d) All Employee contributions to this Plan shall be treated as picked-up contributions pursuant to Code section 414(h)(2). Members shall not have the option to choose to receive the contributions directly instead of having them paid to the Plan. Employee contributions paid by the Employer under this Section 4.3 shall be treated as Employer contributions under the Code and applicable state tax law. Such contributions may not be included in the gross income of the Employee in determining tax treatment until they are distributed or made available.

- (e) The Administrator shall allocate the Employee contributions made to the Defined Contribution Component for each payroll period to the Individual Accounts of the Participants for whom such contributions were made as soon as administratively feasible following the end of each payroll period and the Trustee shall cause such contributions to be deposited in accordance with such allocation.
- (f) No pre-tax elective deferrals or after-tax Employee contributions are permitted to be made to the Defined Contribution Component of this Plan.

4.4 Employer Contributions to the Defined Contribution Component. The Employer shall make Employer Contributions to the Defined Contribution Component of the Plan on behalf of Participants, as follows:

- (a) On behalf of Current Employees who were contributing eight percent (8%) of their Compensation to Defined Benefit Plan and elect to participate in the Hybrid Plan, the Employer will make Employer Contributions equal to two percent (2%) of their Compensation to the Defined Contribution Component of this Plan.
- (b) On behalf of Current Employees who were contributing nine percent (9%) of their Compensation to the Defined Benefit Plan and elect to participate in the Hybrid Plan, the Employer will make Employer Contributions equal to one percent (1%) of their Compensation to the Defined Contribution Component of this Plan.
- (c) On behalf of New Employees who elect to participate in the Hybrid Plan, the Employer will make Employer Contributions equal to five percent (5%) of their Compensation to the Defined Contribution Component of this Plan. Employer Contributions for New Employees will be based on their Compensation and will begin as of the first day of the first full pay period on or after the March 30, 2026 or as of the first day of the first full pay period on or after the date of hire, whichever is later.
- (d) Each Participant's Employer Contribution amount shall be allocated to their Individual Account. The amount of Employee and Employer contributions allocated in any Limitation Year, when taken with any other contributions, shall not exceed the limits under Code section 415(c), as set forth in Article 5 of the Defined Contribution Plan.
- (e) The Employer shall pay Employer Contributions to the Trust Fund as soon as administratively feasible following the end of each payroll period.

4.5 Return of Contributions. The Trust Fund shall return Employer contributions made to this Plan at the direction of the Employer, without earnings, but reduced by any losses attributable thereto, for any contribution made due to a mistake of fact provided the Employer determines that such mistake existed at the time of the contribution.

4.6 Rollover Contributions.

- (a) Any Participant may make a Rollover Contribution to their Individual Account within the Defined Contribution Component of this Plan's Trust Fund. Upon receipt

of a Rollover Contribution, the Administrator shall credit the amount of any such Rollover Contribution to the Participant's Individual Account and shall invest such amount in accordance with the provisions of the Trust Fund.

- (b) For purposes of this Section, a "Rollover Contribution" is a contribution to the Trust Fund of a Rollover Amount on or before the sixtieth (60<sup>th</sup>) day following the receipt thereof by a contributing Participant. "Rollover Amount" means a qualified distribution (as defined in Code section 402) of a vested benefit from another qualified trust which meets the requirements under Code section 402. No qualified distribution shall be treated as a Rollover Amount if such distribution is made on or after the Required Beginning Date of the Participant, pursuant to Code section 401(a)(9).
- (c) For purposes of determining whether any amount tendered by a Participant for rollover is a qualified distribution, the contributing Participant shall establish to the satisfaction of the Administrator that the amount tendered as a Rollover Amount represents a qualified distribution of the Participant from a qualified plan maintained by the former employer of the Participant. The Administrator shall have the authority to determine whether a contribution proposed by a Participant constitutes a Rollover Contribution eligible for rollover treatment in accordance with the provisions of this Section and Code section 402. In making such determination, the Administrator may require reasonable proof of demonstration by the Participant of the eligibility of the proposed contribution for rollover treatment.
- (d) For purposes of the small benefit cashout provisions of Section 7.8, the value of a Participant's Individual Account shall be determined without regard to the amount that is attributable to Rollover Contributions (and earnings allocable thereto).

#### 4.7 Direct Transfers.

- (a) Current Employees who are vested in the Defined Benefit Plan in accordance with the applicable terms of the Ordinance who elect to participate in the Hybrid Plan may transfer their employee contributions made to the Defined Benefit Plan, along with applicable interest, into their Individual Account within the Defined Contribution Component of this Plan's Trust Fund or may elect to retain their vested benefit in the Defined Benefit Plan.
- (b) Current Employees who are not vested in the Defined Benefit Plan and elect to participate in the Hybrid Plan may transfer their employee contributions made to the Defined Benefit Plan, along with applicable interest, into their Individual Account within the Defined Contribution Component of this Plan's Trust Fund.
- (c) Direct transfers shall be credited to a subaccount of the Participant's Individual Account, invested in accordance with provisions of the Trust Fund, and shall be immediately vested. A Participant's direct transfer subaccount shall be distributed to the Participant or their Beneficiary at such time and in such form as determined in accordance with Article 7.

**ARTICLE 5**  
**DEFINED BENEFIT COMPONENT RETIREMENT BENEFITS**

- 5.1 Normal Retirement Date. The Normal Retirement Date for the Defined Benefit Component of the Hybrid Plan shall be age sixty-five (65) or older with seven (7) or more years of Credited Service; or age sixty-two (62) years or older with twenty-five (25) years of Credited Service; or thirty (30) years of Credited Service, regardless of age.
- 5.2 Normal Retirement Benefit. Upon retirement at or after their Normal Retirement Date, a Member of this Plan shall be entitled to a monthly Normal Retirement Benefit thereafter equal to 1.0% of such Member's Average Final Compensation multiplied by the total number of years of the Member's Credited Service. For this purpose, "Average Final Compensation" shall be based on the highest one hundred thirty (130) consecutive bi-weekly pay periods of the last two hundred sixty (260) bi-weekly pay periods of Credited Service and the definition of Compensation set forth in Section 1.7. The Normal Retirement Benefit shall not be more than eighty-one percent (81%) of the Member's Average Final Compensation. A Member's Normal Retirement Benefit is payable in the form of a single life annuity for the life of the Member, unless an optional form of benefit is selected as set forth in Section 5.5.
- 5.3 Service Retirement Benefit. A Member who separates from employment with the City prior to their Normal Retirement Date with seven (7) or more years of Credited Service may elect to receive a Service Retirement Benefit beginning at age sixty-five (65) or older. The amount and duration of such Service Retirement Benefit shall be determined as set forth under Section 5.2 based on the Plan's benefit formula, as well as the Member's years of Credited Service and Average Final Compensation, on their date of separation from the Employer.
- 5.4 Minimum Retirement Benefit. A Member, whether vested or not vested in the Defined Benefit Component of this Plan, may elect, at any time after separation from employment with the City to receive, in lieu of all other benefits, a refund of their Accumulated Contributions.
- 5.5 Optional Forms of Distribution. A Member eligible for a Normal Retirement Benefit or Service Retirement Benefit may elect to receive their monthly benefits in any of the following forms, in an amount that is the Actuarial Equivalent of the Member's life annuity:
- (a) Five years certain and life thereafter. Under this option, the Member receives a reduced monthly benefit for life, and if the Member dies within five (5) years following retirement, the same monthly benefit is paid to the Member's Beneficiary for the remainder of the five-year period.
  - (b) Ten years certain and life thereafter. Under this option, the Member receives a reduced monthly benefit for life, and if the Member dies within ten (10) years following retirement, the same monthly benefit is paid to the Member's Beneficiary for the remainder of the ten-year period.

- (c) Twenty years certain and life thereafter. Under this option, the Member receives a reduced monthly benefit for life, and if the Member dies within twenty (20) years following retirement, the same monthly benefit is paid to the Member's Beneficiary for the remainder of the twenty-year period.
- (d) 100% joint and last survivor. Under this option, the Member receives a reduced monthly benefit for life, and following the Member's death, the same monthly benefit is paid to the Member's Beneficiary for their lifetime.
- (e) 50% joint and last survivor. Under this option, the Member receives a reduced monthly benefit for life, and following the Member's death, one-half (1/2) of the monthly benefit is paid to the Member's Beneficiary for their lifetime.
- (f) All optional forms of payment of the Defined Benefit Component will be paid pursuant to applicable rules for Required Minimum Distributions under Code section 401(a)(9), as set forth in Section 8.3, including the incidental benefit rule under Code section 401(a)(9)(G),

5.6 Deferred Retirement Option Plan. An Employee participating this Plan with ten (10) or more years of Credited Service may elect to participate in the Deferred Retirement Option Plan ("DROP") by selecting an entry date that is the first day of a month on or after the Employee attains their Normal Retirement Date. Entering the DROP requires completion and execution of the proper forms from the Administrator.

- (a) An Employee may only participate in the DROP for the lesser of five (5) years or until they earn a maximum number of years of Credited Service of either thirty-two (32), if hired prior to July 15, 2009, or thirty-seven (37) years, if hired on or after such date. DROP participation may end earlier than this period if the Employee is terminated for just cause, dies, or retires. An Employee may only participate in the DROP one time but may continue employment with the Employer after the DROP period, by mutual agreement of the Employee and City, subject to approval by the City Manager; however, the Employee will no longer participate in the Defined Benefit Plan, Hybrid Plan, or Defined Contribution Plan.
- (b) Upon commencement of participation in the DROP, neither Employee nor Employer contributions will be paid on behalf of the Employee. The Employee's Defined Benefit Component monthly benefit will be determined based on their Average Final Compensation and years of Credited Service as of the effective date of participation in the DROP. Such monthly benefit will be paid into the DROP each month the Employee participates in the DROP, and such DROP payments shall earn interest at a rate as determined by the Board.
- (c) When an Employee's DROP period ends upon reaching the maximum participation period or by terminating employment, the Member may make an irrevocable election to receive a distribution of the DROP payments plus interest (the DROP account) in a single lump sum payment or a Direct Rollover (as defined in Section 8.2) or a combination thereof. If the Member does not select a distribution option for the DROP account within sixty (60) days of separation from City employment,

the DROP account will be distributed in a single lump sum only. After participation in the DROP ends, no further interest will be credited to the DROP account.

- (d) If an Employee dies during their DROP period, their DROP account shall be paid to their Beneficiary, including interest through their date of death. If an Employee becomes disabled during their DROP period and terminates employment due to disability, their DROP account shall be payable to the Member, and thereafter such Member's Normal Retirement Benefit or Disability Retirement Benefit, whichever is elected by the Member, shall be based the Member's Average Final Compensation and years of Credited Service as of the effective date of commencing participation in the DROP.

5.7 Maximum Benefit Limitation. For any Limitation Year the annual benefit paid to a Member from the Defined Benefit Component of this Plan cannot exceed the dollar limitation set forth in Code section 415(b) and the Treasury Regulations thereunder, as such limits are applicable to a governmental plan, and as such annual dollar limit is indexed in accordance with Code section 415(d), which are hereby incorporated by reference, along with the special rules set forth in Code section 415(b)(2)(H). The definition of compensation under Code section 415(c) as described in the safe harbor definition set forth in Treasury Regulations section 1.415(c)-2(d)(3) is also incorporated herein by reference, and such compensation includes military differential wage payments (as defined in Code section 3401(h)). The annual compensation of each Employee used to determine the annual benefit for a Limitation Year shall not exceed the limit set forth in Code section 401(a)(17).

An annual dollar limitation as adjusted under Code section 415(d) will apply to calendar years ending with or within the calendar year for which the adjustment applies, but a Member's benefit shall not reflect the adjusted limit prior to January 1 of such calendar year. This automatic annual adjustment to the defined benefit annual dollar limitation under Code section 415(d) shall apply to Employees who have terminated employment.

If this Plan must be aggregated with another plan to determine the effect of Code section 415 on a Member's annual benefit, and if the benefit must be reduced to comply with Code section 415, then such reduction shall be made pro rate between the two plans, in proportion to the Member's credited service in each plan.

The above limitations are intended to comply with the provisions of Code section 415, as amended and as such applies to governmental plans, so that the maximum benefits provided by the Plan shall equal the maximum amounts allowed under Code section 415 and the regulations thereunder. If there is any discrepancy between the provisions of this Section 5.7 and Code section 415, such discrepancy shall be resolved in such a way as to give full effect to the provisions of Code section 415.

**ARTICLE 6**  
**DEFINED BENEFIT COMPONENT DEATH AND DISABILITY BENEFITS**

6.1 Disability Retirement Benefit.

- (a) Duty Disability Retirement. Upon total and permanent disability of a Member by reason of injuries sustained while in the performance of an act of duty as an active Employee of the City, resulting in the inability of the Member to perform the specific duties of their position in the service of the City, such Member shall be entitled to a Duty Disability Retirement equal to seventy-five percent (75%) of their salary as of the first date of disability.
- (b) Non-Duty Disability Retirement. Upon total and permanent disability of a Member who has earned at least seven (7) years of Credited Service, from causes other than performance of an act of duty as an active Employee of the City, resulting in the inability of the Member to perform the specific duties of their position in the service of the City, such Member shall be entitled to a Non-Duty Disability Retirement, regardless of the Member's age, equal to their accrued Service Retirement Benefit in accordance with Section 5.3 of this Plan, or twenty percent (20%) of their Final Average Salary, whichever is greater, as of the first date of disability.
- (c) Based on the available medical information, the Human Resources Director of the City shall make the final determination regarding the ability of the Member to perform the specific duties of their position with the Employer. Such determination shall be made pursuant to the COHERF Disability Application Processing and Hearing Procedure, as such may be amended from time to time.
- (d) Disability Retirement Benefits shall continue until the Member is able to return to work or dies. Disability Retirement Benefits may be reduced due to the Member's other sources of income, such as workers' compensation benefits, wages, or self-employment income, in accordance with the applicable provisions of the Ordinance. Members receiving Disability Retirement Benefits shall be subject to periodic investigations and medical examinations as deemed necessary by the Board and the City.
- (e) A Member receiving Disability Retirement Benefits may elect an optional form of benefit payment under Section 5.5 (d) or (e).

6.2 Death Benefits.

- (a) If a Member who is an active Employee dies before vesting in their Defined Benefit Component, their Beneficiary shall receive a death benefit equal to the Member's Accumulated Contributions.
- (b) If a Member who is an active Employee dies after vesting in their Defined Benefit Component, their Beneficiary may elect to immediately receive either the Member's Service Retirement Benefit earned as of their date of death in accordance with Section 5.3 payable in the optional form set forth in Section 5.5(d) or the Member's Accumulated Contributions.

- (c) If a Member who is vested but separated from employment with the City dies prior to commencing retirement benefits, their Beneficiary may elect to receive either the optional form of benefit selected by the Member at separation, payable as of the date the Member would have reached their Normal Retirement Date, in an amount equal to the Service Retirement Benefit earned as of their date of death, or the Member's Accumulated Contributions.
- (d) When death occurs after retirement benefits commence to the Member, any survivor benefits shall be based on the optional form of distribution elected by the Member in accordance with Section 5.5.

If the Member elected an optional form under Section 5.5 (a), (b), or (c), such benefit shall be payable for the Member's lifetime, and if the Member dies before the specified period of benefits ends, the benefit shall be paid to the Member's Beneficiary (or if more than one Beneficiary is designated, in prorated shares to each Beneficiary), for the remainder of the specified period. Upon the death of any designated Beneficiary following the retired Member's death, the benefit shall continue to be paid, in prorated shares, to any remaining Beneficiaries for the remainder of the specified period. If all designated Beneficiaries pre-decease the retired Member, any remaining benefit shall be converted to a lump sum that is an Actuarial Equivalent present value of the optional benefit from and paid to the Member's estate upon the death of the Member. Upon the death of the last surviving designated Beneficiary following the death of the retired Member, any remaining benefit shall be paid to the last surviving Beneficiary's estate.

If a Member receives a life annuity or elects to receive an optional form under Section 5.5 (d) or (e), upon death of the last survivor of the retired Member, a payment shall be made to the last survivor's designated Beneficiary or their estate of the excess, if any, of the Member's Accumulated Contributions over the total amount paid by the Plan to the retired Member and joint survivors or designated Beneficiaries.

- (e) Defined Benefit Component death benefits will be paid in a form as permitted under this Section 6.2, properly elected by the Beneficiary, and pursuant to applicable rules for Required Minimum Distributions under Code section 401(a)(9), as set forth in Section 8.3.

**ARTICLE 7**  
**DEFINED CONTRIBUTION COMPONENT BENEFITS**

7.1 Defined Contribution Component Definitions.

- (a) Account Balance means the amount payable from an Individual Account as of a Valuation Date.
- (b) Income means the net gain or loss of the Individual Accounts of the Trust Fund from investments as of a Valuation Date.
- (c) Valuation Date means the Effective Date, and thereafter any day that the New York Stock Exchange is open for business or such other period(s) as the Employer determines for the purpose of valuing the Trust Fund pursuant to Article 7 of the Plan.

7.2 Valuation of Individual Accounts. The Administrator shall maintain or cause to be maintained one or more Individual Accounts for each Participant. Such Individual Accounts shall include subaccounts with separate accounting for Employer Contributions, Employee Contributions, Rollover Contributions, direct transfers, and any other subaccounts, as may be appropriate for Plan administration. At regular intervals established by the Employer, each Individual Account of a Participant shall be credited with the amount of any contributions paid into the Plan, debited with any applicable administrative or investment expenses, including, but not limited to, fees charged to Individual Accounts of Participants allocated on a reasonable and consistent basis; credited or debited with investment gain or loss, as appropriate; and debited with the amount of any distribution. Each Participant shall be furnished with a statement at times established by the Board, but not less frequently than quarterly, setting forth the value of their Account Balance.

7.3 Participant Direction of Investments.

- (a) Investment Funds. The Board shall authorize Participants to direct the investment of their Individual Accounts in such investment funds as the Board may select. The Plan will honor each Participant's direction of their Individual Account unless and until the Employer amends or revokes the authorization under this Plan for investment direction by Participants. The Employer and the Board shall not be liable or responsible for any loss resulting to the Trust Fund or to any Individual Account for any breach of fiduciary responsibility by reason of any act done pursuant to the direction of the Participant.
- (b) Investment Elections. Participants may elect to invest their Individual Accounts among the available investment funds in any whole percentage. Elections shall be in a form approved by the Board. A Participant may change their investment election pursuant to rules prescribed by the Board.

7.4 Limited Rights to Assets. The fact that Individual Accounts are established and valued as of each Valuation Date shall not give any Employee or others any right, title or interest in the Trust Fund or its assets, or in the Individual Account except at the time and upon the terms and conditions provided in this Plan.

7.5 Distribution Eligibility. A Participant's Account Balance of their Individual Account is distributable upon the occurrence of one of the following events:

- (a) The Participant separates from active employment with the Employer.
- (b) The Participant becomes totally and permanently disabled by reasons of injury or illness resulting in the inability of the Participant to perform the specific duties of their position with the Employer. Based on the available medical information, the Employer shall make the final determination regarding the ability of the Participant to perform the specific duties of their position with the Employer. Such determination shall be made pursuant to the COHERF Disability Application Processing and Hearing Procedure, as such may be amended from time to time.
- (c) The Participant dies.
- (d) The Participant reaches their Required Beginning Date. In no event shall the distribution of a Participant's Account Balance commence later than the Required Beginning Date.

7.6 Form of Distribution. If a Participant or Beneficiary becomes eligible for a distribution according to Section 7.5, the distribution of the Account Balance of the Participant's or Beneficiary's Individual Account shall be in lump sums, including rollovers, or other form, such as periodic payments, as elected by the Participant or Beneficiary and as may be permitted by the Board.

7.7 Termination of Account. An Individual Account shall be considered terminated in the month in which payment of the entire amount of the Participant's Account Balance is made.

7.8 Small Benefit Distribution. Distribution of any Participant's vested Individual Account where the Account Balance equals \$1,000 or less prior to the commencement of distribution may be paid as soon as administratively feasible after the Participant becomes eligible for a distribution without prior application or consent of the Participant.

7.9 Death Benefits.

- (a) Distribution to a Spouse or Beneficiary. The Plan shall distribute the Account Balance of a deceased Participant's Individual Account to the Participant's Beneficiary, or if more than one Beneficiary is designated, to each Beneficiary, pursuant to their designation and the required minimum distribution rules under Code section 401(a)(9) and the applicable regulations thereunder. Upon the death of any designated Beneficiary following the Participant's death, the Account Balance shall be paid in prorated shares to any remaining Beneficiaries. If all designated Beneficiaries predecease the Participant, remaining benefits shall pay to the Participant's estate upon the death of the Participant. Upon the death of the last surviving designated Beneficiary following the death of the Participant, any remaining benefit shall be paid to the last surviving Beneficiary's estate, if any.

Each Participant may designate, in writing, on forms approved and filed with the Administrator, one or more primary Beneficiaries and contingent Beneficiaries to

receive distribution of the Participant's Account Balance. The Participant's properly executed Beneficiary designation becomes effective upon receipt by the Administrator. If no Beneficiary is designated, the Participant's Beneficiary will be the Participant's estate.

- (b) Form of Death Benefit. The death benefit will be paid in a form as permitted under Section 7.6, properly elected by the Beneficiary, and pursuant to applicable rules for Required Minimum Distributions under Code section 401(a)(9).
- (c) Timing of Payment. Distribution to a Participant's Beneficiary shall be made as soon as administratively feasible after the Participant's death.

7.10 Maximum Limits on Allocations. The Plan shall limit contributions and allocations made to the Defined Contribution Component pursuant to Article 4 to comply with the contribution limitation rules under Code section 415(c) and the Treasury Regulations thereunder, as such apply to governmental plans, which are incorporated herein by reference.

- (a) The annual addition to a Participant's Individual Account for any Limitation Year shall not exceed the lesser of the dollar amount described in Code section 415(c)(1)(A) or one hundred percent (100%) of the Compensation paid or made available to the Participant in such year, as adjusted under Code section 415(d), effective January first of each Limitation Year.
- (b) The "annual addition" shall mean the sum allocated to a Participant's Individual Account for any year of contributions pursuant to this Plan and allocated for their benefit pursuant to all other defined contribution plans maintained by the Employer for the Limitation Year, including Employee Contributions and Employer Contributions.
- (c) "Compensation" for purposes of this Article shall mean compensation as defined in Treasury Regulations section 1.415(c)-2(d)(3), which includes wages within the meaning of Code section 3401(a) (for purposes of income tax withholding at the source) but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or services performed. For this purpose, compensation includes, but is not limited to, any elective deferral (as defined in Code section 402(g)(3)), any amount which is contributed or deferred by the Employer at the election of the employee and which is not includable in the gross income of the employee by reason of Code sections 125(a), 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). Such compensation must be actually paid or made available to a Participant within the Limitation Year and prior to severance from employment. For this purpose, compensation is treated as paid on a date if it is actually paid on that date or would have been paid on that date but for an election under Code sections 125, 132(f)(4), 401(k), 403(b), 408(k), 408(p)(2)(A)(i), or 457(b). The annual compensation of each employee used to determine allocations for a Limitation Year shall not exceed the limit set forth in Code section 401(a)(17).

- (d) If a Participant's aggregate annual additions exceed the limits for defined contribution plans as set forth in this Section in a Limitation Year, such excess allocations shall be corrected in accordance with the applicable provisions of the Employee Plans Compliance Resolution System (EPCRS) issued by the Internal Revenue Service (currently Revenue Procedure 2021-30) to the extent necessary to comply with Code section 415(c).

**ARTICLE 8**  
**HYBRID PLAN DISTRIBUTION RULES**

- 8.1 Earliest Distribution Date. Distribution of a Participant's Defined Benefit Component and Defined Contribution Component shall occur no earlier than the date on which the Participant becomes eligible for a distribution in accordance with Articles 5 and 6 and Section 7.5, respectively, of this Plan, unless specifically authorized elsewhere in the Plan. A Participant or Beneficiary shall receive a distribution of their Defined Benefit Component and Defined Contribution Component upon proper application in a manner approved by the Board as to the date benefit distributions from the Plan will begin.
- 8.2 Direct Rollovers. A Distributee may elect, at the time and in the manner prescribed by the Administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover, except that a Distributee may not elect a Direct Rollover of a distribution or series of distributions of less than \$200 in a single calendar year. For purposes of applying this Section, the following definitions shall apply:
- (a) Eligible Rollover Distribution. An Eligible Rollover Distribution is any distribution of all or any portion of the balance of an Individual Account to the credit of the Distributee except that an Eligible Rollover Distribution does not include:
- (1) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and their Designated Beneficiary, or for a specified period of ten (10) years or more;
  - (2) any distribution to the extent such distribution is required under Code section 401(a)(9);
  - (3) the portion of any distribution that is not includable in a Distributee's gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities);
  - (4) any return of elective deferrals to a qualified cash-or-deferred arrangement that is returned as a result of limitations on annual additions under Code section 415;
  - (5) any corrective distribution of excess contributions or excess deferrals to a qualified cash-or-deferred arrangement, and any corrective distribution of excess aggregate contributions, and income allowable to such corrective distributions; or
  - (6) any amount that is distributed on account of hardship.

An Eligible Rollover Distribution also includes any portion of a distribution that consists of after-tax employee contributions that are not includable in gross income. However, such portion may only be transferred to an individual retirement account

or annuity described in Code section 401(a) or 403(a) that agrees to separately account for the after-tax employee contribution amounts so transferred.

- (b) Eligible Retirement Plan. An Eligible Retirement Plan is an individual retirement account described in Code section 408(a), an annuity plan described in Code section 408(b), an annuity plan described in Code section 403(a), or a qualified trust described in Code section 401(a) that accepts the Distributee's Eligible Rollover Distribution.

An Eligible Retirement Plan shall also include an annuity contract described in Code section 403(b) and an eligible plan under Code section 457(b), which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state, and which agrees to separately account for amounts transferred into such from this Plan, a Roth IRA described in Code section 408A, and a SIMPLE IRA as described in Code section 408(p)(1), provided that the rollover contribution is made after the two-year period described in Code section 72(t)(6). This definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving Spouse, or to a Spouse or former Spouse who is an alternate payee under a domestic relations order.

- (c) Distributee. A Distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's Spouse or former Spouse and the Employee's or former Employee's Spouse or former Spouse who is the alternate payee under a qualified domestic relations order, as defined in Code section 414(p), are Distributees with regard to the interest of the Spouse or former Spouse. A Distributee also includes the Employee's or former Employee's non-spouse designated Beneficiary where the Direct Rollover may only be made to a traditional IRA or Roth IRA that is established on behalf of the designated Beneficiary and treated as an inherited IRA pursuant to Code section 402(c)(1).
- (d) Direct Rollover. A Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

### 8.3 Required Minimum Distributions.

- (a) Notwithstanding any other provision of the Plan, all distributions from the Plan shall comply with the required minimum distribution rules under Code section 401(a)(9), including the incidental benefit rule under Code section 401(a)(9)(G), and the regulations prescribed thereunder, including Treasury Regulation sections 1.401(a)(9)-1 through 1.401(a)(9)-9, to the extent such provisions are applicable to governmental plans. The provisions of this Section shall override any Plan distribution options inconsistent with Code section 401(a)(9).
- (b) Pursuant to Code section 401(a)(9)(A), the entire interest of a Participant must begin to be distributed no later than the Participant's Required Beginning Date over the life of the Participant, or the lives of the Participant and a designated Beneficiary, or over a period not extending beyond the life expectancy of the Participant or the life expectancy of the Participant and a designated Beneficiary or Beneficiaries.

- (c) Required Beginning Date. Notwithstanding any provision of the Plan to the contrary, payment of distribution amounts must begin to all Participants and Beneficiaries by their Required Beginning Date, whether or not they apply for benefits. A Participant's Required Beginning Date shall be April 1 of the calendar year following the later of (i) the calendar year in which the Participant retires, or (ii) the calendar year in which the Participant attains the applicable age, as defined in Code section 401(a)(9)(C)(v).
- (d) If distribution of the Participant's interest in the Plan has begun in accordance with this Section, and the Participant dies before their entire interest has been distributed, the remaining portion of their interest in the Plan will be distributed at least as rapidly as under the method of distribution being used as of the date of the Participant's death.
- (e) If the Participant dies before the distribution of their entire interest in the Plan and the Participant has a designated Beneficiary:
  - (1) If the Beneficiary is the Participant's surviving Spouse, the surviving Spouse may elect for the Participant's entire interest to be begin to be distributed by the later of: (i) December 31 of the calendar year immediately following the calendar year in which the Participant died, or December 31 of the calendar year in which the Participant would have attained their applicable age, as defined in Code section 401(a)(9)(C)(v).
  - (2) Alternatively, the Participant's surviving Spouse may elect to be treated as if they were the Participant, pursuant to Code section 401(a)(9)(B)(iv).
  - (3) If the Beneficiary is the Participant's surviving Spouse, the surviving Spouse may elect to receive distributions over the life or life expectancy of the surviving Spouse, or for the entire interest to be distributed by December 31 of calendar year containing the tenth anniversary of the Participant's death.
  - (4) If the Participant has a "Designated Beneficiary", as defined in Section 8.4 (a)(1), their entire interest in the Plan shall be distributed to the Beneficiary by December 31 of the calendar year containing the tenth anniversary of the Participant's death, unless such Beneficiary is an "Eligible Designated Beneficiary" as defined in Section 8.4 (a)(2). In such case, the specific rules for Eligible Designated Beneficiaries, as set forth in Section 8.6 and Code section 401(a)(9)(H), shall apply to distributions after the Participant's death.
- (f) If the Participant dies before distribution of their interest in the Plan begins, and the Participant does not have a designated Beneficiary, the Participant's interest in the Plan shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

8.4 Defined Contribution Plan Rules for Eligible Designated Beneficiaries.

- (a) The Eligible Designated Beneficiary rules for defined contribution plan under Code section 401(a)(9) shall apply to the Defined Contribution Component of this Plan as follows:
  - (1) “Designated Beneficiary” shall mean the individual who is designated as the Beneficiary under Section 1.4 of the Plan and is a Designated Beneficiary under Code section 401(a)(9)(E)(i).
  - (2) “Eligible Designated Beneficiary” shall have the meaning as set forth in Code section 401(a)(9)(E)(ii).
  - (3) The determination of whether a Designated Beneficiary is an Eligible Designated Beneficiary shall be made as of the date of death of the Participant.
- (b) In the case of a Beneficiary who is a Designated Beneficiary, the five-year rule under Code section 401(a)(9)(B)(ii) of the Code shall be applied by substituting “10 years” for “5 years,” and shall apply whether or not distributions have begun in accordance with Code section 401(a)(9)(A).
- (c) In the case of a Beneficiary who is not a Designated Beneficiary, the five-year rule under Code section 401(a)(9)(B)(ii) continues to apply without change.
- (d) The life or life expectancy exception to the five-year rule under Code section 401(a)(9)(B)(iii) shall apply only in the case of an Eligible Designated Beneficiary, including surviving Spouses.
- (e) If the Eligible Designated Beneficiary dies before the Participant’s entire interest is distributed, the life or life expectancy exception to the five-year rule under Code section 401(a)(9)(B)(iii) shall not apply to any Beneficiary of the Eligible Designated Beneficiary, and the remaining interest shall be distributed within ten (10) years after the death of the Eligible Designated Beneficiary.

8.5 Failure to File Application for Benefits. If a Participant who is located but fails to file a completed application for distribution of their benefit on a timely basis, the Trust Fund will begin payment of distribution amounts on the Participant’s Required Beginning Date.

Federal, state and local income tax, and any other applicable taxes, will be withheld from the distribution amounts payable as required by law or determined by the Administrator to be appropriate for the protection of the Trust Fund and the Participant.

**ARTICLE 9**  
**ESTABLISHMENT AND ADMINISTRATION OF THE TRUST**

- 9.1 Trust Fund Established. There is hereby established a Trust Fund for this Hybrid of the City of Hollywood Employees' Retirement Fund. This Trust Fund is intended to be a tax-exempt trust under Code sections 401 and 501.
- 9.2 Appointment of Trustee. The Board, as defined in Section 1.5 and the Ordinance, and as it may be constituted from time to time, shall serve as the Trustee for the trust established under this Article.
- 9.3 Acceptance of Trust. The Board consents to act as Trustee of the Trust Fund in accordance with Section 1.20.
- 9.4 Powers and Duties. The Board shall administer the Plan in accordance with its terms, the applicable provisions of the City of Hollywood Code of Ordinances, including Chapter 33, Sec. 33.025 to Sec. 33.031, applicable provisions of the laws of the State of Florida, and applicable federal laws, including the Code. Pursuant to the applicable provisions of the Ordinance, the Board shall from time to time establish rules and regulations implementing the provisions of the Ordinance for the proper administration of this Hybrid Plan and Trust Fund.

**ARTICLE 10  
AMENDMENT AND TERMINATION**

- 10.1 Amendment of Plan. The Board may amend or modify the Plan at any time, except that no amendment or modification may reduce any benefits that have been approved for payment prior to amendment.
- 10.2 Termination of Plan.
- (a) In the event of termination of the Plan, the assets then remaining, after providing for the expenses of the Plan and for the payment of any benefits under the Plan theretofore approved, shall be distributed among the Participants. No part of the assets shall be returned to any employer or inure to the benefit of any employer.
  - (b) Distributions due to termination of the Plan will be made in accordance with the modes of distributions provided in Articles 5 and 7 of this Plan.
  - (c) In the event of termination of the Plan, the rights of each Participant to all benefits accrued to date of such termination, shall be 100% nonforfeitable and fully vested in each Participant.
  - (d) It shall be impossible by operation of this Plan, by termination or amendment or by the happening of any contingency, for any part of the corpus or income of the Trust Fund or any fund contributed thereto to be used for, or diverted to, purposes other than the exclusive benefit of Participants or their Beneficiaries.
- 10.3 Severability. If any provision of the Plan or any step in the administration of the Plan is held to be illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining provisions of the Plan, unless such illegality or invalidity prevents accomplishment of the purposes and objectives of the Plan. In the event of any such holding, the Board will immediately amend the Plan to remedy the defect.

**ARTICLE 11  
GENERAL PROVISIONS**

- 11.1 Written Application Required. As a condition for payment of any distribution amount, an application for such benefit must be made in writing in a form and manner approved by the Board.
- 11.2 Required Information.
- (a) Every Employee, Participant, Member, or Beneficiary shall furnish, at the request of the Board, any information or proof reasonably required for the administration of the Plan. Failure to furnish such information or proof promptly and in good faith shall be sufficient reason to deny or discontinue payment of benefits until the Employee, Participant, Member, or Beneficiary provides information necessary to pay benefits from the Plan.
  - (b) Any payment made in good faith on the basis of a written statement of a Participant or Beneficiary shall discharge all obligations of the Trust Fund to the extent of such payment, and shall entitle the Board to exercise all rights of recoupment or other remedies, including the right to adjust the amount distributed to a surviving Spouse or other Beneficiary in order to recoup any excess benefits which may have been erroneously paid.
- 11.3 Employment not Guaranteed by Plan. The establishment of this Plan, its amendments and the granting of a benefit pursuant to the Plan shall not give any Participant the right to continued employment with the Employer or limit the right of the Employer to dismiss or impose penalties upon the Participant or modify the terms of employment of any Participant.
- 11.4 Participant Claim to Benefits. No Member, Participant, Beneficiary, or other person shall have any right or claim to benefits under the Plan, or any right or claim to payments from the Trust Fund, other than as specified herein. Any dispute as to eligibility, type, amount or duration of benefits or any right or claim to payments from the Trust Fund shall be resolved pursuant to the terms of the Plan and rules, regulations, or policies established by the Board.
- 11.5 Incapacitated Participants and Beneficiaries. The Plan may honor a claim for distribution of the benefits payable under this Plan to a Participant or Beneficiary by their legally appointed guardian, committee, or other legal representative as appropriate to receive such distributions on behalf of the Participant or Beneficiary. Any such payment shall completely discharge the Board's liability with respect to such payment.
- 11.6 Nonalienation of Benefits. Benefits payable by the Plan shall not be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution or levy, either voluntary or involuntary. Any attempt to anticipate, alienate, sale, transfer, assign, pledge, encumber, charge, garnish, execute, levy or otherwise dispose of any right to Plan benefits shall be void. However, the Plan shall honor a domestic relations order issued pursuant to a state domestic relations law that relates to child support or

alimony to the extent the Plan determines such domestic relations order satisfies the requirements set forth in Code section 414(p), as such applies to governmental plans.

- 11.7 Merger or Consolidation. In the event of any merger or consolidation with, or transfer of assets or liabilities to, any other plan, the amount of benefit which a Participant would receive upon a termination of the Plan immediately after the merger, consolidation or transfer shall be equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation, or transfer if the Plan had been terminated.
- 11.8 Construction. The applicable provisions of the Internal Revenue Code, the City of Hollywood Code of Ordinances, and the laws of the State of Florida, including State laws on the forfeiture of public retirement benefits, as amended from time to time, shall govern the construction and application of this Plan. Words used in the masculine gender shall include the feminine and words in the singular shall include the plural, as appropriate. The headings and subheadings of this Plan have been inserted for convenience of reference only and are to be ignored in any construction of the provisions hereof.