

## **AMENDED AND RESTATED DECLARATION AND AGREEMENT OF TRUST**

This Amended and Restated Declaration and Agreement of Trust (the "Restated Trust Agreement"), updating, amending, and comprehensively restating the "Declaration of Trust and Agreement" dated December 12, 1958, establishing the Pennsylvania Municipalities Pension Trust ("Trust"), is duly made and adopted effective as of the 15<sup>th</sup> day of October, 2014 by the agreement of a majority of the Participating Municipalities and the Board of Trustees.

### **BACKGROUND**

WHEREAS, the Trust (as defined below) was originally established effective December 12, 1958, by certain municipalities of the Commonwealth of Pennsylvania as an intergovernmental cooperative arrangement to provide for, and assist Participating Municipalities (as defined below) in providing for, cost effective retirement benefits and programs for municipal employees; and

WHEREAS, the Trust, as amended and restated herein, is intended to continue to provide municipalities of the Commonwealth of Pennsylvania with a vehicle to pool resources and investments and jointly leverage buying power to develop, administer, coordinate and make available cost effective retirement benefits and arrangements to employees of Participating Municipalities; and

WHEREAS, it is the intent of the Board of Trustees and Participating Municipalities, with the Participating Municipalities continuing to directly administer benefits and plan designs of their respective employees and retirees, that the Trust perform an essential governmental function within the meaning of Section 115 of the IRC (as defined below); and

WHEREAS, the said Declaration of Trust and Agreement of 1958, pursuant to Article VII thereof, provided that it may be amended by the agreement of a majority of Participating Municipalities of the Trust; and

WHEREAS, it is the desire of the Trustees and the requisite majority of Participating Municipalities to comprehensively update, amend and restate the Declaration of Trust and Agreement as set forth herein.

NOW, THEREFORE, in consideration of the foregoing premises and intending to be legally bound hereby, contingent upon the formal written approval of and joinder in this Restated Trust Agreement by a majority of the Participating Municipalities, the Declaration of Trust and Agreement originally entered into between the Township of O'Hara, Allegheny County, Pennsylvania, and the Township of Upper Providence, Delaware County, Pennsylvania, as settlors, and George V. Potts, Frank H. Feagley, and Ralph D. Lindsey, as original Trustees, is amended and restated as follows:

#### **ARTICLE I DEFINITIONS**

1. Defined Terms. Unless the context otherwise requires, capitalized terms used in this Restated Trust Agreement but not otherwise defined herein shall have the respective meanings set forth in this Section:

a. The term "Act 44" shall mean Act 44 of 2009, signed into law by the Governor of Pennsylvania on September 18, 2009, amending the Municipal Pension Plan Funding Standard and Recovery Act (Act 205 of 1984), and any subsequent amendments or successor legislation to Act 44.

b. The term "Contributions" shall mean the sums paid to the Trust by a Participating Municipality for retirement programs under this Restated Trust Agreement

and Plans made available thereunder and in accordance with rules duly adopted by the Board of Trustees.

c. The term "Custodian" shall mean a bank or corporation with whom the Board of Trustees has entered into a written agreement under which the Custodian serves as custodian of Trust assets and carries out orders of the Board of Trustees or its Investment Manager, if any, concerning the handling of investments or sale or purchase of investments.

d. The term "Eligible Employee" or "Plan Participant" shall mean an employee of a Participating Municipality designated by the Participating Municipality as eligible for retirement benefits under a Plan of this Trust that has been adopted by the Participating Municipality.

e. The term "Investment Manager" shall mean a person or entity who is registered as an investment adviser with the Pennsylvania Securities Commission or registered under the Investment Advisers Act of 1940, who is a bank as defined in that Act, or who is an insurance company qualified by the laws of Pennsylvania to manage, acquire, or dispose of an asset of an employee benefit plan, who has acknowledged in writing that he/she or it is a fiduciary with respect to the Trust, and with whom the Board of Trustees has entered into a written agreement giving the person authority to manage, acquire, or dispose of any Trust assets.

f. The term "IRC" shall mean the Internal Revenue Code of 1986, as now or hereafter amended, or successor legislation thereto.

g. The term "Municipality" or "Municipalities" as used herein shall include Townships of the Second Class of the Commonwealth of Pennsylvania and certain other

permitted municipal employers organized under the laws of the Commonwealth of Pennsylvania that may be approved for participation by the Board of Trustees.

h. The term "Participating Municipality" shall mean a Municipality which now or later agrees to the terms of, and is participating in the Trust under, this Restated Trust Agreement.

i. The term "Pension Plan Service Provider" shall mean, as of the effective date of the restatement, Nationwide Trust Company, FSB or any other company that from time to time may provide retirement-related benefit services to the Participating Municipalities under an arrangement provided through or coordinated by the Trust.

j. The term "Plan(s)" shall mean the Plan(s) selected and adopted by each Participating Municipality, as such Plan(s) may be modified from time to time as herein provided.

k. The term "Restated Trust Agreement" shall mean this Amended and Restated Declaration and Agreement of Trust, as it may be amended from time to time.

l. The term "Third Party Administrator" shall mean a person or entity retained as a service provider by the Board of Trustees to perform certain bookkeeping, accounting, administrative, collection, reporting, and related functions.

m. The term "Trust" shall refer to the Pennsylvania Common Law Trust that was originally created by virtue of the said Declaration of Trust and Agreement dated December 12, 1958, known as the "Pennsylvania Municipalities Pension Trust."

n. The term "Trustees" or "Board of Trustees" shall mean the trustee(s) acting from time to time pursuant to this Restated Trust Agreement.

**ARTICLE II  
PARTICIPATION**

1. General Eligibility. Any Municipality of the Commonwealth of Pennsylvania which shall be accepted by the Trustees and approved by the Pension Plan Service Provider shall be eligible to participate in this Trust.

2. Election of Participants. Each Municipality shall become a party to this Restated Trust Agreement and shall become a Participating Municipality of the Trust -- or if already a Participating Municipality as of the effective date of this Restated Trust Agreement shall reaffirm its participation in the Trust under the terms of the Restated Trust Agreement -- by adopting and joining into this Restated Trust Agreement in conformance with all applicable federal and state laws, including, but not limited to, the Pennsylvania Intergovernmental Cooperation Law, 53 Pa. C.S.A. § 2301 et seq., and by completing and delivering to the Trustees an Election of Participation Card reading as follows:

The \_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_ County ("Participating Municipality"), \_\_\_\_\_ [e.g., a Township of the Second Class of the Commonwealth of Pennsylvania], elects to participate in the Pennsylvania Municipalities Pension Trust ("Trust") established for the benefit of the employees of the participating municipalities, and agrees to all of the terms and conditions of, and be bound as a party by, this Restated Trust Agreement, which is incorporated herein by reference, including duly adopted amendments thereto.

It is understood and agreed that the Plan(s) and the Restated Trust Agreement of Trust, or both, may be amended at any time, and from time to time, as therein provided.

\_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_ County.

Attest:

By:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chairman

3. Adoption of Ordinance. To the extent that the Pennsylvania Intergovernmental Cooperation Law, or any successor legislation, is applicable to a Municipality that desires to participate in the Trust, such Municipality, as a condition for participating in the Trust (or continuing participation in the Trust under this Restated Trust Agreement if already participating in the Trust prior to the effective date of this Restated Trust Agreement) and being a Participating Municipality for the purposes of this Restated Trust Agreement, shall, through its governing body, duly adopt an ordinance substantially in the form attached hereto as Appendix A or in such other form as is approved by the Board of Trustees, and shall provide a certified copy of such enacted ordinance to the Board of Trustees.

### **ARTICLE III THE TRUST**

1. Formation and Reaffirmation of Trust. The Trust was formed in 1958 as, and is hereby reaffirmed as continuing to be, a Pennsylvania Common Law Trust.

2. Purpose of Trust. The Trust has as its sole purpose supporting and benefiting Participating Municipalities by providing, coordinating, arranging, and making available, indirectly through one or more approved Pension Plan Service Providers, cost effective retirement plans, programs and services for employees of Participating Municipalities.

3. Reaffirmation of Acceptance of Trust. The Trustees undertake and agree to receive and accept payments made to them by Participating Municipalities and to hold such payments in trust, as a trust fund ("Trust Fund"), and to dispose of and administer such Trust Fund in accordance with the terms and provisions of this Restated Trust Agreement.

4. Prohibition Against Private Inurement. No activities shall be carried on by the Trust that would not be permitted to be conducted by an entity whose income is exempt from taxation under Section 115 of the IRC and regulations thereunder, or successor legislation or

regulations. No part of the assets or net earnings of the Trust shall inure to the benefit of any Trustee or any private individual (except to the extent that reasonable compensation may be lawfully paid to service providers acting on behalf of the Trust, or in the event that the Trustee or individual is an eligible employee covered for retirement benefits under a Participating Municipality's retirement plan, to the extent of benefits payable in accordance with the terms of a retirement Plan made available through the Trust), and no Trustee or private individual shall be entitled to share in the distribution of any assets or property of the Trust upon dissolution. The Trust shall not engage in any activities attempting to influence legislation or engage in any activities relating to any political campaign on behalf of any candidate for public office.

5. Title to Trust Assets. All property and assets of the Trust shall be vested in and titled to the Trust, or to the Trustees as fiduciaries of the Trust.

6. Duration of Trust. This Trust is intended to be perpetual in duration except in the event that the Trust is terminated in accordance with Article IX of this Restated Trust Agreement.

7. Trust Irrevocable. Subject to the provisions of this Restated Trust Agreement in Article VIII (relating to the amendment of this Restated Trust Agreement) and Article IX (relating to the dissolution of the Trust), the Trust is expressly declared irrevocable, and may only be terminated by the merger, dissolution or liquidation of the Trust in accordance with the terms of this Restated Trust Agreement.

8. The Participating Municipalities shall make payments to the Trustees, or to the designated Pension Plan Service Provider, in amounts deemed necessary by the Trustees and/or the Pension Plan Service Provider to provide retirement benefits for the Employees of the Participating Municipalities pursuant to the Plan(s) adopted by the Participating Municipalities.

9. The Trustees shall have no liability with respect to the non-payment of contributions by any of the Participating Municipalities, nor shall the Trustees have any obligation to enforce payment of contributions by Participating Municipalities except as herein provided.

**ARTICLE IV  
APPLICATION OF TRUST FUNDS**

1. The Trustees shall procure in the name of the Trust and make available, or cause the Pension Plan Service Provider to make available, to Participating Municipalities, one or more group and/or individual defined benefit and/or defined contribution plans. Such plans shall substantially comply with such basic policies established by the Board of Trustees except as they shall be reasonably modified and amended to meet the needs and requirements of each Participating Municipality's Plan(s). The Plan Sponsor and Plan Administrator vis-à-vis the Participating Municipality's employees and retirees shall be the Participating Municipality, not the Board of Trustees or the Trust. Plan Documents made available by the Pension Plan Service Provider, which may be approved volume submitter plans, shall be adopted by Participating Municipalities.

The Board of Trustees shall be the sole judge of what constitutes substantial compliance with this provision.

2. All funds received by the Trustees as part of the Trust Fund shall be used and applied in the following manner and for the following purposes:

a. To pay or provide for the payment of all contributions and fees to Pension Plan Service Providers for such plans and programs procured or made available to Participating Municipalities by the Trustees as and when the same fall due.



b. To pay the organization expenses, if any, of this Trust and all expenses involved in the collection of the Participating Municipalities' contributions and the administration of the affairs of this Trust.

c. To make refunds to the Participating Municipalities at such times and in such manner as may be required under the Plan(s) or deemed by the Trustees to be proper.

3. Any assets, whether principal or interest, held by the Trustees hereunder from time to time may be invested or reinvested by the Trustees in such securities as are in accordance with all applicable state and federal laws. Except to the extent otherwise provided by law, the Trustees shall not be liable to the Participating Municipalities or any person having any interest in this Trust for any losses that may result from the making of any such investments. To the extent that funds are invested with any Pension Plan Service Provider under the direction of a Participating Municipality, as the Plan Administrator with respect to the particular plan of benefits for its employees, or under employee self-directed instructions, the Trustees, to the extent permitted by law, shall not be considered to be holding such monies as part of the Trust Funds (except to the extent passing through the Trust as a conduit of payment between the Participating Municipality and Pension Plan Service Provider). Contributions and returns on contributions of each separate Participating Municipality shall be separately accounted for by the Board of Trustees and in the event that any Participating Municipality withdraws from the Trust its separately accounted funds, less any obligation due under the terms of the Restated Trust Agreement, shall be promptly segregated and transferred by the Trust to such withdrawing Municipality, as the plan administrator and sponsor vis-à-vis its covered employees and retirees under its respective retirement plans.

4. No employee of any Participating Municipality or any beneficiary of or person claiming by or through any such employee, shall have any right, title or interest in or to the Trust Fund of any part thereof except to the extent of benefits provided under the terms of the Plan Documents adopted by the Participating Municipality.

#### **ARTICLE V THE TRUSTEES**

1. Board of Trustees. The Trust shall be governed by a board known as the Board of Trustees. The Board of Trustees shall from its members elect a Chairman, Treasurer, Secretary and such other officers as it deems advisable. Any number of offices may be held by the same person.

2. The Trustees may exercise all rights or privileges granted pursuant to the provisions of the Plan(s) or allowed by the Pension Plan Service Provider and, after obtaining prior approval of the Participating Municipality, may modify the Plan(s) in any respect, including the method of determining the costs under the Plan(s), and may agree with the Pension Plan Service Provider upon changes in the Plan(s) held by the Trustees; provided, however, that the Pension Plan Service Provider shall not be required to inquire into the authority of the Trustees with regard to any dealings in connection with such Plan(s). The Trustees shall have the power, in their discretion, to make arrangements for designated Pension Plan Service Providers to make available to Participating Municipalities such plans and Plan Documents, including but not limited to volume submitter plans, offered by the Pension Plan Service Provider, that may be directly adopted by the Participating Municipality, as the Plan Administrator with respect to its Eligible Employees.

3. The Trustees shall have power to construe the provisions of this Restated Trust Agreement and of the Plan(s), except to the extent that such power is reserved in the particular

governing Plan Document adopted by the Participating Municipality, and any construction consistent with the provisions of the Plan(s) approved by the Trustees and adopted by the Participating Municipality in good faith shall be binding upon the Participating Municipalities and their Employees.

4. Number of Trustees. The reconstituted Board of Trustees as of the effective date of the restatement of this Restated Trust Agreement shall number three (3) Trustees and shall be made up of the individuals who are listed in Paragraph (a) of Section 5 of this Article V (collectively referred to as the "Current Named Trustees"), and each of the listed Current Named Trustees shall hold office until the date of the expiration of his term set forth therein or until he sooner resigns, is removed or becomes disqualified, or unless reelected to a subsequent term. One (1) day after the effective date of the restatement of this Restated Trust Agreement, the size of the Board of Trustees shall be expanded to five (5) Trustees, and the additional Trustees to become members of the Board of Trustees as of that date shall be the individuals who are listed in Paragraph (b) in Section 5 of this Article V (collectively referred to as the "Additional Named Trustees"), and each of the listed Additional Named Trustees shall hold office until the date of the expiration of his term as set forth therein or until he sooner resigns, is removed, or is disqualified, or unless elected to a subsequent term. The Board of Trustees by a two-thirds vote shall thereafter have authority to (a) determine the number of Trustees to constitute the Board of Trustees, but beginning one (1) day after the effective date of the reinstatement of the Restated Trust Agreement, such number shall not be less than five (5), and (b) fix the terms of office of the Trustees and classify the Trustees with respect to the time for which they shall severally hold office. There will be no limit on the number of successive terms a Trustee may serve.

5. Named Trustees.

- a) Current Named Trustees. The current Trustees of the reconstituted Board of Trustees as of the effective date of the restatement of this Restated Trust Agreement are, and shall be, Jack Walter, whose term shall expire at midnight on the last day of December 2015; William Groves, whose term shall expire at midnight on the last day of December 2015; and Michael Dennehy, Jr., whose term shall expire at midnight on the last day of December 2017.
- b) Additional Named Trustees. Effective one (1) day after the effective date of the restatement of this Restated Trust Agreement, Edward Goodhart, III, shall become a Trustee, and his term shall expire at midnight on the last day of December 2016; and John Haiko shall become a Trustee, and his term shall expire at midnight on the last day of December 2017.
- c) Successor Trustees. Thereafter, each Trustee shall be elected for a term of three (3) years, except that when there is a vacancy prior to the expiration of a Trustee's term, such vacancy shall be filled for the unexpired term.

6. Election of Successor Trustees. With respect to vacancies on the reconstituted Board of Trustees due to the natural expiration of the term of a sitting Trustee or due to an increase in the size of the Board of Trustees, the successor (or additional) Trustee shall be elected or reelected for a term of three (3) years by the Participating Municipalities. Nominations for a Trustee shall be solicited by the Board of Trustees from the Executive Board of the Association not less than four (4) weeks before a scheduled expiration of a term of a current Trustee, with a due date for nominations to be received by the Board of Trustees at least two (2) weeks before any election. Participating Municipalities may also submit nominations at

least four (4) weeks before any election. In order to be eligible to be nominated, or to serve, as a successor Trustee, the individual must be an elected or appointed individual of a Township who is serving such Township in the capacity of a Township supervisor or comparable representative of a home rule or optional plans Township, or in the capacity of a Township secretary, treasurer or manager. A list of all nominees and ballot forms shall be circulated to all Participating Municipalities and a date for the close of submission of ballots as determined by the Board of Trustees shall be provided in writing by the Board of Trustees to each Participating Municipality. Each Participating Municipality shall for the purpose of electing Trustees have one (1) vote per vacancy. In the event of a vacancy in the office of Trustee prior to the expiration of the term, whether by reason of death, resignation, removal, disqualification, or otherwise, prior to the natural expiration of a term, the successor Trustee shall be such person as may be selected by a majority of the remaining members of the Board of Trustees. In the event that there are no remaining sitting Trustees, nominations for successor Trustees shall be made, and solicited from Participating Municipalities, by the Executive Board of the Association, or failing such action by the Association, may be made and solicited by any Participating Municipality, and the election of Trustees shall be held in the manner provided above with respect to the election of a Trustee at the natural expiration of a term, except that nominations and ballots shall be sent to the Executive Board of the Association in the absence of any sitting Trustees for the Association to perform the ministerial non-discretionary tasks of collecting and counting ballots and notifying Participating Municipalities with respect to results. In the event that more than one Trustee vacancy is being filled at the same time, each Participating Municipality shall have one (1) vote for each vacancy, which votes may be cast however desired by the Participating Municipality, including by casting all votes for one nominee.

7. Acceptance of Position. The said Additional Named Trustees provided for in Section 5(b) of this Article V, and any successor Trustee appointed or elected hereunder, shall execute and deliver to the Trustees a written instrument accepting such appointment and thereupon such successor Trustee shall become vested with all the property, rights, powers and duties of the Trustees hereunder with like effect as if originally named as a Current Named Trustee.

8. Resignation; Disqualification. Any Trustee acting hereunder may resign at any time by giving thirty (30) days' notice in writing to the Secretary of the Board of Trustees, with a courtesy copy to the Executive Director of the Association. In addition, except with respect to the Current Named Trustees and the Additional Named Trustees provided for in Paragraphs (a) and (b) of Section 5 of this Article V during their initial stated terms as set forth therein (but not with respect to any terms thereafter), which named Trustees shall be considered to be grandfathered for such initial terms, any Trustee shall immediately cease to be eligible to continue serving as a Trustee in the event, and effective on the date, that the individual ceases to be a Township supervisor or comparable representative of a home rule or optional plans Township, or a Township secretary, treasurer or manager of a Township, and the Trustee's position shall be deemed to become vacant as of that date.

9. Removal. Any Trustee acting hereunder may be removed from office at any time by an instrument in writing duly signed by a majority of Participating Municipalities. When removing a Trustee under this provision, Participating Municipalities may, concurrent therewith, fill the vacancy by a vote of a majority, but if this is not done the vacancy shall be filled as provided in Section 6 of this Article.

10. Transfer at End of Term. Any Trustee who for any reason ceases to act hereunder shall make and execute any and all papers and documents necessary to transfer the funds, books, records, and other property of the Trust to the Trustees continuing to act hereunder. Without limiting the foregoing, each departing Trustee shall promptly turn over to the Board of Trustees any and all Trust assets, records, books, documents, money, and other property in their possession or under their control which belong to the Trust, or which were received by the Trustee in his or her fiduciary or other capacity, and if requested by the departing Trustee, shall be provided by the Board of Trustees with a receipt for such returned items.

11. Actions and Meetings.

a. Regular Meetings. Regular meetings of the Board of Trustees shall be held at such times as the Board of Trustees may designate. Notice of regular meetings need not be given.

b. Special Meetings. Special meetings of the Board of Trustees may be called at any time by the Chairman and shall be called by him on the written request of one third of the Trustees. Notice (which need not be written) of the time and place of each special meeting shall be given to each Trustee at least two (2) days before the meeting.

c. Quorum. A majority of all the Trustees in office shall constitute a quorum for the transaction of business at any meeting and except as otherwise provided herein the acts of a majority of the Trustees present at any meeting at which a quorum is present shall be the acts of the Board of Trustees.

d. Participation by Alternative Means. Trustees may participate in a meeting of the Board of Trustees by means of telephone conference, video conference, or similar

communications equipment by means of which all persons participating in the meeting can hear each other and engage in debate.

e. Written Consent in Lieu of Meeting. Any action required or permitted to be taken at a meeting of the Board of Trustees may be taken without a meeting upon the unanimous written consent to action of the Trustees.

f. Partial Written Consent in Lieu of Meeting. Any action required or permitted to be taken at a meeting of the Board of Trustees may be taken without a meeting upon the consent in writing of Trustees who would have been able to cast the minimum number of votes that would be necessary to authorize the action at a meeting of the Board of Trustees at which all the Trustees were present and voting, provided that all Trustees waive in writing ten (10) days' prior written notice of meeting or action. Any action required or permitted to be taken at a meeting of the Board of Trustees may also be taken without a meeting and without the written agreement of all Trustees to waive ten (10) days' prior written notice of meeting or action upon the consent in writing of Trustees who would have been able to cast the minimum number of votes that would be necessary to authorize the action at a meeting of the Board of Trustees at which all the Trustees were present and voting provided that such non-unanimous action of the Board of Trustees shall not become effective until after ten (10) days' notice of the action has been given to each Trustee.

12. No Compensation. The Trustees shall receive no compensation for the performance of their duties, but they shall be reimbursed for all reasonable and necessary expenses which they may incur in the performance of their duties.



13. Indemnification; Insurance. The Trust shall indemnify, to the fullest extent permitted by law, any present or former Trustee or officer or employee, if any, of the Trust (an "Indemnitee") who was or is a party or is threatened to be made a party to any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that (s)he is or was a Trustee, officer, or employee of the Trust or is or was serving at the request of the Trust as a representative of the Trust, against claims, losses, expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him/her in connection with the action or proceeding. The Trust may, to the extent determined to be appropriate by the Board of Trustees in its discretion, acquire such insurances, including but not limited to fiduciary insurance and errors and omissions insurance, to provide indemnity and cost of defense to the Trustees, officers, and employees, if any, of the Trust, or other Indemnitees determined by the Trustees to be appropriate, to the full extent permitted by law and to expend the assets of the Trust for the payment of the premiums therefor.

14. Fidelity Bonding. All Trustees or employees of the Trust shall be bonded by a surety company duly licensed and authorized to issue a fidelity bond in the Commonwealth of Pennsylvania in such amount as the Trustees shall determine from time to time, provided, however, that if any applicable law requires a fidelity bond to be in place, the bond procured by the Trustees shall at least satisfy the minimum requirements of any such law.

## ARTICLE VI POWERS AND DUTIES OF TRUSTEES

1. Engagement of TPA and Advisors. The Trustees shall select and appoint one or more Third Party Administrator(s) and may employ such agents, legal counsel, auditors and

clerical and administrative personnel as they deem proper or necessary for the sound and efficient administration of the Trust. They shall also retain a qualified actuary.

2. Prohibition Against Being Administrator. No Trustee shall act as administrator or TPA of this Trust.

3. General Authority. Except as otherwise provided in this Restated Trust Agreement, the Trustees shall have exclusive power to carry out the purposes of the Trust, including but not limited to the investment of the Trust's funds and assets. The Trustees shall at all times act as a Board of Trustees. No individual Trustee shall have the power to bind the Trust. Any action duly taken by the Board of Trustees under this Restated Trust Agreement shall bind the Trust. Persons dealing with the Trust are entitled to rely conclusively on the power and authority of the Trustees as set forth in this Restated Trust Agreement.

4. Fiduciary Duties.

a. Except to the extent expressly provided otherwise in this Restated Trust Agreement, the Trustees shall owe the same minimum fiduciary duties to the Trust and beneficiaries thereof consistent with the standards under the Probate, Estates and Fiduciaries Code, 20 Pa. C.S. § 101 et seq., to the extent it may be applicable, or consistent with any greater standards as may be required under any other federal or State law that is, or that in the future may be, directly applicable to the Trust and its operations.

b. The Trustees shall not be personally liable to any person for any act of obligation of the Trust.

5. Ethical Standards. The Trustees shall in connection with the Trust conduct themselves consistently with the Pennsylvania State Ethics Act and with any Code of Conduct or ethical standards adopted by the Board of Trustees.

6. Capacity of Trustees. Except as expressly provided herein, all actions performed by the Trustees pursuant to this Restated Trust Agreement are performed in the capacity of a Trustee and not in an individual capacity.

7. Limitation on Trustees' Liability. Except as otherwise provided by law, a Trustee shall not be personally liable for monetary damages as such for any action taken, or failure to take any action, unless:

a. The Trustee has breached or failed to perform the fiduciary duties of his office as provided in applicable law regulating the fiduciary duties of a Trustee of this Trust; or

b. The breach or failure to perform constitutes self-dealing, willful misconduct or gross misconduct.

8. Power to Delegate to Investment Managers. The Trustees shall have the power and authority to appoint one or more Investment Managers, who shall be responsible for the management, acquisition, disposition, investing and reinvesting of such of the assets of the Trust as the Trustees shall specify. Except to the extent otherwise provided by law, the Trustees shall not be liable for the acts or omissions of such Investment Manager, nor have any investment obligation with respect to any asset managed by such professional registered Investment Manager. Any appointment of an Investment Manager may be terminated by the Trustees upon written notice, or as specified in written agreements with such manager.

9. Investment Policies. The Trustees shall from time to time adopt appropriate investment policies and/or guidelines.

10. Retaining of Advisors/Third Party Administrators. The Trustees may employ such agents, a secretary, legal counsel, auditors, actuaries, service providers, and clerical and administrative personnel as may be proper or necessary for the sound and efficient administration of the Trust. The Trustees may also in their discretion enter into a working arrangement with one or more Third Party Administrators or other third parties providing for the performance of administrative and clerical duties in connection with the Insurance Plan(s), including, but not limited to, (a) informing Participating Municipalities of any changes in the rate of their contributions as established by the Trustees; (b) receiving and auditing checks and statements of Participating Municipalities; and (c) notifying Participating Municipalities as to non-payment of contributions.

11. Actions In Good Faith. Except to the extent required by law, no Trustee acting hereunder shall be liable for any action taken or omitted by him in good faith, nor for the acts of the Pension Plan Service Provider, or of any agent, employee or attorney selected by the Trustees with reasonable care, nor for any act or omission of any other Trustee. In this regard, the Trustees shall, to the fullest extent permitted by law, be fully protected in relying in good faith upon the advice, information, opinions, reports or statements presented by any professional advisors and service providers as to matters the Trustees reasonably and in good faith believe are within such party's expertise and competence, including but not limited to opinions, analyses, reports or information as to financial affairs and soundness of the Trust, actuarial and underwriting matters, asset values, investments, setting of Participating Municipality Contribution rates, selection of Pension Plan Service Providers, plan design, benefits, the value

and amount of the assets, liabilities, profits or losses of the Trust, or the value and amount of assets or reserves or contracts, agreements or other undertakings.

12. Annual Audit/Records. The Trustees shall maintain true and accurate books of account and records of all the Trust's transactions which shall be audited at least annually by a certified public accountant. Such audits and records be open to authorized representatives of Participating Municipalities. The Trustees shall provide to Participating Municipalities, at least annually, a summary report of the Trust's finances.

13. Bank Accounts. The Trustees, or a designated bonded representative, who need not himself or herself be a Trustee, to whom such responsibility is delegated in writing at the discretion of the Board of Trustees, shall establish a bank account or accounts in such bank or banks as the Trustees from time to time may determine. Checks upon such account(s) shall be drawn upon the signature of two of the following: the Chairman of the Trustees, the Treasurer, the Secretary of the Trust, or another designee appointed by the Trustees.

14. Disclosures and Act 44 Compliance. The Trustees shall take appropriate steps to make any required disclosures, and, upon request, to assist Participating Municipalities making required disclosures with respect to the Trust. The Trustees shall take all appropriate steps deemed necessary by the Trustees to comply with any requirements of Act 44 or similar legislation the extent applicable to the Trust.

15. No Trustee Liability for Participating Municipality Delinquencies. The Trustees shall not have any personal liability with respect to the non-payment of contributions by Participating Municipalities, nor shall the Trustees have any obligation to enforce payment of contributions due by Participating Municipalities to any Pension Plan Service Providers, except as herein provided.

16. No Trustee acting hereunder shall be liable for any action taken or omitted by him or her in good faith, nor for the acts of the Pension Plan Service Provider or of any agent, employee or attorney selected by the Trustees with reasonable care, nor for any act or omission of any other Trustee.

17. Without limiting any other obligations elsewhere in this Restated Trust Agreement, the Trustees shall separate books of account and records for:

- a. Each Participating Municipality; and
- b. The Employees of each Participating Municipality, the contributions for whom are subject to the laws of the Commonwealth of Pennsylvania.

18. Each Trustee shall continue to serve as such until his or her successor is appointed or his or her death, incapacity, resignation or removal, whichever shall first occur.

19. Any Trustee acting hereunder may resign at any time by giving thirty (30) days' notice in writing to the other Trustees.

20. Any Trustee acting hereunder may be removed from office at any time by an instrument in writing duly signed by a majority of the Participating Municipalities.

21. In case any Trustee acting hereunder shall cease to act for any reason, a majority of the Participating Municipalities shall have the right to appoint a successor Trustee in his or her place. Until the appointment of a successor Trustee the then-remaining Trustees shall have full power to act hereunder.

22. A majority of Trustees may authorize one of the Trustees to execute documents in connection with any Plan held by the Trustees through this Trust. Any such authorization communicated to the Pension Plan Service Provider or other party shall be effective until notice of revocation of the authorization is received by the Pension Plan Service Provider or other party.

23. On any other instrument in writing or in any action by the Trustees, this Trust and the Trustees shall be bound by the signature of all Trustees, and all entities and persons may rely thereon that such action or instrument has been duly authorized.

24. Anything herein to the contrary notwithstanding, the governing body of a Participating Municipality shall have rights, by an instrument or instruments in writing delivered to the Trustees, to direct the method and manner of conducting any and all action taken by the Trustees under this Agreement relating to the Plan(s) for that Participating Municipality. In any action taken pursuant to this section the Pension Plan Service Provider may rely upon the signatures of a majority of the Trustees and such shall be conclusive that such action has been duly authorized in accordance with this section.

25. No party dealing with the Trustees shall be obliged to see to the application of any funds or property of the Trust or to see that the terms of any funds or property of the Trust or to see that the terms of the Trust have been complied with or be obliged to inquire into the necessity or expediency of any set of the Trustees and every instrument executed by the Trustees shall be conclusive in favor of any person relying thereon that:

a. Said instrument was executed in accordance with the terms and conditions of this Trust; and

b. The Trustees were duly authorized and empowered to execute such instrument; and

c. That at the time of the delivery of said instrument the Trust created by this Agreement was in full force and effect.

26. Wherever reference is made herein to the governing body of the Participating Municipalities, it shall not be deemed to include any of the Trustees who may be members of such body.

**ARTICLE VII  
TERMINATION OF PARTICIPATION**

1. The participation of each Participating Municipality shall automatically terminate on the earliest of the following dates:

a. On the date specified in a notice by the Participating Municipality to the Trustees that the Participating Municipality is discontinuing participation, which date must be at the end of the premium paying period; or

b. On the date the Participating Municipality fails to make any required payment to the Trust; provided, however, that this shall not prevent the Trust from enforcing any such obligation to make payment or to require payment for any benefits afforded under the grace provision of the Plan, or

c. On the date the Participating Municipality ceases to be a public subdivision or to otherwise meet the minimum requirements for being a Participating Municipality in the Trust; or

d. On the date of termination of this Trust.

**ARTICLE VIII  
AMENDMENTS**

1. This Restated Trust Agreement may be further amended to any extent at any time by instruments signed by two-thirds of the Trustees and delivered to the Participating Municipalities. However, no such amendment shall divert any part of the Trust Fund then in the hands of the Trustees from the purposes of this Trust or permit any return or payment over of any part of the Trust Fund to any Participating Municipality except as provided herein.



2. In any action pursuant to this section the Pension Plan Service Provider(s) may rely upon the signatures of a majority of the Trustees and such shall be conclusive that such action has been duly authorized in accordance with this Article.

#### **ARTICLE IX TERMINATION OF THE TRUST**

A majority of the Participating Municipalities may, by resolution duly signed and delivered to the Trustees, terminate this Trust. In any such event the Trustees shall use the funds available in the Trust Fund to pay any and all obligations of the Trust. Should the Trust Fund be insufficient to pay such obligations, the Participating Municipalities shall contribute an amount sufficient to cover any such deficiency, determined on a basis which will require of each Participating Municipality its equitable share of the deficit. Should there be a surplus in the Trust Fund after the payment of all obligations, such surplus shall be distributed by the Trustees to each Participating Municipality at the time of termination its equitable share. Upon termination of this Trust, the Trustees shall nevertheless continue as such for the purpose or dissolution and may take any action with regard to Plans standing in their names which may be required by the Pension Plan Service Provider.

#### **ARTICLE X GENERAL PROVISIONS**

1. The Trustees shall require the Participating Municipalities to furnish to the Trustees any and all records pertaining to their respective Employees covered under the Plan(s), including, among other things, names, ages, classifications of Employees, dates of hire and/or discharge, social security numbers, the amount of wages paid, and any other information pertaining to any of such Employees that the Trustees may require in connection with the operation of the Trust or that may be required of the Trustees by the Pension Plan Service Provider.

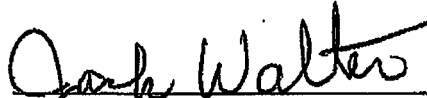
2. The Trustees agree to furnish to the Participating Municipalities from time to time reports respecting the status of the Trust Fund, application of the funds received from the Participating Municipalities, the status of the Plan(s) and the benefits paid thereunder, but the Trustees shall not be required to furnish such reports more often than annually.

2. The Participating Municipality shall not have any obligation as to the performance by the Trustees of their duties hereunder or be liable for any act or omission of the Trustees.

3. Execution by Participating Municipalities by Restatement Approval Counterpart: Effectiveness Contingent Upon Majority Approval. This Restated Trust Agreement may be executed in any number of counterparts, including by Restatement Approval Counterpart executed by Participating Municipalities, each of which shall be an original but all of which together shall constitute one instrument. The effectiveness of this Restated Trust Agreement is contingent upon receipt by the Trustees of executed Restatement Approval Counterparts by March 31, 2015, from at least 50% of Participating Municipalities. If this Restated Trust Agreement is duly approved by the required majority, the Trustees shall promptly notify all Participating Municipalities and shall request that Participating Municipalities at that point adopt the Ordinance required hereunder confirming the Participating Municipalities' participation in the Trust under the Restated Trust Agreement.

IN WITNESS THEREOF, this Restated Trust Agreement has been duly executed by the Board of Trustees and, by way of Joinder Agreements, by a majority of the Participating Municipalities.

Board of Trustees of Pennsylvania  
Municipalities Pension Trust

  
\_\_\_\_\_  
Jack Walter, Trustee

\_\_\_\_\_  
William Groves, Trustee

\_\_\_\_\_  
Michael Dennehy, Jr., Trustee

**PENSION**

Board of Trustees of Pennsylvania  
Municipalities Pension Trust

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Jack Walter, Trustee

*William Groves*  
\_\_\_\_\_  
William Groves, Trustee

---

Michael Dennehy, Jr., Trustee

PENSION

Board of Trustees of Pennsylvania  
Municipalities Pension Trust

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Jack Walter, Trustee

---

William Groves, Trustee

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*[Handwritten Signature]*  
Michael Dennehy, Jr., Trustee

**PENSION**

## **AMENDED AND RESTATED DECLARATION AND AGREEMENT OF TRUST**

This Amended and Restated Declaration and Agreement of Trust (the "Restated Trust Agreement"), updating and amending the "Declaration of Trust and Agreement" dated December 12, 1958, establishing the Pennsylvania Municipalities Pension Trust ("Trust"), and as subsequently amended, is duly made and adopted effective as of the 10th day of November, 2015 by the agreement of the Board of Trustees.

### **BACKGROUND**

WHEREAS, the Trust (as defined below) was originally established effective December 12, 1958, by certain municipalities of the Commonwealth of Pennsylvania as an intergovernmental cooperative arrangement to provide for, and assist Participating Municipalities (as defined below) in providing for, cost effective retirement benefits and programs for municipal employees; and

WHEREAS, the Trust, as amended and restated herein, is intended to continue to provide municipalities of the Commonwealth of Pennsylvania with a vehicle to pool resources and investments and jointly leverage buying power to develop, administer, coordinate and make available cost effective retirement benefits and arrangements to employees of Participating Municipalities; and

WHEREAS, it is the intent of the Board of Trustees that the Trust perform an essential governmental function within the meaning of Section 115 of the IRC (as defined below); and

WHEREAS, it is the desire of the Trustees to update and amend and restate the Declaration of Trust and Agreement as set forth herein.

NOW, THEREFORE, in consideration of the foregoing premises and intending to be legally bound hereby, the Restated Trust Agreement is amended and restated only as follows:

NOW, THEREFORE, in consideration of the foregoing premises and intending to be legally bound hereby, contingent upon the formal written approval of and joinder in this Restated Trust Agreement by a majority of the Participating Municipalities, the Declaration of Trust and Agreement originally entered into between the Township of O'Hara, Allegheny County, Pennsylvania, and the Township of Upper Providence, Delaware County, Pennsylvania, as settlors, and George V. Potts, Frank H. Feagley, and Ralph D. Lindsey, as original Trustees, is amended and restated as follows:

1. Article I(h) in the Restated Trust Agreement is hereby replaced in its entirety with the following:

h. The term "Participating Municipality" shall mean a Municipality which now or later agrees to the terms of, and is participating in the Trust under, this Restated Trust Agreement, and for municipalities enrolled after the effective date of this amendment, is a regular or associate member in good standing of PSATS.

2. Article II(1) in the Restated Trust Agreement is hereby replaced in its entirety with the following:

1. General Eligibility. Any Municipality of the Commonwealth of Pennsylvania which shall be accepted by the Trustees pursuant to the terms of this Restated Trust Agreement and approved by the Pension Plan Service Provider shall be eligible to participate in this Trust.

3. Article VII(1) in the Restated Trust Agreement is hereby replaced in its entirety with the following:

1. The participation of each Participating Municipality shall automatically terminate on the earliest of the following dates:
  - a. On the date specified in a notice by the Participating Municipality to the Trustees that the Participating Municipality is discontinuing participation, which date must be at the end of the premium paying period; or
  - b. On the date the Participating Municipality fails to make any required payment to the Trust; provided, however, that this shall not prevent the Trust from enforcing any such obligation to make payment or to require payment for any benefits afforded under the grace provision of the Plan, or
  - c. On the date the Participating Municipality ceases to be a public subdivision or to otherwise meet the minimum requirements for being a Participating Municipality in the Trust; or
  - d. On the date the Participating Municipality ceases to be a regular or associate member in good standing of PSATS.
  - e. On the date of termination of this Trust.
4. All other terms and conditions set forth in the Restated Trust Agreement not expressly amended or modified herein shall continue in full force and effect.



IN WITNESS THEREOF, these amendments to the Restated Trust Agreement have been approved by the Board of Trustees.

Board of Trustees of Pennsylvania  
Municipalities Pension Trust

  
Jack Walter, Chairman 12-10-15

Dated: 12-10-15

  
Michael Denny, Jr., Vice Chairman

Dated: 12/18/15

  
William Groves, Secretary

Dated: 12-23-15

  
John Hajko, Assistant Secretary

Dated: 12/14/2015

  
Edward C. Goodhart, III, Treasurer

Dated: 12/23/15

## **AMENDED AND RESTATED DECLARATION AND AGREEMENT OF TRUST**

This Amended and Restated Declaration and Agreement of Trust (the “Restated Trust Agreement”), updating and amending the “Declaration of Trust and Agreement” dated December 12, 1958, establishing the Pennsylvania Municipalities Pension Trust (“Trust”), and as subsequently amended, is duly made and adopted effective as of the 10th day of November, 2016 by the agreement of the Board of Trustees.

### **BACKGROUND**

WHEREAS, the Trust (as defined below) was originally established effective December 12, 1958, by certain municipalities of the Commonwealth of Pennsylvania as an intergovernmental cooperative arrangement to provide for, and assist Participating Municipalities (as defined below) in providing for, cost effective retirement benefits and programs for municipal employees; and

WHEREAS, the Trust, as amended and restated herein, is intended to continue to provide municipalities of the Commonwealth of Pennsylvania with a vehicle to pool resources and investments and jointly leverage buying power to develop, administer, coordinate and make available cost effective retirement benefits and arrangements to employees of Participating Municipalities; and

WHEREAS, it is the intent of the Board of Trustees that the Trust perform an essential governmental function within the meaning of Section 115 of the IRC (as defined below); and

WHEREAS, it is the desire of the Trustees to update and amend and restate the Declaration of Trust and Agreement as set forth herein.

NOW, THEREFORE, in consideration of the foregoing premises and intending to be legally bound hereby, the Restated Trust Agreement is amended and restated only as follows:

NOW, THEREFORE, in consideration of the foregoing premises and intending to be legally bound hereby, contingent upon the formal written approval of and joinder in this Restated Trust Agreement by a majority of the Participating Municipalities, the Declaration of Trust and Agreement originally entered into between the Township of O'Hara, Allegheny County, Pennsylvania, and the Township of Upper Providence, Delaware County, Pennsylvania, as settlors, and George V. Potts, Frank H. Feagley, and Ralph D. Lindsey, as original Trustees, is amended and restated as follows:

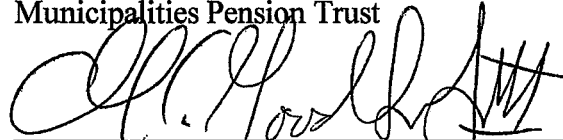
1. Article VII(1) in the Restated Trust Agreement is hereby replaced in its entirety with the following:

8. Resignation; Disqualification. Any Trustee acting hereunder may resign at any time by giving thirty (30) days' notice in writing to the Secretary of the Board of Trustees, with a courtesy copy to the Executive Director of the Association. In addition, except with respect to the Current Named Trustees and the Additional Named Trustees provided for in Paragraphs (a) and (b) of Section 5 of this Article V during their initial stated terms as set forth therein (but not with respect to any terms thereafter), which named Trustees shall be considered to be grandfathered for such initial terms, any Trustee shall immediately cease to be eligible to continue serving as a Trustee in the event, and effective on the date, that the individual ceases to be a Township supervisor or comparable representative of a home rule or optional plans Township, or a Township secretary, treasurer or manager of a Township, and the Trustee's position shall be deemed to become vacant as of that date. Furthermore, voting members of the Association's Executive Board shall be ineligible to serve as a Trustee.

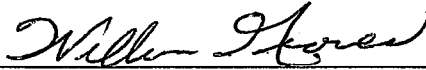
2. All other terms and conditions set forth in the Restated Trust Agreement not expressly amended or modified herein shall continue in full force and effect.

IN WITNESS THEREOF, these amendments to the Restated Trust Agreement have been approved by the Board of Trustees.

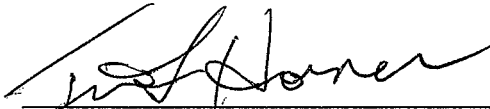
Board of Trustees of Pennsylvania  
Municipalities Pension Trust




Edward C. Goodhart, III, Chairman



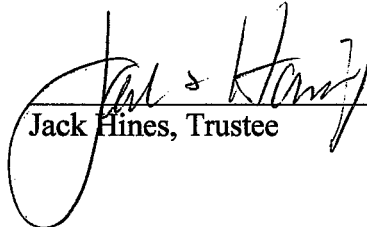
William Groves, Vice Chairman



Tim Horner, Secretary



Lester Houck, Treasurer



Jack Hines, Trustee

## **AMENDED AND RESTATED DECLARATION AND AGREEMENT OF TRUST**

This Amended and Restated Declaration and Agreement of Trust (the "Restated Trust Agreement"), updating and amending the "Declaration of Trust and Agreement" dated December 12, 1958, establishing the Pennsylvania Municipalities Pension Trust ("Trust"), and as subsequently amended, is duly made and adopted effective as of the 19<sup>th</sup> day of December 2019 by the agreement of the Board of Trustees.

### **BACKGROUND**

WHEREAS, the Trust (as defined below) was originally established effective December 12, 1958, by certain municipalities of the Commonwealth of Pennsylvania as an intergovernmental cooperative arrangement to provide for, and assist Participating Municipalities (as defined below) in providing for, cost effective retirement benefits and programs for municipal employees; and

WHEREAS, the Trust, as amended and restated herein, is intended to continue to provide municipalities of the Commonwealth of Pennsylvania with a vehicle to pool resources and investments and jointly leverage buying power to develop, administer, coordinate and make available cost effective retirement benefits and arrangements to employees of Participating Municipalities; and

WHEREAS, it is the intent of the Board of Trustees that the Trust perform an essential governmental function within the meaning of Section 115 of the IRC (as defined below); and

WHEREAS, it is the desire of the Trustees to update and amend and restate the Declaration of Trust and Agreement as set forth herein.

NOW, THEREFORE, in consideration of the foregoing premises and intending to be legally bound hereby, the Restated Trust Agreement is amended and restated only as follows:

NOW, THEREFORE, in consideration of the foregoing premises and intending to be legally bound hereby, contingent upon the formal written approval of and joinder in this Restated Trust Agreement by a majority of the Participating Municipalities, the Declaration of Trust and Agreement originally entered into between the Township of O'Hara, Allegheny County, Pennsylvania, and the Township of Upper Providence, Delaware County, Pennsylvania, as settlors, and George V. Potts, Frank H. Feagley, and Ralph D. Lindsey, as original Trustees, is amended and restated as follows:

1. Article II(3) in the Restated Trust Agreement is hereby replaced in its entirety with the following:

3. Adoption of Resolution. To the extent that the Pennsylvania Intergovernmental Cooperation Law, or any successor legislation, is applicable to any Municipality that desires to participate in the Trust, such Municipality, as a condition for participating in the Trust) and being a Participating Municipality for the purposes of this Restated Trust Agreement, shall, through its governing body, duly adopt a resolution substantially in the form attached hereto as Exhibit A or in such other form as is approved by the Board of Trustees, and shall provide a copy of such adopted resolution to the Board of Trustees.

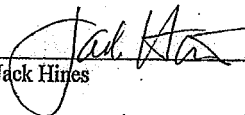
2. All other terms and conditions set forth in the Restated Trust Agreement not expressly amended or modified herein shall continue in full force and effect.

IN WITNESS THEREOF, these amendments to the Restated Trust Agreement have been approved by the Board of Trustees.

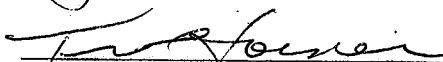
Board of Trustees of Pennsylvania  
Municipalities Pension Trust



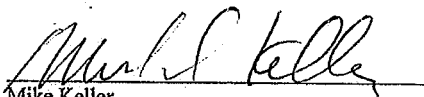
Lester O. Houek, Chair



Jack Hines



Tim Horner



Mike Keller

Vacant

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