

AMENDMENT NO. 1
(to Plan as Amended and Restated Effective January 1, 2014)

OPTIONAL RETIREMENT PROGRAM OF
THE UNIVERSITY OF NORTH CAROLINA

WHEREAS, The University of North Carolina (hereinafter referred to as the "University") established the Optional Retirement Program of The University of North Carolina (hereinafter referred to as the "Plan") as amended and restated effective January 1, 2014; and

WHEREAS, the Board of Governors of the University reserved the right in Article VI of the Plan to amend the Plan; and

WHEREAS, the Board of Governors of the University is now desirous of amending said Plan in order to make certain changes therein.

NOW, THEREFORE, the Plan is amended as follows, effective January 1, 2016:

I. Section 1.17 of the Plan is amended in its entirety to read as follows:

"1.17 "Individual Account" means the detailed record kept of the amounts credited or charged to each Participant in accordance with the terms hereof. Each Individual Account consists of a University Account, a Supplemental Account, and a Participant Account."

II. A new Section 1.34A is added to read as follows:

"1.34A "Supplemental Account" means the portion of a Participant's Individual Account attributable to (a) the Supplemental Contributions allocated to such Participant pursuant to Section 3.03 and (b) the Participant's proportionate share of the Adjustments attributable to his or her Supplemental Account."

III. A new Section 1.34B is added to read as follows:

"1.34B "Supplemental Contributions" means Contributions made by the Employing Institution pursuant to Section 3.03."

IV. Section 2.03(c)(iii) of the Plan is amended in its entirety to read as follows:

"(iii) A Participant who (A) ceases employment with all Employing Institutions before he or she becomes fully vested in his or her University Contributions under Article IV, (B) receives a distribution of his or her entire Participant Account and entire Supplemental Account, and (C) subsequently becomes reemployed by an Employing Institution in an eligible position may elect, upon his or her reemployment, to participate in the Plan as provided in section 2.01(c). If the rehired Participant so elects, such Participant shall immediately become eligible for University Contributions, but such Participant's vesting in any University Contributions under Article IV shall only consider Eligible Service from the date of such Participant's reemployment by The University."

V. Section 2.03(c)(iv) of the Plan is amended in its entirety to read as follows:

“(iv) A Participant who (A) ceases employment with all Employing Institutions before he or she becomes fully vested in his or her University Contributions under Article IV, (B) does not receive a distribution of his or her entire Participant Account and entire Supplemental Account, and (C) subsequently becomes reemployed by an Employing Institution in an eligible position shall become enrolled in the Plan upon his or her reemployment. Such Participant shall immediately become eligible for University Contributions, but such Participant’s vesting in any University Contributions under Article IV shall only consider Eligible Service from the date of such Participant’s reemployment by The University.”

VI. Section 3.01(a) of the Plan is amended in its entirety to read as follows:

“(a) The Plan Administrator or its delegate shall establish and maintain an Individual Account comprised of a University Account, a Supplemental Account, and a Participant Account in the name of each Participant to which the Plan Administrator or its delegate shall credit all amounts allocated with respect to each such Participant pursuant to the following Sections of this Article III.”

VII. Section 3.03A of the Plan is amended in its entirety to read as follows:

“3.03A Supplemental Contributions. During each Plan Year, each Employing Institution may contribute an additional amount on behalf of each Participant in its discretion as a Supplemental Contribution. If the University shall determine that any Supplemental Contributions for a Plan Year shall be made, the University shall designate the amount of the discretionary Supplemental Contribution to be made for such Plan Year and deposit such amount into the Plan as of a date not later than the 15th day of the tenth calendar month following the end of the University’s fiscal year within which the particular Limitation Year for such Supplement Contribution ends. The Participants entitled to share in any discretionary Supplemental Contribution for a Plan Year are those Participants in the Plan who are employed by an Employing Institution on the last day of such Plan Year.”

VIII. Section 3.06(a) of the Plan is amended in its entirety to read as follows:

“(a) The Trustee shall determine the investment gains and losses under the Trust for the period elapsed since the last preceding Valuation Date. The allocation shall be made separately within the Investment Funds on the basis of the ratio between each Participant’s Individual Account investment in the Investment Funds and the total of all Participants’ Individual Accounts invested in the Investment Funds at the Valuation Date. The Plan Administrator shall have the right to oversee the accounting to ensure that each Participant’s allocation is properly credited or debited, as the case may be, to his or her University Account, his or her Supplemental Account, and his or her Participant Account.”

IX. Section 4.01(a) of the Plan is amended in its entirety to read as follows:


“(a) A Participant shall always be one hundred percent (100%) vested in his or her Participant Account and Supplemental Account.”

X. Section 5.03 of the Plan is amended in its entirety to read as follows:

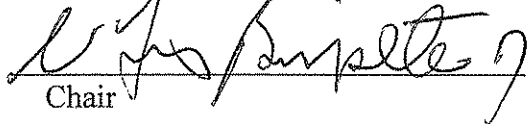
“5.03 Investment Direction. A Participant may elect, in such manner and form as the Contracts or Investment Funds prescribe, to direct the investment of the amounts credited to his or her Participant Account, University Account and Supplemental Account in accordance with the rules established by the Plan or, if applicable by the Contracts or the Investment Funds. The Plan Administrator may change the rules for investment direction from time-to-time in its sole discretion.”

IN WITNESS WHEREOF, the Board has caused this Amendment No. 1 to the Plan to be executed by its Chairman and its corporate seal to be affixed by the Secretary, both duly authorized, effective as indicated herein, but executed this 9th day of September, 2016.

Attest: (SEAL)


Secretary

THE BOARD OF GOVERNORS OF
THE UNIVERSITY OF NORTH CAROLINA

By: 
Chair