

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT 457 DEFERRED COMPENSATION PLAN  
**DRAFT** COMMITTEE CHARTER

I. INTRODUCTION

This Charter sets forth the rights, powers, responsibilities, and obligations of the Deferred Compensation Plan Committee (the "Committee") for the Alameda-Contra Costa Transit District ("AC Transit") 457 Deferred Compensation Plan (the "Plan"). The Committee is charged under this Charter with carrying out its duties as established pursuant to authorization contained in Board Resolution **2x-xxx** and applicable provisions of the respective plan document.

II. MEMBERSHIP OF THE COMMITTEE

- a. All members of the Committee must be active participants in the Plan.
- b. The Committee consists of seven voting members:
  - i. One (1) member from each bargaining unit (ATU, AFSCME, IBEW) selected by the respective unit and communicated to the General Manager; and
  - ii. Four (4) members selected by the General Manager.
- c. Members shall serve continuously until resignation from the Committee, replacement by their representative selecting authorities, or termination of active status with the Plan. Vacancies shall be filled by their original selecting authority. Members shall serve without compensation. All reasonable out-of-pocket expenses of the Committee shall be paid out of the Administrative Allowance Account in accordance with AC Transit's standard expense reimbursement policies.
- d. Within the provisions of membership laid out above, the AC Transit Board of Directors delegates the appointment of all members of the Committee to the General Manager. Appointments must be reported to the Board of Directors within 35 days after the appointment.

III. BY-LAWS

The Committee shall adopt by-laws and have the authority to alter, amend or revoke the by-laws as necessary, provided that they are not inconsistent with the Plan or this Charter.

IV. COMMITTEE ACTION

The Committee shall meet quarterly to review Plan performance and to review the Plan's investment options offered in accordance with the Plan's Investment Policy. The Committee will also make recommended changes to the investment offerings for the Plan in accordance with the Investment Policy. With respect to any matter brought to the Committee for a vote, each voting member shall be entitled to one vote. A quorum of four members is required for actions to be taken. The Committee shall act by a majority of its members and such action may be taken either by a vote at a meeting with a majority present physically or electronic conferencing in accordance with California Open Meeting Laws. The Committee shall elect a Chairperson and Vice Chairperson. The Chairperson or Vice Chairperson in their absence is authorized to execute documents on behalf of the Committee.

V. RIGHTS AND DUTIES

The Committee shall act with the authority and discretion to facilitate the operation and administration of the Plan. The responsibility and authority of the Committee shall include, but shall not be limited to, the following:

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- a. To modify, amend or alter the provisions of the Plan in whole or in part to remain compliant with Internal Revenue Code Section 457(b) and regulations thereunder.
- b. To make determinations regarding the acceptance or rejection of optional provisions that may become available and to instruct staff to make such changes.
- c. To determine the investment options offered to participants of the Plan pursuant to Section VIII Plan Investments.
- d. To authorize disbursements from and transfer of Plan assets.
- e. To interpret the provisions of the Plan and publication of such rules and regulations that are deemed necessary and not inconsistent with the terms hereof or of the Plan.
- f. To recommend to the Board of Directors, subject to current contracting authority, all service providers necessary or desirable for the administration of the Plan including a consultant, recordkeeper(s), third-party administrator(s), trustee(s), custodian(s), insurance company(ies), regulated investment company(ies) and/or other such service provider(s) as shall be necessary or appropriate for the administration and operation of the Plan.
- g. To review the performance of all service providers engaged in the administration of the Plan.
- h. To disseminate Plan benefit information to all current and prospective Plan participants and inform all eligible AC Transit employees of the benefits by the Plan.

VI. ALLOCATION AND DELEGATION OF RESPONSIBILITY

The Committee may, by written rule or by its minutes, allocate responsibilities among Committee members and may delegate to persons other than Committee members the authority to carry out responsibilities under the Plan. In the event that a responsibility is allocated to a Committee member, no other Committee member shall be liable for any act or omission of that person except as may otherwise be required by law. If a responsibility is delegated to a person other than a Committee member, the Committee shall not be responsible or liable for any act or omission of such person in carrying out such responsibility except as may otherwise be required by law.

VII. INDEMNIFICATION

AC Transit shall indemnify and defend individual Committee members pursuant to Government Code Section 825 and 995.

VIII. PLAN INVESTMENTS

The Committee shall have the following responsibilities related to Plan investments:

- a. Selecting the investment design feature of the Plan. This includes establishing:
  - i. The Investment Policy and objectives.
  - ii. The number and types of investment alternatives available to Plan participants.
  - iii. Participant investment procedures.
- b. Appointing, monitoring, and evaluating all investment fund options in accordance with guidelines and benchmarks established within this document and consistent with applicable laws.

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- c. Monitoring Plan costs which are charged to Plan assets and/or paid by Plan participants, including, but not limited to, investment management fees, trustee fees and fees paid to other Plan service providers.
- d. Providing general investment information to Plan participants regarding the procedures for making investment choices under the Plan and general investment information regarding each of the investment options offered under the Plan.
- e. Ensuring the service providers to the Plan are providing education to Plan participants.

IX. STANDARD OF CARE

The Committee shall discharge its duties with respect to the Plan in such a manner as to comply with applicable law and regulations including Internal Revenue Code Section 457(b) and regulations thereunder. Generally, all assets and income of the Plan shall be held in trust for the exclusive benefit of participants and their beneficiaries.

X. PLAN DOCUMENTS

The Plan shall be governed by and administered under one or more plan documents and trust agreements. These Plan documents and trust agreements, together with any other formal documents maintained for the operation and administration of the Plan, shall be on file in the permanent records of AC Transit and shall be available for inspection by Plan participants during business hours.

XI. AMENDMENT

The Charter may be amended by a majority vote of AC Transit's Board of Directors at any of its regular meetings.