DALLAS AREA RAPID TRANSIT EMPLOYEES’
DEFINED BENEFIT RETIREMENT PLAN
AND TRUST

As Restated Effective
October 1, 2015
(except as otherwise provided herein)
DART EMPLOYEES’ DEFINED BENEFIT RETIREMENT PLAN AND TRUST

WHEREAS, Dallas Area Rapid Transit (hereinafter called “DART” or the “Employer”) maintains the DART Employees’ Defined Benefit Retirement Plan and Trust (the “Plan”); and

WHEREAS, participation in the Plan is limited to those participating on or before September 30, 1995; and

WHEREAS, DART has authorized the execution of this amended and restated Plan, which is intended to continue the qualification of the Plan under Code Sections 401(a) and 501(a) and to incorporate amendments made to the Plan following its last restatement; and

WHEREAS, the provisions of the Plan, as hereby amended and restated, shall apply solely to an Employee who terminates employment with the Employer on or after the Effective Date; and

WHEREAS, if an Employee terminates employment with the Employer prior to the Effective Date, that Employee shall be entitled to benefits under the Plan, if any, under the terms of the Plan in effect on the Employee’s termination date.

NOW THEREFORE, pursuant to DART's power to amend the Plan under Section 11.01 hereof, the Plan is hereby amended and restated to read as follows:
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ARTICLE I
DEFINITIONS AND DESIGNATIONS

The following terms as used herein shall have the meaning respectively as set forth below except as the context may otherwise specifically require:

1.01(a) “Actuarial Equivalent” means a form of benefit differing in time, duration, or manner of payment from a standard benefit payable under this Plan but having the same value when computed using the assumptions set forth in Exhibit A as attached and made a part of this Plan.

1.01(b) “Actuary” means a Fellow or Associate of the Society of Actuaries, who is also a Member of The American Academy of Actuaries, appointed by the Retirement Committee to determine costs or contingent liabilities under the Plan.

1.01(c) “Agent for Service of Process” means the General Counsel of the Employer, or in lieu thereof the President/Executive Director of the Employer is designated as the agent responsible for the receipt of legal service of process.

1.01(d) “Annual Benefit” means the aggregate benefit attributable to Employer contributions payable annually under this Plan and any other defined benefit plan, exclusive of any benefit not required to be considered for purposes of applying the limitations of Section 415 of the Code to such plans, payable in the form of a straight life annuity beginning at age 62 with no ancillary benefits. Solely for purposes of computing the limitations under Section 415 of the Code, benefits actually payable to a pensioner are adjusted to the actuarial equivalent of a straight life annuity pursuant to Section 415 of the Code even though no Employee may actually receive a benefit in the form of a straight life annuity.

1.01(e) “Base Pay” means the Participant’s actual or equivalent hourly base pay rate in effect on October 1 of any calendar year, multiplied by 2,080, plus the Service Incentive Pay (SIP) and Employee’s Performance Bonuses paid in that calendar year. No other compensation such as payments for overtime shall be included in Base Pay. In the event a participant has Credited Service that does not include October 1, his or her hourly
base pay rate for that calendar year shall be the same as the rate in effect in the most recent calendar year in which his or her Credited Service did include the October 1 date. In no event may the Base Pay taken into account for any year exceed the applicable dollar limit on the Participant’s compensation for that year. All Participants are eligible Participants within the meaning of Section 1.401(a)(17)-1(d)(4)(ii)(B) of the Income Tax Regulations (See Section 2.01). Therefore, the applicable dollar limit is $295,000 for 2002, and is adjusted from time to time by the Secretary of the Treasury. Notwithstanding the second sentence of this Subsection 1.01(e), the Base Pay of a Participant who was eligible for and accepted an offer of early retirement made by DART on June 24, 2003, through a Voluntary Enhanced Early Retirement Program, and who actually retired no later than September 1, 2003, while subject to the overtime requirements of the Fair Labor Standards Act, shall include all overtime pay earned during the period for which Base Pay is used to determine the Participant’s Final Average Compensation. If the person or persons entitled to death benefits under this Plan shall so elect, a Participant who became eligible to accept early retirement under the Voluntary Enhanced Early Retirement Program but who died before retiring and before September 1, 2003, shall be considered for purposes of this Section and Section 1.01(s) to have accepted the early retirement offer and retired under the Program on the date of death.

1.01(f) “Beneficiary” or “Beneficiaries” means the person, persons or entity to whom a share of a deceased Participant’s benefit is payable, subject to the restrictions contained in this Plan.

1.01(g) “Break in Service” means any period in excess of two (2) years between the date of termination of employment and the date of re-employment of a Participant who, at the date of termination of employment, had less than ten (10) years of Credited Service. A Participant who has ten (10) or more years of Credited Service does not incur a Break in Service. Any Participant in a Former Plan who incurred a break in service under the terms of that Former Plan before September 30, 1995, shall be treated as having incurred a break in service under this Plan unless specifically provided herein to the contrary.
1.01(h) “Code” means the Internal Revenue Code of 1986 as amended or restated from time to time, and any successor thereto.

1.01(i) “Credited Service” means the Credited Service earned under the terms of any Former Plan prior to October 1, 1995, plus all service as a Participant under this Plan earned after September 30, 1995, and until the termination of employment plus the period, if any, between the date of re-employment after October 1, 1995, and the date of termination of such re-employment. Credited Service shall also be provided for service in the Uniformed Services to the extent required by the provisions of Section 2.04 or 8.03. In no event shall Credited Service be provided for any period during which the Employee was eligible for membership in any other pension plan, other than a Former Plan as defined in Section 1.01(q), or for any period in which the Participant was eligible to contribute to a Former Plan and did not do so. A Participant’s Credited Service and the amount of benefit payable to a Participant who terminated employment before October 1, 1995, and has not been reemployed, shall be determined under the terms of the appropriate Former Plan.

1.01(j) “Disabled” or “Disability” means a physical or mental condition that results in the Participant’s termination of employment, provided the Participant is awarded disability benefits by the Social Security Administration.

1.01(k) “Domestic Relations Order” means any judgment, decree or order (including approval of a property settlement agreement) which: (1) relates to the provision of child support, alimony payments, or marital property rights to a spouse, former spouse, child or other dependent of a Participant, and (2) is made pursuant to a state domestic relations law (including a community property law). See also “Qualified Domestic Relations Order,” Section 1.01(w).

1.01(l) “Early Retirement Date” means, in the case of any Participant, the first day of the calendar month next following attainment of his or her fifty-fifth (55th) birthday and completion of ten (10) years (thirty [30] years in the case of a Participant who was a Participant in Plan A on September 30, 1995) of Credited Service.
1.01(m) “Effective Date” means October 1, 2015, except as otherwise provided herein. The Plan was originally established effective October 1, 1995.

1.01(n) “Employee” means any person employed by the Employer, but excludes independent contractors. A leased employee within the meaning of Section 414(n) of the Code shall be considered to be an Employee only to the extent required by that Section.

1.01(o) “Employer” means DART and its predecessors (Dallas Transit Company, Dallas Railway and Terminal Company, Dallas Railway Company and/or the City of Dallas, Texas during the period they were responsible for operating a transit system within the City of Dallas) or its successors.

1.01(p) “Final Average Monthly Compensation” means one twelfth (1/12) of the average annual Base Pay during the three (3) consecutive calendar years (or period of employment, if shorter) of the highest Base Pay earned by the Employee, except in the case of a Participant who was a Participant in Plan A on September 30, 1995, the highest thirty six (36) consecutive months is substituted for three (3) consecutive calendar years.

1.01(q) “Former Plans” means the Trusteed Retirement Plans for Employees of the Employer known as “Dallas Transit System Retirement Plan A” (called “Plan A” in this document), “Dallas Transit System Retirement Plan B” (called “Plan B” in this document), or “Dallas Transit System Employees’ Retirement Plan” (sometimes called the “New Plan” in this document), each of which was consolidated into this Plan effective October 1, 1995.

1.01(r) “Leave of Absence” means absence of any Employee from the active service of the Employer, either with the consent of the Employer or by reason of the Employee’s Service in the Uniformed Services of the United States.

1.01(s) “Normal Retirement Date” means, in the case of any Participant, the first day of the calendar month next following attainment of his or her sixtieth (60th) birthday. In the case of a Participant who was a Participant in Plan A on September 30, 1995, Normal Retirement Date shall not be later than the first day of the calendar month following the date on which the sum of the Participant’s Credited Service and attained
age (in terms of years and completed months) equals ninety (90) years. For purposes of determining the Normal Retirement Date of a Participant who was eligible for and accepted an offer of early retirement made by DART through a Voluntary Enhanced Early Retirement Program on June 24, 2003, and who actually retired no later than September 1, 2003, Normal Retirement Date shall be considered to be the date such Participant actually retires; therefore, such a Participant’s Standard Retirement Benefit shall be computed under Section 3.01, not Section 3.02, regardless of the Participant’s age and the Participant’s Standard Retirement Benefit may commence immediately without the reduction specified in Section 3.01. A Participant who receives a Voluntary Enhanced Early Retirement Benefit under any other Plan maintained by DART shall not be eligible to receive a Voluntary Enhanced Early Retirement Benefit under this Plan.

1.01(t) “Participant” means any Employee who was a Participant in one of the Former Plans on September 30, 1995.

1.01(u) “Plan” means this Dallas Area Rapid Transit Employees’ Defined Benefit Retirement Plan and Trust as captioned above.

1.01(v) “Price Index Change” means the percentage change in the average price index for the twelve month period ended September 30 of any year over the average price index for the twelve month period ended September 30 of the immediately preceding year, not to exceed five percent (5%). As used in this definition of term ‘price index’ is the Consumer Price Index (all items-United States city average) published monthly by the Bureau of Labor Statistics, U.S. Department of Labor or its successors in function.

1.01(w) “Qualified Domestic Relations Order” means a Domestic Relations Order:

(1) which creates or recognizes the existence of an alternate payee’s right to, or assigns to an alternate payee the right to, receive all or a portion of the benefits payable with respect to a participant or retired participant under a plan or plans and which directs the plan administrator or trustee to disburse benefits to the alternate payee,
(2) which clearly specifies:

(i) the name, social security number, and last known mailing address (if any) of the participant or retired participant and the name and mailing address of each alternate payee covered by the order,

(ii) the amount or percentage of the participant’s or retired participant’s benefits to be paid by each plan to each such alternate payee, or the manner in which such amount or percentage is to be determined,

(iii) the number of payments or period to which such order applies, and,

(iv) each plan to which such order applies, and

(3) which

(i) does not require the plan to provide any type or form of benefit, or any option, not otherwise provided under the plan,

(ii) does not require the plan to provide increased benefits (determined on the basis of actuarial value),

(iii) does not require the payment of benefits to an alternate payee which are required to be paid to another alternate payee under another order previously determined to be a Qualified Domestic Relations order,

(iv) does not require the payment of benefits to an alternate payee before the retirement of the participant, the distribution of a withdrawal of contributions to the participant, or other distribution to the participant required by law,

(v) does not require any action on the part of the plan contrary to the plan’s provisions,
(vi) does not require the designation of a particular person as the recipient of benefits in the event of the participant’s or retired participant’s death,

(vii) does not require the selection of a particular benefit payment plan or option (other than a life annuity or lump sum described in Section 10.10),

(viii) does not award any future benefit increases to the alternate payee, other than a proportionate share of cost of living increases provided by Article VII,

(ix) provides for a proportional reduction in the amount awarded to the alternate payee in the event of the retirement of the participant before Normal Retirement Date, and

(x) provides that the death of the alternate payee shall terminate the interest of the alternate payee in the plan.

1.01(x) “Retired Participant” means only a person who was employed by the Employer and who is currently receiving monthly benefits under this Plan. The term does not apply to any non-active Employee whose employment with the Employer terminated prior to January 1, 1968, or a person who has a right to a deferred vested benefit under Article V but is not in pay status.

1.01(y) “Retirement Committee” means the committee provided for in Article X to administer this Plan.

1.01(z) “Trust Agreement”, “Trust” and “Trust Fund” mean respectively this Plan and Trust, the trust entity created as part of this Plan and the trust fund provided for herein. These terms shall also include a custodial agreement or custodial account at any time the trust fund is held by a custodian described in Section 1.01(aa).

1.01(aa) “Trustee” means the entity or entities, individual or corporate, designated from time to time pursuant to this Plan and Trust to hold the Trust Fund
created under the Trust Agreement, and any successor Trustee or custodian that meets the requirements of Section 401(f) of the Code and Section 802.205 of the Texas Government Code at any time the Trust Fund is held by a custodian.

1.01(bb) “Vested” means completion of ten (10) years of Credited Service except that a Participant who was a Participant in Plan A on September 30, 1995 must complete twenty (20) years of Credited Service and attain age fifty (50) before termination of employment to be Vested. Notwithstanding the foregoing, a Participant shall be Vested on his or her Normal Retirement Date (or, if earlier, the later of the time a Plan Participant attains age 65 or the 5th anniversary of the time a Plan Participant commenced participation in the Plan) if he or she is employed by DART at that time. A person who terminated employment before being Vested, under the terms of this Plan or a Former Plan shall not become Vested by reason of any amendment made to this Plan or a Former Plan after his or her termination of employment unless the person returned to employment with DART and was a Participant on or after the effective date of this amendment.

1.01(cc) “Year” or “Plan Year” means the twelve (12) month period beginning on October 1 of each calendar year and ending on September 30 of the following year.
ARTICLE II
EMPLOYEES ELIGIBLE FOR BENEFITS

Section 2.01 Persons Eligible. Each Employee who on September 30, 1995 was covered under one of the Former Plans shall continue as a Participant in this Plan in accordance with the provisions hereof. No other Employee who had not been a Participant before that date shall be or become a Participant hereunder. In no event may an Employee be a Participant in both this Plan and any other pension plan of the Employer, including the DART Retirement Plan and Trust. However, participation in this Plan does not prevent an Employee from also participating in the DART Capital Accumulation Plan and Trust.

Section 2.02 Re-employed Retired Participant. If any Retired Participant is re-employed on other than a temporary basis for a specific job of limited duration, the benefit theretofore being paid to the Retired Participant shall be suspended during his or her re-employment and he or she shall resume participation in the Plan and shall earn Credited Service for the period of re-employment. A Retired Participant who is re-employed on a part-time or temporary basis for a specific job of limited duration shall not become an active Participant in the Plan or accrue, or become entitled to, increased benefits by reason of his or her re-employment and his or her retirement benefit shall continue to be paid in the same manner as if he or she had not been re-employed.

Section 2.03 Effect of Break in Service. If a Participant terminates his or her employment with the Employer but is re-employed before incurring a Break in Service, he or she shall resume participation in this Plan and shall earn Credited Service for the period of re-employment. If such a Participant is re-employed after incurring a Break in Service, he or she shall not be treated as a Participant under this Plan.

Section 2.04 Qualified Military Service. Notwithstanding any provision in this Plan to the contrary, contributions, benefits and Credited Service with respect to a Participant’s qualified military service will be provided in accordance with Section 414(u) of the Code to the extent this would result in more favorable treatment than is accorded under Section 8.03. Contributions during the absence of a Participant on active duty with a Uniformed Service of the United States
will be provided in accordance with Section 414(u) if this would result in a greater contribution than is provided in Section 8.03 of the Plan.
ARTICLE III
STANDARD RETIREMENT BENEFITS

Section 3.01 Standard Monthly Normal Retirement Benefit. Upon termination of employment on or after Normal Retirement Date a Participant shall be entitled to a monthly benefit computed by multiplying two percent (2%) by his or her number of years of Credited Service up to October 1, 1983 and by multiplying one and one-half percent (1 ½%) of his or her number of years of Credited Service after October 1, 1983 (two percent (2%) for Participants who are required to make contributions pursuant to Section 8.02), and then multiplying the sum of the resulting percentages by his or her Final Average Monthly Compensation.

Section 3.02 Standard Monthly Early Retirement Benefit. Upon retirement on or after the Early Retirement Date, a Participant shall be entitled to a monthly benefit computed in accordance with Section 3.01, above, but reduced by 5/12 of 1% for each full month by which actual retirement precedes Normal Retirement Date.

Section 3.03 Period of Payment. The benefits provided in sections 3.01 and 3.02, above are payable for life in the case of any Retired Participant who was not a Participant in Plan A on September 30, 1995, but the amounts are subject to adjustment in accordance with elections made by the Participant. The benefits provided to Retired Participants who were Participants in Plan A on September 30, 1995, are payable for life, with the first one hundred twenty (120) monthly payments guaranteed, but subject to adjustment for elections made by the Participant.

Section 3.04 Disability Benefit.

(a) In the event a Participant who has at least ten (10) years of Credited Service becomes Disabled while in active employment with the Employer before becoming eligible for a standard monthly normal retirement benefit with immediate benefits, he or she shall receive a monthly benefit computed in accordance with Section 3.01, above, and payable over the period prescribed in Subsection (b); provided, however, if such Disability is service-connected, the monthly benefit shall not be less than twenty percent (20%) of Final Average Monthly Compensation. Disability benefits are not payable to a Participant who terminates employment before becoming Disabled. Disability benefits are also not payable to a Participant whose application for Disability
benefits was denied before October 1, 1995, in accordance with procedures in effect on the date of the denial unless the Participant has been employed after October 1, 1995, and qualifies for Disability benefits under the procedures in effect at the date of last termination of Employment.

(b) The first disability benefit payment payable to a Disabled Participant under paragraph (a) above shall be made for the first month following the later of (1) the effective date of an award of disability benefits to the Participant by the Social Security Administration, (2) the date the Participant terminates employment with the Employer due to the Disability, or (3) effective January 1, 2016, the date that is two (2) calendar years prior to the date on which the Participant files a written claim for disability benefits with the Plan, in accordance with any applicable procedures (e.g., March 15, 2016, if a Disabled Participant files such a written claim with the Plan on March 15, 2018). Monthly payments shall continue for the period prescribed in Section 3.03 or, if earlier, until the first day of the first month after the Participant ceases to be Disabled as determined by the Social Security Administration. In the case of a Participant who was a participant in Plan A or Plan B on September 30, 1995, or on the earlier commencement of Disability, the Retirement Committee shall also determine his or her income, if any, from his or her employment or business, and any earnings from said employment or business shall be charged against the benefits already paid to him or her and he or she shall immediately become ineligible to receive any further benefits until he or she immediately become ineligible to receive any further benefits until he or she has repaid the total of earnings and/or benefits to the Trust and has proved to the satisfaction of the Retirement Committee that he or she is again Disabled.

Section 3.05 Applicability of Article. The benefits provided under this Article III are in lieu of all benefits that might otherwise be provided under Article IV.

Section 3.06 Voluntary Enhanced Early Retirement Program in 2003. This Section applies only to a Participant who was eligible for and accepted an offer of early retirement made by DART on June 24, 2003, through a Voluntary Enhanced Early Retirement Program, and who actually retired no later than September 1, 2003, while classified as exempt from the overtime payment requirement of the Fair Labor Standards Act. A Participant described in the preceding
sentence shall be entitled to an additional benefit the amount of which shall be determined by dividing the Participant’s last annual salary by four (4). The additional benefit is available as soon as administratively feasible after the Participant’s retirement. See also Sections 1.01(e) and 1.01(s) hereof for provisions applicable to the Voluntary Enhanced Early Retirement Program.

Section 3.07 FY 2011 Voluntary Retirement Incentive Program. This Section applies only to those Participants listed on Schedules 1 and 2 attached to the Plan document, who are those Participants who accepted an offer of early retirement made by DART on August 27, 2010, through the FY 2011 Voluntary Retirement Incentive Program, and who actually retired on the Retirement Effective Date. The Retirement Effective Date is December 31, 2010 (for Participants identified on Schedule 1 as administrative employees) or March 31, 2011 (for Participants identified on Schedule 2 as operational employees). A Participant described in this Section 3.07 shall be credited with an additional three (3) years of Credited Service, and the Early Retirement reduction in Section 3.02 shall not apply to such Participant. Therefore, such Participant’s Standard Retirement Benefit shall be computed under Section 3.01, not Section 3.02, regardless of the Participant’s age, and the Participant’s Standard Retirement Benefit may commence immediately without the reduction specified in Section 3.01. A Participant who receives a FY 2011 Voluntary Retirement Incentive Program benefit under any other Plan maintained by DART shall not be eligible to receive a FY 2011 Voluntary Retirement Incentive Program benefit under this Plan.
ARTICLE IV
DEATH BENEFITS; OPTIONAL DEATH AND RETIREMENT BENEFITS

Section 4.01  Standard Pre-Retirement Death Benefit.  Any Participant who was not a Participant in Plan A on September 30, 1995, and who has ten (10) or more years of Credited Service shall have the right to the pre-retirement death benefit described in Subsection (a) below. Any Participant who was a participant in Plan A on September 30, 1995, and who has attained his or her sixtieth (60th) birthday or has completed fifteen (15) years of Credited Service with the Employer shall have the right to any pre-retirement death benefit to which he or she would have been entitled if such Plan had remained in effect.

(a) If a Participant described in the first sentence of this Section dies, a death benefit shall be payable to his or her surviving spouse or children as follows:

(1) A monthly benefit sum to be used as a basis shall be calculated in accordance with Section 3.01 based on the Participant’s Credited Service to the date of death plus the Credited Service he or she would have rendered had he or she continued employment to his or her Normal Retirement Date, using his or her existing Final Average Monthly Compensation. The amount of the death benefit shall be one-half (50%) of the reduced amount that would have been payable to the Participant based on the assumption that the Participant lived until Normal Retirement Date, retired and elected to share his or her Benefit with his or her spouse under the Joint and Fractional Survivor Election form of payment provided in Section 4.02(a)(1). Notwithstanding the foregoing, the minimum monthly benefit shall be the greater of twenty percent (20%) of the Participant’s Final Average Monthly Compensation or two-hundred fifty dollars ($250.00) in case of a service-connected death or service-connected injury resulting in death.

(2) The death benefit provided under this Subsection shall be payable to the spouse of a married Participant, in which case the benefit shall continue to such spouse until death; provided, however, that if the spouse later dies, or if there is no spouse and the Participant leaves an unmarried child or children under the age of twenty-four (24) years legitimately born of the union of Participant and
spouse, or legally adopted by them or born of the union of Participant and an earlier spouse and not adopted by another parent or parents, then the monthly benefit shall be payable in equal shares to such child or children. Except in the case of disabled children, each such child's benefits shall be discontinued as of the first day of the month following his or her twenty-fourth (24th) birthday or his or her marriage, whichever first occurs, and upon such discontinuance that child's share shall revert in equal parts to such children as remain eligible for benefits hereunder. For all purposes of this Subsection, a disabled child is a person who was totally and permanently disabled congenitally or from accident or disease prior to age twenty-four (24) and was dependent upon the Participant on the date of such Participant's death. The benefit payable to any disabled child as herein provided shall continue until such child's death or until such earlier date when he or she no longer satisfies the criteria set forth herein.

(b) Anything to the contrary notwithstanding, when a Participant who had attained his or her sixtieth (60th) birthday or had completed fifteen (15) years of Credited Service with the Employer on October 1, 1983, shall die before retirement, his or her Beneficiary shall be eligible to receive the larger of the death benefit provided under Subsection (a) or a pre-retirement death benefit computed under the Former Plan in which he or she was a Participant before October 1, 1983.

Section 4.02 Optional Monthly Retirement Benefits and Post-Retirement Death Benefits.

(a) Any Participant who is eligible for a Retirement Benefit or for a Disability Benefit and who was not a Participant in Plan A on September 30, 1995, shall have the right to share his or her Benefit with his or her spouse, or to guarantee receipt of at least 120 monthly payments, by electing one of the options available under paragraph (1) of this Subsection.

(1) The basic monthly benefit is computed in accordance with Section 3.01, and, if the leveling option provided for in accordance with Section 4.04 has been elected, the benefit is also adjusted in accordance therewith. The Participant
may then elect a joint and full survivor benefit or a joint and fractional survivor benefit, or may name consecutive, alternate Beneficiaries under the 120-month payment guarantee, and the resultant benefit as computed above will be further adjusted in accordance with the following table:

**Percentage of Standard Monthly Benefit Payable**

<table>
<thead>
<tr>
<th>Benefit to Retired</th>
<th>Benefit to Spouse</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under Joint and Full Survivor Election</td>
<td>85%</td>
</tr>
<tr>
<td>Under Joint and Fractional Survivor Election</td>
<td>92%</td>
</tr>
<tr>
<td>Under a Guarantee of 120 Monthly Payments</td>
<td>96%</td>
</tr>
</tbody>
</table>

(2) Any option election made under this Subsection, shall be made in writing to the Retirement Committee prior to termination of employment. In the event the Participant dies prior to termination of employment, the election shall be automatically revoked. The most recent election received by the Retirement Committee prior to termination of employment shall become irrevocable on termination of employment regardless of any change of circumstances after that date; provided, however, that Beneficiaries named under the 120 month payment guarantee option may be changed by Retired Participants. Anything to the contrary notwithstanding, an Employee who is re-employed and becomes a Participant again, shall have the right to make a new option election.

(b) Any Participant who was a Participant in one of the Former Plans on September 30, 1995, and who is eligible for a monthly normal or early retirement benefit or for a Disability benefit shall be eligible to elect, in writing to the Retirement Committee within the one hundred eighty (180)-day period before commencement of benefits, any retirement and death benefits he or she would have been entitled to receive
under the Former Plan or any optional form of payment approved by the Retirement Plan Committee before September 30, 1995. For distribution notices issued prior to January 1, 2007, the time period referenced in the immediately preceding sentence is the ninety (90)-day period prior to the commencement of benefits. Any optional form of payment must be the Actuarial Equivalent of the standard monthly retirement benefit or standard early retirement benefit the Participant would otherwise have received and must satisfy the conditions and restrictions applicable under that Former Plan and Section 401(a)(9) of the Code.

(c) Reduced Monthly Benefit and Partial Lump Sum.

(1) On and After October 1, 2002 and Prior to July 1, 2006. This paragraph is effective on and after October 1, 2002 and prior to July 1, 2006. Any Participant who retires on or after July 1, 1994, and would otherwise be entitled to receive a standard monthly normal retirement benefit pursuant to Section 3.01 or a standard monthly early retirement benefit pursuant to Section 3.02 shall be entitled to elect a reduced monthly benefit and partial lump sum payment in accordance with this Subsection. (This election is not available to a Participant who retires on Disability under Section 3.03). To compute the amount of the lump sum, a monthly benefit is computed first in accordance with Section 3.01 and reduced in accordance with Section 3.02, if applicable. Then, the monthly benefit so computed is reduced by twenty percent (20%) and the Actuarial Equivalent of this twenty percent (20%) is paid to the Participant in a lump sum. The Participant may elect to receive the remaining eighty percent (80%) portion of the benefit in any optional form otherwise available under the Plan, subject to adjustment for that optional form. Any Cost of Living Adjustments made pursuant to Section 7.01 will be applied to the base benefits (i.e. the monthly benefit that would have been payable if the election permitted by this Section 402(c) had not been made). The lump sum payment shall be made as soon as administratively feasible after the Participant has both retired and elected the lump sum payment in accordance with any uniform procedure that may be adopted from time to time by the Retirement Committee. Election of a lump sum
payment under this Section permanently reduces the Participant’s monthly benefit but does not affect the death benefits properly elected under any provision of this Plan. The partial lump sum shall be paid before the monthly benefits commence to a Participant who has elected the partial lump sum except that any Participant who retires or terminates employment on or after July 1, 1994 and before October 1, 1994, shall be entitled to elect the partial lump sum option at any time on or before October 1, 1994, and the partial lump sum payment shall be reduced to reflect the fact that the twenty percent (20%) reduction was not applied to monthly benefit payments received before the lump sum option was elected.

(2) **On and After July 1, 2006.** This paragraph is effective on and after July 1, 2006. Any Participant who retires on or after July 1, 1994, and would otherwise be entitled to receive a standard monthly normal retirement benefit pursuant to Section 3.01 or a standard monthly early retirement benefit pursuant to Section 3.02 shall be entitled to elect a reduced monthly benefit and partial lump sum payment in accordance with this Subsection. (This election is not available to a Participant who retires on Disability under Section 3.03). To compute the amount of the lump sum, a monthly benefit is computed first in accordance with Section 3.01 and reduced in accordance with Section 3.02, if applicable. Then, the monthly benefit so computed is reduced by twenty percent (20%) and the Actuarial Equivalent of this twenty percent (20%) is paid to the Participant in a lump sum. The Participant may elect to receive the remaining eighty percent (80%) portion of the benefit in any optional form otherwise available under the Plan, subject to adjustment for that optional form. The lump sum payment shall be made as soon as administratively feasible after the Participant has both retired and elected the lump sum payment in accordance with any uniform procedure that may be adopted from time to time by the Retirement Committee. Election of a lump sum payment under this Section permanently reduces the Participant’s monthly benefit but does not affect the death benefits properly elected under any provision of this Plan. The partial lump sum shall be paid before the monthly benefits commence to a Participant who has elected the partial lump sum.
Section 4.03 Payments Must at Least Equal Employee Contributions. If at the expiration of the period for which all benefits are otherwise payable under Sections 4.01 or 4.02 or 4.04 whichever is applicable, the aggregate of all payments made is less than the total of the Participant’s own contributions under the Former Plan and under this Plan, with interest thereon from the end of the month in which the contributions were made to the end of the month immediately preceding the date of the Retired Participant’s death at the rate of two percent (2%) per annum compounded annually, then the balance, if any, shall be payable to the estate of the Retired Participant.

Section 4.04 Election of Leveling Option. By applying in writing to the Retirement Committee at any time before termination of employment prior to age sixty-two (62) a Participant entitled to a standard monthly early or normal retirement benefit or an optional monthly early or normal retirement benefit may elect, in lieu of such benefit, to receive an increased monthly standard early or normal retirement benefit, or an optional monthly early or normal retirement benefit as the case may be, commencing with the date on which such benefit is otherwise first payable and ending with the payment due on the first day of the month in which his or her sixty-second (62nd) birthday occurs. The amount of the increase in the monthly benefit shall be two hundred dollars ($200.00). In return for this increase, the amount of the monthly benefit shall be reduced by the $200.00 increase plus the amounts set forth in the second column below, dependent on the retiring Participant’s age at termination of employment, commencing on the first day of each month after the Participant attains age sixty-two (62):

<table>
<thead>
<tr>
<th>Age at Retirement</th>
<th>Monthly Benefit Reduction</th>
<th>Difference Between Pre-Age 62 And Post-Age 62</th>
<th>Monthly Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>55</td>
<td>$200.00</td>
<td></td>
<td>$400.00</td>
</tr>
<tr>
<td>56</td>
<td>190.00</td>
<td></td>
<td>390.00</td>
</tr>
<tr>
<td>57</td>
<td>175.00</td>
<td></td>
<td>375.00</td>
</tr>
<tr>
<td>58</td>
<td>150.00</td>
<td></td>
<td>350.00</td>
</tr>
<tr>
<td>59</td>
<td>120.00</td>
<td></td>
<td>320.00</td>
</tr>
</tbody>
</table>
Election of this leveling option is for the purpose of enabling a Participant to anticipate receipt of a primary Social Security benefit considered to be available at age sixty-two (62), and the reduction at age 62 is a permanent reduction. This leveling option may be revoked by the Participant at any time prior to termination of employment.

In the event the Participant has elected another optional form of payment, the changes required by this leveling option shall apply to the Participant’s reduced monthly benefit and shall not affect the amount payable to the surviving spouse or beneficiary.
ARTICLE V
INACTIVE RETIREMENT AND DEATH BENEFITS AND OTHER DISTRIBUTION RULES

Section 5.01 Deferred Vested Benefit.

(a) Except as provided in Subsection (b), a Participant who terminates employment with the Employer after completing ten (10) years of Credited Service with the Employer may, if not then entitled to a monthly disability benefit or a standard monthly early retirement benefit, at his or her option elect a standard monthly normal retirement benefit or, anything contained herein to the contrary notwithstanding, an optional monthly normal retirement benefit deferred to, and, with first payment beginning on, Normal Retirement Date. In the event of the death of a terminated Participant, a death benefit shall be payable to the surviving spouse equal to 46% of the standard monthly normal retirement benefit which would have been paid to the vested Participant on his or her Normal Retirement Date. Payment of this surviving spouse benefit shall commence on the first day of the month immediately following the later of the date of death of the vested Participant or the date the vested Participant would have attained age 55. In the event payments commence prior to the vested Participant’s Normal Retirement Date, the amount shall be further reduced by 5/12 of 1% for each full month by which the initial payment date precedes the Participant’s Normal Retirement Date. The benefit is payable for the life of the surviving spouse.

(b) A terminating Participant who was a Participant in Plan A on September 30, 1995, shall be entitled to a benefit under this Section only if such Participant had completed twenty (20) years of Credited Service with the Employer and attained age fifty (50) before termination of employment. If these requirements are met, the Participant may, at his or her option, elect a standard monthly normal retirement benefit or (if eligible to do so) an optional monthly normal retirement benefit deferred to, and with the first payment beginning on, Normal Retirement Date; provided, however, that if such terminating Participant has completed at least thirty (30) years of Credited Service with the Employer he or she may, at his or her option, elect a standard monthly early retirement benefit commencing on his or her Early Retirement Date. In the event of the
death of such a terminated Participant between the date of termination of employment and the date when monthly retirement benefits commence under the terms of this Section 5.01, a death benefit shall be payable in the amount and manner provided in Section 4.01 of Article IV hereof unless the Participant had elected otherwise with the written consent of his or her spouse, if any.

(c) Any terminated Participant who is eligible to elect a standard monthly normal retirement benefit or a standard monthly early retirement benefit pursuant to this Section may also elect a reduced monthly benefit and partial lump sum as described in Section 4.02(c).

Section 5.02 Other Termination Benefits. In lieu of all other benefits under this Plan, a Participant terminating employment with the Employer may elect, at any time between the date of termination and the date when monthly benefits are scheduled to commence, to be paid in one sum, the total of his or her own contributions under any Former Plan and under this Plan, with interest thereon from the end of the month in which the contributions were made to the end of the month next preceding the date of termination of employment at the rate of two percent (2%) per annum compounded annually. Any such election by a married Participant shall not be valid unless the Participant’s spouse consents thereto in accordance with any uniform procedures adopted by the Retirement Committee. Upon receipt of his or her contributions any other election for retirement or death benefits shall be null and void and the Employer funded portion of the Participant’s benefit shall be forfeited.

Section 5.03 Latest Commencement Date for Benefits. A Participant’s benefits under this Plan must commence no later than April 1 of the year after the later of (a) the calendar year in which he or she terminates employment or (b) the calendar year in which he or she attains age 70 1/2. Benefits to a Beneficiary must commence no later than one (1) year after the death of the person whose death resulted in the right to receive the benefits except benefits of a surviving spouse may commence on the earlier of (1) the date otherwise prescribed in this Plan or (2) the date the deceased Participant would have attained age 70-1/2. If a Participant dies having no designated Beneficiary, the entire interest of the Participant must be distributed within five (5) years after the Participant’s death. All distributions required under this Section shall be
determined and made in accordance with Code Section 401(a)(9), including the incidental death benefit requirement in Code Section 401(a)(9)(G), and Treasury Regulations issued thereunder on April 17, 2002 and June 15, 2004, as the same may be thereafter amended.

Section 5.04 Direct Rollovers.

(a) Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee’s election, a distributee may elect, at the time and in the manner prescribed by the Retirement Committee, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

(b) For purposes of this Section, an eligible rollover distribution is any distribution of all or any portion of the balance 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 over the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee’s designated beneficiary; (2) any series of payments for a specified period of ten years or more; (3) any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; or (4) the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).

(c) For purposes of this Section:

(1) An “eligible retirement plan” is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code, or a qualified trust described in Section 401(a) of the Code, 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) that is maintained by a state, political subdivision of a state or any agency or instrumentality of a state or political...
subdivision of a state that agrees to separately account for amounts transferred into such plan from this Plan. Effective for distributions occurring after December 31, 2007, an “eligible retirement plan” includes an individual retirement account described in Code Section 408A (a “Roth IRA”).

(2) A “distributee” includes an Employee or former Employee. In addition, the Employee’s or former Employee’s surviving 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 Section 414(p) of the Code, are distributees with regard to the interest of the spouse or the former spouse. Effective for distributions on and after January 1, 2009, a non-spouse beneficiary who is a designated beneficiary under Section 9.1 shall also be a distributee but may elect a rollover only if it is a direct rollover from this Plan to an individual retirement account such beneficiary establishes for the purposes of receiving such distribution. For purposes of the immediately preceding sentence only, an “indirect” rollover, where the distribution is first paid to the beneficiary and subsequently transferred by the beneficiary within sixty (60) days to an individual retirement account, is not permitted.

(3) A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.
ARTICLE VI
LIMITATIONS ON BENEFITS

Section 6.01 Maximum Benefits.

(a) Notwithstanding any other provisions of this Plan, the Annual Benefit provided with respect to any Participant may not exceed the limit permitted by Section 415 of the Code, adjusted in accordance with any applicable Internal Revenue Service guidelines. Effective on and after January 1, 2002, the applicable limit is the lesser of (i) $160,000, as adjusted effective January 1 of each year under Code Section 415(d) or (ii) 100 percent of the Participant’s average Compensation for his high three (3) years, and payable in the form of a straight life annuity. “Compensation” for purposes of the limits under Section 415 of the Code includes all remuneration described in Treasury Regulation §1.415-2(d)(2) and excludes all other forms of remuneration. For this purpose, “Compensation” shall not include Employer contributions made pursuant to the pick-up provisions of Section 8.02 of the Plan. Any benefit increases resulting from the increase in the limitation of Section 415(b) of the Code will be provided to all Participants who have one hour of service on or after January 1, 2002. Benefits provided to a Participant under this Plan and under any other defined benefit plan or plans maintained by the Employer shall be aggregated for purposes of determining whether the limits under Section 415(b) of the Code are met. For purposes of Code Section 415, any repayment of contributions and earnings with respect to an amount previously refunded upon a forfeiture of service credit under Section 415(k)(3) of the Code shall not be taken into account. Effective for limitation years beginning on and after July 1, 2007, the benefits payable to an Employee from this Plan shall in all events comply with the provisions of Code Section 415 and Treasury Regulations published pursuant to such Code Section on April 5, 2007, the provisions of which are specifically incorporated herein by reference. The limitation year shall be the calendar year.

(b) Effective for distributions with an annuity starting date on or after December 31, 2002, the applicable mortality table used for purposes of adjusting any benefit or limitation under Code Section 415(b)(2)(B), (C), or (D) is the table prescribed in Revenue Ruling 2001-62. Effective for distributions with an annuity starting date on or
after January 1, 2008, the applicable mortality table for such purposes shall be the table described under Code Section 417(e)(3), pursuant to Revenue Ruling 2007-67, as such table is updated from time to time under applicable Internal Revenue Service guidance.

Section 6.02  Adjustment for Annual Changes.

If any provision of Section 415 of the Code is repealed or is not enforced by the Internal Revenue Service, that provision may not reduce the benefits of any Participant after the effective date of the repeal of the provision or during the period in which the provision is not enforced. If the benefits of any Participant are reduced because of the provisions of this Section and Section 415 of the Code and subsequent adjustments to the limits under Section 415 allow the benefits to be restored, the benefits previously withheld shall be paid to the Participant or his beneficiary.
ARTICLE VII
COST OF LIVING ADJUSTMENT

Section 7.01  Cost of Living Adjustment.

(a)  On and After October 1, 2002 and Prior to July 1, 2006. This paragraph is effective on and after October 1, 2002 and prior to July 1, 2006. Annually each monthly retirement payment made to or on behalf of a Retired Participant, or a Beneficiary, shall be subject to a cost of living adjustment, but such adjustment in any year shall only be made with respect to the benefits of persons whose immediate entitlement to benefits commenced prior to such year. The adjustment, up or down, shall be applied to each benefit so payable, except that in the case of commuted amounts and/or lump sum settlements no account shall be taken of future changes in cost of living adjustment occurring after the date as of which such settlement is made. The adjustment, up or down, shall for any year result in a percentage change in the base benefit (i.e. in the benefit otherwise payable had this Section 7.01 never been applicable and without regard to any election under Section 4.02(c)) equal to the Price Index Change for the previous year (subject to Section 7.03 below). The benefit payable for any period is, accordingly, the base benefit together with all cost of living adjustments made up to and including the adjustment, if any, effective at the beginning of that period. The adjustment shall apply, effective each January 1 to the monthly retirement pensions of each Retired Participant who has retired before that January 1, and to each Beneficiary of a deceased former Participant who died before that January 1. There shall be no pro rating because a Participant retired or died during the preceding year. Adjustments made before October 1, 1996, shall not be changed to reflect the provisions of this Section.

(b)  On and After July 1, 2006 and Prior to the Effective Date. This paragraph is effective on and after July 1, 2006 and prior to the Effective Date. Annually each monthly retirement payment made to or on behalf of a Retired Participant, or a Beneficiary, shall be subject to a cost of living adjustment, but such adjustment in any year shall only be made with respect to the monthly benefits of persons whose immediate entitlement to benefits commenced prior to such year. The adjustment, up or down, shall be applied to each monthly benefit so payable, except that no cost of living adjustment
shall be made for amounts paid in a lump sum pursuant to Section 4.02(c). The adjustment shall be made to the monthly benefit payable prior to giving effect to any election of the leveling option under Section 4.04. The adjustment, up or down, shall for any year result in a percentage change in the monthly benefit otherwise payable had this Section 7.01 never been applicable, equal to the Price Index Change for the previous year added to, or subtracted from, the cumulative Price Index Change since the commencement of the monthly benefit up to and including the immediately preceding Price Index Change (subject to Section 7.03 below). The adjustment shall apply, effective each January 1 to the monthly retirement pensions of each Retired Participant who has retired before that January 1, and to each Beneficiary of a deceased former Participant who died before that January 1. There shall be no pro rating because a Participant retired or died during the preceding year. Adjustments made before June 1, 2006, shall not be changed to reflect the provisions of this Section.

(c) On and After the Effective Date. This paragraph is effective on and after the Effective Date. Annually each monthly retirement payment made to or on behalf of a Retired Participant, or a Beneficiary, shall be subject to a cost of living adjustment, but such adjustment in any year shall only be made with respect to the monthly benefits of persons whose immediate entitlement to benefits commenced prior to such year. The adjustment shall be applied to each monthly benefit so payable, except that no cost of living adjustment shall be made for amounts paid in a lump sum pursuant to Section 4.02(c) and the adjustment shall only be made for increases in the cost of living, with no reductions in monthly benefits to reflect any decreases in the cost of living; provided however, that any negative adjustment that is not applied in accordance with this paragraph (c) shall be used to offset any accumulated reserve under Section 7.03 (i.e., to reduce the amount of any additions described in Section 7.03). The adjustment shall be made to the monthly benefit payable prior to giving effect to any election of the leveling option under Section 4.04. The adjustment shall for any year result in a percentage change in the monthly benefit otherwise payable had this Section 7.01 never been applicable, equal to the Price Index Change for the previous year added to the cumulative Price Index Change since the commencement of the monthly benefit up to and including the immediately preceding Price Index Change (subject to Sections 7.03 and 7.04 below).
The adjustment shall apply effective each January 1 to the monthly retirement pensions of each Retired Participant who has retired before that January 1, and to each Beneficiary of a deceased former Participant who died before that January 1. There shall be no pro rata rating because a Participant retired or died during the preceding year. Adjustments made before the Effective Date shall not be changed to reflect the provisions of this Section.

Section 7.02 Adjustment May Not Decrease Benefit. In no event shall any monthly payment made under Section 7.01 for cost of living adjustment result in a monthly payment which is less than the monthly payment that would otherwise have been made in the absence of any prior cost of living adjustments.

Section 7.03 Effect of Cost of Living Increase in Excess of Five Percent. Any annual amount of change in the Consumer Price Index described in Section 1.01(v) which exceeds five percent (5%) shall be accumulated and held in reserve to be used as an addition to future annual cost of living adjustments for years in which such Consumer Price Index is below five percent (5%).
ARTICLE VIII
EMPLOYER’S AND PARTICIPANTS’ CONTRIBUTIONS

Section 8.01 No Contributions from Certain Employees. Except as provided in Section 8.02, contributions by Participants are neither required nor permitted.

Section 8.02 Participant’s Contributions. Each Employee who was a Participant in Plan A on September 30, 1995, shall make a contribution toward his or her benefit accrual. The amount of each such Employee’s contribution shall be three percent (3%) of his or her actual or equivalent base pay, Service Incentive Pay (SIP) and Employee’s Performance Bonuses for each pay period. Notwithstanding the preceding sentence, such contributions shall continue to be picked up by the Employer; thus, such contributions will be treated as Employer contributions for Federal income tax purposes but will be treated as part of Base Pay for purposes of determining benefits under this Plan and as the Participant’s contributions for purposes of Sections 4.03 and 5.02 of the Plan.

Section 8.03 Employer Contributions. The Employer will contribute the additional amounts necessary so that the Plan will be on an actuarially sound basis, as determined or recommended by the Actuary. If a Participant described in Section 8.02 is on active duty with a Uniformed Service of the United States or is on authorized Leave of Absence from the service of the Employer, contributions during the Participant’s absence will be made on the basis of the Participant’s last contribution prior to the date of such authorized leave. Employer will pay the Participant’s contribution to the Plan during his or her Service in a Uniformed Service; provided, however, that in the event such Participant voluntarily re-enlists or does not return to active employment with the Employer, or if the Participant returns but terminates his or her employment with the Employer before attaining any vested rights in the Plan after considering any Credited Service provided pursuant to Section 2.04, such Participant will be entitled to withdraw from the Plan only the amount contributed by himself, plus two percent (2%) per annum interest thereon from the end of the month in which made to the end of the month immediately preceding the date of his or her termination of employment.
ARTICLE IX
TRUST AGREEMENT; TRUSTEE POWERS, RIGHTS AND DUTIES

Section 9.01  Plan Assets Held in Trust.  All Plan contributions shall be delivered to, and held by, the Trustee for the exclusive benefit of the Participants and their Beneficiaries.

Section 9.02  Trust Fund Sole Source of Benefits.  The Benefits accruing to Participants and their Beneficiaries under the Plan shall only be such as can be provided by the Trust Fund, and there shall be no liability or obligation on the part of the Employer, the Retirement Committee or the Actuary to make any further contributions in the event the Plan is at any time terminated. No liability for the payment of the benefits under the Plan shall ever be imposed upon the Employer, any Employee, officer, Board Member or other official of the Employer, or any member of the Retirement Committee or the Actuary.

Section 9.03  Exclusive Authority.  The Trustee shall have the exclusive authority and discretion to manage and control the Trust Fund assets, except to the extent that, pursuant to Article X, such authority and discretion is delegated to a Qualified Investment Manager.

Section 9.04  General Power of Trustee.  Subject to the provisions of Section 9.06, the Trustee shall have the following powers, rights and duties with respect to the Trust Fund in addition to those provided elsewhere in the Plan and trust or by law:

(a) To receive and hold all contributions paid to the Trustee under the Plan; provided, however that the Trustee shall have no duty to require any contributions to be made to the Trust or to determine that the contributions received comply with the Plan and Trust or with any resolution of the Board of Directors of the Employer.

(b) To invest and reinvest the Trust Fund assets in bonds, notes, mortgages, commercial paper, preferred or common stock, mutual funds or other securities, rights, obligations or other property, real or personal, including shares of participation issued by investment companies or investment trusts.

(c) To manage, sell, contract to sell, grant options with respect to, convey, exchange, partition, transfer, abandon, improve, repair, insure, lease for any term (although commencing in the future or extending beyond the term of this Trust),
mortgage or pledge and otherwise deal with all property, real or personal, in such way, for such considerations and on such terms and conditions as he or she decides.

(d) With the approval of the Retirement Committee, to borrow money with or without mortgaging or pledging the assets of the Trust Fund.

(e) To retain in cash a portion of the Trust Fund either awaiting investment or to meet contemplated payments of benefits hereunder and to deposit funds (in savings accounts or checking accounts) in any financial institution supervised by the United States or a State including, if the Trustee is a bank, its own banking department.

(f) To make payment from the Trust Fund to such persons, in such manner, at such times and in such amounts as the Retirement Committee shall direct without inquiring as to whether a payee is entitled to the payment, or as to whether a payment is proper, and without liability for a payment made in good faith without actual notice or knowledge of the changed condition or status of the payee.

(g) To compromise, contest, arbitrate, settle or abandon claims and demands.

(h) To begin, maintain or defend any litigation necessary in connection with the investment, reinvestment and administration of the Trust Fund.

(i) To have all rights of an individual owner, including the powers to give proxies to vote stocks, to join in or oppose (alone or jointly with others) voting trusts, mergers, consolidations, foreclosures, reorganizations, recapitalizations or liquidations, and to exercise or sell stock subscription or conversion rights.

(j) To hold securities or other property in the Trustee’s name as Trustee or in the name of any nominee or nominees, or in such other form as the Trustee determines best with or without disclosing the Trust relationship and to execute such documents as are necessary to accomplish the foregoing; provided, however, that the records of the Trustee shall indicate the actual ownership of such securities or other property.

(k) If a bank or an affiliate of a bank is acting as Trustee, to deposit securities with a clearing corporation. The certificates representing securities, including those in
bearer form may be held in bulk form with, and may be merged into certificates of the same class of the same issuer which constitute assets of other accounts or owners without certification as to the ownership attached. Utilization of a book-entry system may be made for the transfer or pledge of securities held by the Trustee or by a clearing corporation. The Trustee shall at all times, however, maintain a separate and distinct record of the securities owned by the Trust Fund.

(l) If a bank or an affiliate of a bank is acting as Trustee, to participate in and use the Federal Book-Entry Account System, a service provided by the Federal Reserve Bank for its member banks for deposit of Treasury securities.

(m) To retain any funds or property subject to any dispute without liability for the payment of interest, or to decline to make payment or delivery thereof until final adjudication is made by a court of competent jurisdiction.

(n) To report to the Retirement Committee and the Employer on each valuation date (or as soon thereafter as practicable), or at such other times as may be required under the Plan, the Trust Fund Earnings and then net worth of the Trust Fund, that is, the fair market value of all property held in the Trust Fund, reduced by any liabilities other than liabilities to Participants in the Plan and their Beneficiaries.

(o) To furnish to the Retirement Committee and the Employer a written accounting for each valuation period detailing all investments, receipts, disbursements and other transactions of the Trust Fund during such period, and such other information as the Trustee may possess which the Retirement Committee and the Employer require in order to prepare reports and returns required under the Plan or by law. All accounts of the Trustee shall be kept on a cash basis.

(p) To require before making any payment such release or other document from any taxing authority and such indemnity from the intended payee as the Trustee deems necessary for his or her protection.

(q) To employ or retain agents, attorneys, accountants or other persons (who also may be employed by or represent the Employer).
(r) To pool all or any of the assets of this Trust Fund from time to time with assets of any other qualified plan and exempt trust under Sections 401(a) and 501(a), respectively, of the Code, created by the Employer and to commingle such assets and make joint or common investments and carry joint accounts on behalf of this Trust and such other trust or trusts, allocating undivided shares or interests in such investments or accounts or in any pooled assets to the two or more trusts in accordance with their respective interests. The Trustee may also buy or sell any assets or undivided interests therein, in this Trust or any other trust with which the assets of this Trust may be pooled, to or from this Trust or such other trusts.

(s) To assume, until advised to the contrary, that the Plan and Trust is qualified under Section 401(a) of the Code and exempt from tax under Section 501(a) thereof.

(t) To perform any and all other acts that in the judgment of the Trustee are necessary or appropriate for the proper and advantageous management, investment and distribution of the Trust Fund.

(u) To invest all or any part of the assets of the Trust Fund in any collective investment trust (including any collective investment trust maintained by the Trustee) which then provides for the pooling of the assets of plans and trusts qualified under Section 401(a) of the Code and exempt from tax under Section 501(a) thereof (whether or not such collective investment trust provides for the pooling of assets of other tax-exempt trusts), provided that such collective investment trust is exempt from tax under the Code. The provisions of the document governing such collective investment trust as it may be amended from time to time shall govern any investment therein and are hereby made a part hereof.

Section 9.05 Directions to Trustee. The Retirement Committee shall advise the Trustee of any events which require the taking of any action by the Trustee under this Agreement. The secretary of the Retirement Committee will certify to the Trustee from time to time the persons who are the Retirement Committee. The Trustee may rely on the latest certificate without further inquiry or verification.
Section 9.06  Fiduciary Obligations. Subject to the provisions of Article X, the Trustee (and any other fiduciary with respect to the Plan) shall discharge his or her duties hereunder solely in the interest of the Participants and their beneficiaries and

(a) for the exclusive purposes of:

(1) providing benefits to Participants and their beneficiaries; and

(2) defraying reasonable expenses of administering the Plan and Trust;

(b) with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims; and

(c) by diversifying investments of the Trust Fund so as to minimize the risk of large loses, unless under the circumstances it is clearly prudent not to do so.

Section 9.07  Allocation of Trustee Responsibilities, Obligations and Duties. If there is more than one Trustee, they shall jointly manage and control the assets of the Trust Fund unless the Employer shall by an agreement in writing, signed by the Employer and the Trustees, allocate specific responsibilities, obligations or duties among them. Employer shall deliver a copy of such agreement to the Retirement Committee.

Section 9.08  Compensation and Expenses. The Trustee is authorized to pay from the Trust Fund all Trust expenses, taxes and charges (including fees of persons employed or retained by the Trustee) incurred in connection with the collection, administration management, investment, protection and distribution of the Trust Fund, and the expenses of the Retirement Committee; provided however, that a Trustee who is an employee of the Employer shall not be entitled to any compensation for his or her services as Trustee from the Trust Fund or the Employer, except for the reimbursement of expenses properly and actually incurred.

Section 9.09  Actions by Trustees. If there shall be two or more persons serving as Trustee, they shall act by a majority. Any person serving as Trustee may execute any document in the name of and on behalf of the Trust Fund and the other persons serving as Trustee.
Section 9.10  Persons Dealing with Trustee.  No person contracting or in any way dealing with the Trustee shall be under any obligation to ascertain or inquire (a) into any powers of the Trustee, (b) whether such powers have been properly exercised or (c) about the source or application of any funds received from or paid to the Trustee, and such person may rely on the Trustee’s exercise of any power or authority as the conclusive evidence that he or she possesses such power and authority.  This Section shall not apply to any person who is a fiduciary with respect to the Plan.

Section 9.11  Indemnification of the Trustee by Employer.  To the extent permitted by law, Employer hereby agrees to indemnify a Trustee who is not compensated for his or her services as Trustee for and to hold him or her harmless against any and all liabilities, losses, costs or expenses (including legal fees and expenses) of whatsoever kind and nature which may be imposed on, incurred by or asserted against him or her at any time by reason of his or her service under the Plan if he or she did not act dishonestly or otherwise in willful violation of the law under which such liability, loss, cost or expense arises.  This indemnity shall not preclude such other indemnities as may be available under insurance purchased or provided by the Employer or under any by-law, agreement, action of stockholders or disinterested directors or otherwise, to the extent permitted by law.  Payments of any indemnity, expenses or fees under this Section shall be made solely from assets of the Employer and shall not be made directly or indirectly from Trust Fund assets.

Section 9.12  Limitation on Responsibilities.  The functions of any agent, attorney, accountant or other person engaged by the Trustee pursuant to this Article shall be limited to the specific services and duties for which he or she is engaged and such person shall have no other duties or obligations under the Plan and Trust.  Such persons shall exercise no discretionary authority or discretionary control respecting management of the Plan and Trust and shall exercise no authority or control respecting management or disposition of the assets of the Trust.  Any Trustee who is not compensated for his or her services as Trustee shall be free from all liability for his or her acts and conduct in the management and control of the Trust Fund assets, except for acts of willful misconduct; provided, however, that the foregoing shall not relieve him or her from any responsibility or liability for any responsibility, obligation or duty he or she may have pursuant to the laws of the United States or the State of Texas.
Section 9.13  Common Trust Fund. The fact that separate records may be maintained for each Participant shall not be deemed to segregate for or give to such Participant or his or her beneficiaries any direct interest in any specific assets of the Trust Fund. All Trust Fund assets shall be held and administered by the Trustee as a commingled fund.

Section 9.14  Change of Trustee.

(a)  Resignation. A Trustee may resign at any time by giving 30 days’ advance written notice to Employer.

(b)  Removal of Trustee. Employer may remove any Trustee by giving written notice to such Trustee, and if the removed Trustee is the sole Trustee at the time of removal, Employer shall also notify such removed Trustee of the identity of the successor Trustee and of the successor Trustee’s acceptance of the trusteeship.

(c)  Duties of Resigning or Removed Trustee and of Successor Trustee. If a Trustee resigns or is removed, such resigned or removed Trustee shall promptly transfer and deliver the assets of the Trust Fund to the Successor Trustee. Within 120 days the resigned or removed Trustee shall furnish to Employer, the Retirement Committee and the successor Trustee an accounting of his or her administration of the Trust from the date of his or her last accounting. Each successor Trustee shall succeed to the title to the Trust Fund vested in his or her predecessor without the signing or filing of any further instrument, but any resigning or removed trustee shall execute all documents and do all acts necessary to vest such title of record in any successor Trustee. Each successor shall have all the powers, rights and duties conferred by this Plan and Trust as if originally named Trustee. No successor Trustee shall be personally liable for any act or failure to act of a predecessor Trustee.

(d)  Power to Add Trustees. Employer shall have the power, at any time and from time to time, to add one or more Trustees by an instrument in writing delivered to the existing Trustee and to the person being added as Trustee.
(e) **Notification to Retirement Committee.** Copies of all instruments involving the resignation, removal, appointment or addition of a Trustee shall be delivered to the Retirement Committee by Employer.

**Section 9.15 Effect of Separate Trust Agreement.** Notwithstanding any other provision in this Plan to the contrary, this Article IX shall be suspended during any period in which a separate Trust Agreement, including a custodial contract described in Section 1.01(z) is in effect between the Retirement Committee and a Trustee or custodian described in Section 1.01(aa), except to the extent the Trust Agreement or custodial contract shall provide to the contrary.
ARTICLE X
ADMINISTRATION OF PLAN

Section 10.01 Constitution of Retirement Committee. For the purposes of administering the Plan there shall be a Retirement Committee consisting of five (5) members. Two (2) members of the Retirement Committee shall be elected by the Participants and such members shall themselves be Participants who are active Employees of the Employer, one of whom is an operator and the other of whom is not an operator. One (1) member from the Board of Dallas Area Rapid Transit shall be appointed by the Chair of the Board of Dallas Area Rapid Transit to the Retirement Committee. One (1) member of the Retirement Committee shall be appointed by the President/Executive Director of the Employer. One (1) member of the Retirement Committee shall be the Employer’s Chief Financial Officer or other management official with sufficient financial background as determined by the President/Executive Director of the Employer. The Retirement Committee shall elect a chairperson from among its members. Members shall serve for terms of four (4) years, the term of the first such members so elected or appointed being measured from the same date used for this purpose under the Dallas Transit System Employees’ Retirement Plan. Members of the Retirement Committee shall serve beyond the end of their term, if necessary, until their successors have been elected or appointed. Any member of the Retirement Committee may resign at any time by delivering his or her written resignation to the Employer and notifying the Trustee. If a vacancy occurs in one of the elected member positions and more than sixty (60) days remains before the end of the elected member’s term, a new member shall be elected to serve out the remainder of the term. If a vacancy occurs in one of the appointed member’s positions, the Chair of the Board of DART or the President/Executive Director responsible for filling the position shall appoint a new member to serve out the appointed member’s term. Members of the Retirement Committee shall serve without bond unless the Employer or applicable statutes shall require otherwise, in which event the premium therefor shall be paid out of the Trust Fund.

Section 10.02 Action by Retirement Committee. Except as specifically otherwise provided herein, all acts, decisions and determinations of the Retirement Committee shall be made with the consent and approval of a majority of the members thereof, expressed by vote at a meeting of at least a majority of all members of said Retirement Committee, or approved in writing by a majority of all members of said Retirement Committee, without such a meeting.
Such majority action shall be binding upon all parties affected thereby. Any act, decision or determination of the Retirement Committee shall be sufficient evidence if expressed in a written instrument, letter or memorandum signed by either the secretary of the Retirement Committee or the chairman of the Retirement Committee; and all parties, including, without being limited to, the Trustee, shall be entitled to rely thereon.

**Section 10.03 Matters Affecting Retirement Committee Members.** A member of the Retirement Committee may not vote or decide upon any matter relating solely to himself or in which his or her individual right or claim to any benefit under the Plan is particularly involved.

**Section 10.04 Powers of Retirement Committee.** The Retirement Committee shall have the following powers, duties and functions, in addition to those specified herein:

(a) To determine:

(1) when a Participant’s service with the Employer is terminated, whether by retirement, death or otherwise,

(2) the amount and character of the benefits which are payable under the terms of the Plan, and

(3) the person or persons to whom such benefits are to be paid;

(b) To make such rules and regulations, in conformity to and not inconsistent with the provisions of the Plan, as may be necessary or appropriate for the administration thereof;

(c) To construe all terms, provisions, conditions and limitations of the Plan; to correct any defects, supply any omissions and reconcile any inconsistency that may appear in the Plan, and to cause equitable adjustment to be made for any mistakes or errors occurring in the administration of the Plan, all in such manner and to such extent as the Retirement Committee may deem expedient in order to effectuate the Plan’s purposes;
(d) To give to the Trustee such instructions or interpretations as may be
necessary or appropriate in accordance with the terms of the Plan and Trust.

(e) To make all of the other decisions and determinations which the
provisions of the Plan specify are to be made by the Retirement Committee.

The foregoing list of express powers is not intended to be either complete or exclusive,
and the Retirement Committee shall have, in addition, all such powers as it may reasonably
determine from time to time are necessary or appropriate to the full performance of its duties
under the Plan and the Trust Agreement, except as otherwise specifically provided herein. A
decision, action or judgment of the Retirement Committee on any matter or question arising
hereunder in connection with the exercise of any of its powers shall be final, binding and
conclusive on all parties concerned.

Section 10.05 Liability of Retirement Committee. A member of the Retirement
Committee shall be liable only for his or her own misconduct through fraud or bad faith, or for
his or her own gross negligence. The Retirement Committee, and any of its members
individually, shall be entitled to rely and shall be protected in relying as to legal matters,
including the proper interpretation of the Plan and other documents, upon the advice of legal
counsel (who may be counsel for the Employer), and as to matters of fact upon written
statements or representations believed in good faith to be signed and delivered by or on behalf of
persons or corporations having knowledge of such fact or facts so long as the representation
relied upon is not known to be untrue.

Section 10.06 Disputes. In the event any dispute shall arise between the Retirement
Committee and any person entitled or claiming to be entitled to receive benefits under the Plan,
in either an individual or representative capacity, the Retirement Committee, in the exercise of its
discretion, may give written notice thereof to the Trustee. Following receipt of any such advice
from the Retirement Committee, no payment of benefits shall be made by the Trustee to any
person affected by the dispute until such dispute shall have been finally adjudicated by a court of
competent jurisdiction or otherwise settled to the satisfaction of all parties concerned or until
indemnity in form and amount satisfactory to the Retirement Committee and to the Trustee shall
have been received.
Section 10.07 Secretary of Retirement Committee. The Retirement Committee shall appoint a secretary who may, but need not be, a member of such Committee, such secretary shall serve at the pleasure of the Retirement Committee and until his or her successor shall be appointed in like manner. Such secretary may resign at any time upon delivering his or her written resignation to any member of said Committee, and may be removed at any time by said Committee. In addition to any other functions and responsibilities which may be delegated to him or her by the Retirement Committee, such secretary shall maintain all records deemed necessary or appropriate by said Committee for the efficient administration of the Plan.

Section 10.08 Notices to Retirement Committee. Any notice or information which, according to the terms of the Plan or the rules of the Retirement Committee, is to be delivered to said Committee, shall be deemed to have been so delivered whenever received by the secretary or chairman of said Committee, or by any other member thereof authorized by said Committee to accept notices on its behalf.

Section 10.09 Trust Fund Expenses. All costs, expenses and fees, as outlined in Article IX, shall be payable solely out of the Trust Fund.

Section 10.10 Qualified Domestic Relations Orders. In the event of receipt of a valid Qualified Domestic Relations Order (QDRO), the Retirement Committee shall cause the Participant’s or Retired Participant’s retirement benefit to be divided between the Employee and the alternate payee in accordance with the terms of the QDRO. Thereafter, the accrued benefit of the Participant or Retired Participant, and any related death benefit, shall be reduced by the actuarial value of the benefit awarded to the alternate payee. The alternate payee shall have the right to receive the court ordered pension benefit in the same form and for the same duration as the Participant, or in the form of a single life annuity based on the life expectancy of the alternate payee and actuarially equivalent to the court ordered benefit unless the value of the pension is less than $5,000, in which case it shall be paid as a lump sum. The date that benefit payments are due and payable to the alternate payee shall be the date the Participant retires or receives a distribution from the Plan based on his termination of employment. In the event of the death of the Participant while still employed, the rights of the alternate payee to receive a pension benefit and the date payments are to start shall be determined as if the Participant had terminated
employment immediately prior to the date of his or her death, and the alternate payee’s interest shall be paid out in the form of a single life annuity over the alternate payee’s life, or in a lump sum if the value of the interest is less than $5,000. In all cases, the death of the alternate payee shall terminate the alternate payee’s interest in the Plan.

Section 10.11 Information Required by Retirement Committee. Each Participant or Retired Participant shall furnish to the Retirement Committee such information as the Retirement Committee may, within reason, consider necessary or desirable for purposes of administering the Plan. The payment of benefits under the Plan to, or with respect to, any Participant or Retired Participant shall be conditional upon the prompt furnishing of such true and complete information as the Retirement Committee may request from time to time.

Section 10.12 Proof of Age. Each Participant shall submit proof of his or her age (and in case of his or her election of any benefit directly or contingently payable to another person, proof of the age of such other person) to the Retirement Committee at such time as required by said Committee. The Retirement Committee, if such proof of age is not submitted as required, may use such information as is deemed by it to be reliable, regardless of the source of such information. Any adjustment subsequently required by reason of a prior lack of proof or misstatement of the age of any person entitled to benefits hereunder, whether made by the affected Participant or otherwise, shall be effected in such manner and to such an extent as the Retirement Committee deems equitable under the circumstances.

Section 10.13 Limitation on Responsibilities. The functions of any agent, attorney, actuary, accountant or other person engaged pursuant to this Plan and any Qualified Investment Manager engaged pursuant to Section 10.14 shall be limited to the specific services and duties for which they are engaged, and such persons shall have no other duties or obligations under the Plan or Trust. Such persons shall exercise no discretionary authority or discretionary control respecting management of the Plan and Trust and, unless engaged as the qualified investment manager, shall exercise no authority or control respecting management or disposition of the assets of the Trust. A member of the Retirement Committee who is an employee of the Employer shall be free from all liability for his or her acts and conduct in the administration of the Plan and Trust except for acts of willful misconduct; provided, however, that the foregoing

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shall not relieve him or her from any responsibility or liability for any responsibility, obligation or duty he or she may have pursuant to any law of the United States or the State of Texas.

Section 10.14 Appointment of Qualified Investment Manager. The Retirement Committee may appoint one or more qualified investment manager(s) to manage, invest and reinvest any part or all of the assets of the Trust Fund in the same manner and to the same extent as the Trustee is empowered pursuant to Article IX. Such appointment shall be in writing, signed by the Chairman of the Retirement Committee and qualified investment manager and shall set forth the rights, powers and duties of the qualified investment manager and contain acknowledgment by the qualified investment manager that they are each a fiduciary with respect to the Plan and Trust. The Retirement Committee may revoke the appointment of a qualified investment manager at any time by written notification to that person. The secretary of the Retirement Committee shall notify the Trustee and the Plan Manager in writing of the appointment or removal of a qualified investment manager and of the rights, powers and duties given to a qualified investment manager. For purposes of Section 10.13 and this Section, a qualified investment manager means in investment advisor registered under the Investment Advisors Act of 1940, a bank as defined in that statute, or an insurance company qualified to perform investment management services under the laws of more than one state.
ARTICLE XI
AMENDMENT OR TERMINATION

Section 11.01 Right to Amend Plan. The Employer shall have the right to amend this Plan and Trust to the extent that it may deem advisable, provided, however, that (except for an amendment required by the Internal Revenue Service as described below) no such amendment shall impair or adversely affect the right of any Participant which has theretofore matured hereunder and no such amendment shall increase the duties or responsibilities of the Trustee without its consent thereto given in writing. In no event shall the preceding sentence preclude the Employer from making any amendment required by the Internal Revenue Service as a condition to approval, or continued approval, of the tax qualification of the Plan or the tax exemption of the Trust or other protection of the tax benefits of the Participants. Any amendment hereof shall be evidenced by a written instrument executed in the name of the Employer by its proper officer or officers thereunto duly authorized. Upon delivery to the Trustee of such an instrument properly executed by the Employer, the Plan shall be deemed for all purposes to have been amended in the manner and to the extent set forth therein.

Section 11.02 Right of Employer to Terminate Plan. The Employer intends and expects that it will be able and deem it advisable to make its contributions as herein provided from year to year. The Employer realizes, however, that circumstances not foreseen, or circumstances beyond its control, may make it either impossible or inadvisable to continue to make such contributions. Accordingly, the Employer hereby expressly reserves the right to terminate this Plan at any time. Any such action shall be evidenced by written instrument executed in the name of the Employer, by its proper officers or officer thereunto duly authorized. Promptly following the execution of any such instrument an executed copy thereof shall be delivered to the Trustee and each member of the Retirement Committee, and appropriate notice of the Plan’s termination shall also be given as soon as possible thereafter to each person who is then a Participant, Retired Participant or Beneficiary in the Plan.

Section 11.03 Distribution of Trust Fund on Termination of Plan. Upon any termination of the Plan in accordance with the provisions hereof, or upon a complete discontinuance of contributions, all accrued benefits of all Participants that have not already vested shall become fully vested. All realizable monies in the Trust Fund shall be applied: first, to payment of all fees
and expenses of the Trustee and others incurred incident to liquidation and distribution of the Trust Fund; second, to the provisions for or the making of all payments which, by reason of any Participant’s prior retirement, termination of employment, death or state of being Disabled, were, on the termination date of the Plan, subject under its terms to being made to such Participants or their respective beneficiaries; and, third, to the provision for or the making of payments in accordance with the terms of the Plan to each Participant then in the service of the Employer (based in each instance on the benefits accrued or provided under this Plan to the date of the Plan’s termination, and identical in all other respects to the benefits which each such Participant would have been entitled to receive if the Plan had not been terminated and he or she had remained in the service of the Employer until his or her Normal Retirement Date), to commence immediately for each Participant who has then attained his or her Normal Retirement Date, and to commence for each other Participant on his or her Normal Retirement Date, in the following order of precedence, by groups of Participants, to the extent that such monies shall be sufficient:

(1) All Participants who have attained Normal Retirement Date on the date of the Plan’s termination but have not already begun receiving monthly benefits from the Trust;

(2) All Participants who have not reached Normal Retirement Date but have then reached an Early Retirement Date;

(3) All other Participants then Vested in accordance with the terms of this Plan immediately before the termination;

(4) All Participants covered by the Plan on the date of its termination who are not included in Groups (1) (2) or (3) above; provided, however, if the balance remaining in the Trust Fund is sufficient to make provision for only a portion, but less than all, of the benefits which Participants included in any of said Groups (1), (2), (3) or (4) are entitled to receive under the foregoing provisions, then the benefits shall be provided to each Participant in each such group in numerical precedence, to the exclusion of the succeeding group or groups. If any sum remains which is insufficient to fully cover a succeeding group, then the shares allocated to that group’s members shall be reduced proportionately so as to cause
the Trust Fund to be exactly exhausted. If, however, the balance remaining in the
Trust Fund shall be more than sufficient to provide the benefits to which all of the
Participants and Beneficiaries in each of said groups are entitled to receive under
the foregoing provisions, then after all such Participants and Beneficiaries have
been provided for, any excess funds remaining in the Trust Fund shall be
distributed to the Participants, the Retired Participants, the Beneficiaries and/or
the Employer in such non-discriminatory manner as may be deemed advisable by
the Retirement Committee. Notwithstanding the foregoing, the termination of the
Plan shall not result in any person who was a participant in Plan A or the New
Plan receiving a smaller benefit than such person would have received if Plan B
had not been merged into Plan A.

Section 11.04 Means of Distribution on Termination. Provision for the benefits to
Participants contemplated by this Article XI shall be accomplished by direction of the
Retirement Committee, either through the continuation of the then existing Trust Agreement, or
by means of a new Trust Agreement, or with respect to available funds then held by the Trustee
through one or more group annuity or individual annuity contracts with one or more insurers.

Section 11.05 Partial Termination of the Plan. If a partial termination of this Plan should
occur, or if a complete discontinuance of Employer contributions should occur, then the interest
of each Participant affected by such partial termination or complete discontinuance of
contributions shall become vested, to the extent then funded.
ARTICLE XII
MISCELLANEOUS

Section 12.01 Spendthrift Provision. To the extent permitted by law, none of the benefits, payments, accounts or funds contemplated by the Plan shall be subject to any claim of the creditors of any Participant or Beneficiary, hereunder, to attachment, garnishment or other legal or equitable process by or on behalf of any such creditor, or in any wise be liable for or subject to the debts, contracts, liabilities, engagements or torts of any Participant or Beneficiary, and all payments made hereunder shall be deliverable only to the person or persons entitled thereto under the terms hereof. Furthermore, no Participant or Beneficiary hereunder shall have the right to alienate, anticipate, pledge, encumber, sell or assign any of such benefits, payments, accounts or funds or any interest of the Participant or Beneficiary in any of the same, and any attempt by any such person so to do shall be void.

Section 12.02 Unlocateable Persons. In the event the Retirement Committee is unable to locate any Participant, Retired Participant or Beneficiary, after reasonable periodic efforts for a period of two years after such benefits first become payable, the interest of such person in the Plan and the benefits to be provided thereby shall be treated as a forfeiture pursuant to the Plan. In the event a Participant, Retired Participant or Beneficiary is located subsequent to the forfeiture, the Retirement Committee shall restore any benefit that has been forfeited.

Section 12.03 Minors and Incompetents. If any person to whom benefits are payable under the terms of the Plan is a minor, or if the Retirement Committee determines that any person to whom such benefits are payable is incompetent by reason of mental disability, the Retirement Committee shall be authorized to cause the payments becoming due to such person to be made to another for his or her benefit, without responsibility of the Retirement Committee or the Trustee to see to the proper application of such payments. Payments made pursuant to such authority shall operate as a complete discharge of the Trust Fund, the Trustee, the Employer, the Retirement Committee and each member of such committee.

Section 12.04 Qualification Under the Code. This Plan and the Trust provided for herein are hereby designated as being intended to qualify under Section 401 of the Code as a governmental plan meeting the requirements of Section 414(d) of the Code, and the Trust
forming a part of the Plan is intended to be exempt from income taxes under Section 501 of the Code. The Plan and Trust are intended to conform at all times to applicable requirements of law and/or regulations and orders of duly constituted governmental authorities having jurisdiction. Accordingly, in the event any provision of this Plan is subject at any time to more than one construction, one of which will permit the Plan so to qualify and conform, then that construction will prevail.

Section 12.05 Texas Law to Govern. Consistent with the provision of Section 12.04 above, this Plan shall be construed, administered and governed in all respects, including but without being limited to, the determination of substantive rights hereunder, under and by the laws of the State of Texas.

Section 12.06 Severability of Provisions. The provisions of this Plan are intended to be severable, and in case any such provision(s) shall be held to be illegal, invalid or unenforceable for any reason, the illegality, invalidity or unenforceability thereof shall not affect the remaining provisions of the Plan, all of which shall continue to be applied and enforced as if the illegal, invalid or unenforceable provision(s) had never been inserted herein.

Section 12.07 Numbering and Heading for Convenience Only. This Plan, has been divided into Articles and Sections for convenience only; but all rights, powers, duties, privileges and other legal relations arising herefrom shall be determined from this instrument as an entirety and without regard to the division hereof into Articles and Sections or to the headings prefixed to said Articles and Sections.

Section 12.08 Waiver of Benefits. Any other provision to the contrary notwithstanding, a Participant, Retired Participant or Beneficiary or the duly appointed guardian of either, may, on a form prescribed by the Retirement Committee, waive all or any portion of the benefits which he or she would otherwise be entitled to receive under this Plan. The waiver may state whether it is revocable or irrevocable and shall be irrevocable unless it is clearly stated to be revocable. Any waiver of benefits shall be effective on the later of the date specified in the waiver or as soon as administratively feasible after the waiver is filed with the Retirement Committee. The revocation of a revocable waiver shall be effective on the later of the date specified in a revocation notice filed with the Retirement Committee or as soon as administratively feasible.
after the notice is filed with the Retirement Committee and shall not give rise to any claim for benefits that would have been paid earlier but for the waiver. Waived monthly benefits shall be treated as forfeitures.

Section 12.09 Gender. Whenever appropriate words used in this Plan in the singular may mean the plural and pronouns of masculine gender may mean the feminine or neuter.

Section 12.10 Applicability to Former Employees. Except as provided in Section 7.01 benefits provided herein may not be accrued on account of the service of any person who terminated active employment with the Employer (including any predecessor of the Employer) prior to October 1, 1995. The benefits of such persons are only those which had been accrued, as of the date they terminated active employment, under the appropriate Former Plan. However, to the extent not otherwise inconsistent with the provisions hereof, the Former Plans are in all respects ratified and affirmed as to those former Employees.

Section 12.11 Effect on Benefits of Terminated Employees. Benefits to which a former Employee, or his or her Beneficiary, was entitled under a Former Plan are not affected by this restatement except that cost of living increases provided pursuant to Section 7.01 shall be provided in accordance with the terms of that Section.

Section 12.12 Plan for Exclusive Benefit of Employees. It is the continued express intention of the parties hereto that the Plan be administered for the exclusive benefit of Participants, Retired Participants and their Beneficiaries covered hereunder. It shall be impossible, prior to the satisfaction of all liabilities under the Plan for any part of the corpus or income of the Plan or Trust to revert to the Employer or otherwise be diverted to any purpose other than the benefit of the Participants, Retired Participants or their Beneficiaries. Any forfeitures arising hereunder shall be used exclusively to reduce future Employer contribution liabilities hereunder.

Section 12.13 No Implied Rights. Neither the establishment of the Plan and Trust nor any modification thereof, nor the creation of any fund, trust or account, shall be construed as giving any Participant, Retired Participant, Employee, Beneficiary or other person any legal or equitable right unless such right shall be specifically provided for in the Plan and Trust or

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conferred by affirmative action of the Employer in accordance with the terms and provisions of
the Plan and Trust.

Section 12.14 Status of Employment Relations. The adoption and maintenance of the
Plan and Trust shall not be deemed to constitute a contract between the Employer and its
Employees or to be consideration for, or an inducement or condition of, the employment of any
person. Nothing contained herein shall be deemed to:

(a) give to any Employee the right to be retained in the employ of the
Employer;

(b) affect the right of the Employer to discipline or discharge any Employee at
any time;

(c) give the Employer the right to require any Employee to remain in its
employ; or

(d) affect any Employee’s right to terminate his or her employment at any
time.

Section 12.15 No Guarantee. Nothing contained in the Plan and Trust shall constitute a
guarantee by the Employer, the Retirement Committee or the Trustee that the assets of the Trust
Fund will be sufficient to pay any benefit to any person. Prior to the time that distributions are
made in conformity with the Plan and Trust, the Participants and Beneficiaries shall receive no
distribution of cash or other thing of current or exchangeable value, either from the Employer,
the Retirement Committee or the Trustee, on account of, or as a result of the Trust Fund created
hereunder.

Section 12.16 Service in More than One Capacity. Any person or groups of persons may
serve in more than one fiduciary capacity with respect to the Plan and Trust.

Section 12.17 Binding Effect. The provisions of the Plan and Trust shall be binding on
the Employer, the Trustee, the Retirement Committee and their successors and on all persons
entitled to benefits under the Plan and their respective heirs, legal representatives and successors
in interest.
IN WITNESS WHEREOF, the Employer has caused this instrument to be executed by its duly authorized officer on _____________, 2016, to be effective October 1, 2015, except as otherwise indicated herein.

EMPLOYER

DALLAS AREA RAPID TRANSIT

By:  

Its:  

APPROVED AS TO FORM:

Office of General Counsel

Chair, Defined Benefit Plan Committee
Exhibit A

Actuarial Equivalent

For purposes of determining the Actuarial Equivalent of amounts to be paid at different times or in different forms, the UP84 Mortality Table and an interest rate of eight percent (8%) shall be used, except to the extent the Plan may prescribe different factors for a particular purpose.