



To: Finance Committee
From: Amanda Gayles, CHRO
Date: July 15, 2015
Re: 403(b) Thrift Plan Amendment

Senior leadership is recommending an amendment to our current 403b Thrift Plan allowing active staff to make in-service distributions or withdrawals.

Recently a number of staff members have inquired about their flexibility to make withdrawals not related to a hardship that could potentially enable them to invest a portion of their savings in other ways. Allowing this level of flexibility in our plan will allow staff to avoid any immediate tax liabilities or penalties. Because we also recognize the potential challenges this level of flexibility can cause for staff who may not be as knowledgeable about their retirement savings, we would opt to maintain a minimum age restriction (59½). By doing so, eligible staff may opt to roll their savings into an appropriate IRA as they prepare for retirement.

BOARD OF DIRECTORS RESOLUTION TO AMEND A PLAN

WHEREAS, the Board of Directors of Neighborcare Health (the Employer) has assembled in a meeting this _____ day of _____ 20____;

WHEREAS, the Employer established the 403(b) Thrift Plan (the Plan) to provide retirement benefits for employees of the Employer; and

WHEREAS, the Employer has the right to amend the Plan pursuant to the provisions of the Plan.

NOW, THEREFORE, BE IT RESOLVED THAT:

- 1) This attached Plan Amendment is approved;
- 2) All other provisions and conditions of the Plan remain unchanged; and
- 3) _____ (Officer(s) and agent(s) of the Employer)
(Name and Title)
is/are hereby authorized and directed to take such further action as may be necessary, appropriate or advisable to effectuate the foregoing resolutions.

The undersigned _____ (Secretary of the Board or Board President) of the Employer hereby certifies that the foregoing resolutions were duly adopted by the Board of Directors at the meeting referenced herein, and that the documents attached are the true copies of the documents referenced in those resolutions.

Secretary of Board / Board President

Date

Amendment to the 403(b) Thrift Plan

of

Neighborcare Health

In accordance with the provisions of the Plan, the Employer hereby amends its Plan, effective as of August 1, 2015, as follows:

(1) **Section 1.8** is changed to read as follows:

The following withdrawal restrictions will apply in addition to the restrictions imposed by Sections 8.3 and 8.4:

A Participant may not withdraw any amounts allocated to his Accounts before he attains 59½, unless he is entitled to a Hardship withdrawal pursuant to Section 8.4 or is disabled due to a Disability as described in Section 7.4.

This Amendment executed in the State of _____ on this _____
day of _____, 20____.

Neighborcare Health

By: _____

Title: _____

Received in New York, NY on this _____ day of _____, 20____.

Mutual of America Life Insurance Company

By: _____

Title: Vice President