

North Bay Cooperative Library System

RESOLUTION # 522

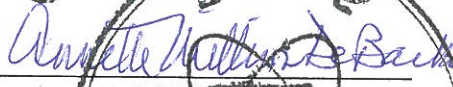
The attached EGTRRA 457 Plan Amendment was adopted at the November 3, 2005 Board meeting after being introduced by Director Ann Cousineau, seconded by Director David Dodd and adopted by a unanimous vote.

WHEREUPON, the Chairperson declared the foregoing resolution adopted and SO ORDERED.

Date: November 3, 2005

Attested:

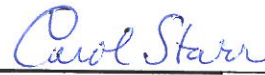
Signature



Annette Milliron DeBacker

Secretary/Clerk of the Board

Signature



Carol Starr, Chair
NBCLS Board of Directors



ELIGIBLE 457 GOVERNMENTAL DEFERRED COMPENSATION PLAN

PREAMBLE

This Plan has been established by the Employer and adopted pursuant to Resolution 522

[refer to appropriate resolution or ordinance including date of passage] and is effective as of such date. However, if either Section 5.5(b) or 5.11(b) or both is elected, the requirement to pay a distribution in a direct rollover to an individual retirement plan designated by the Administrator is effective with respect to distributions made on or after the end of the first regular legislative session of the body with authority to amend the plan that begins on or after January 1, 2006, or, if elected below, an earlier date.

The 02 of November, 2005.

The primary purpose of this Plan is to permit Employees of the Employer to enter into an agreement which will provide for deferral of payment of a portion of their current compensation until death, retirement, severance from employment, or other event, in accordance with the provisions of Section 457 of the Internal Revenue Code of 1986, with other applicable provisions of such Code, and in accordance with the General Statutes of the State.

It is intended that the Plan shall qualify as an eligible deferred compensation plan within the meaning of Section 457(b) of the Code sponsored by an eligible employer within the meaning of Section 457(e)(1)(A) of the Code, i.e., a State, political subdivision of a State, agency or instrumentality of a State or political subdivision of a State.

The Employer does not and cannot represent or guarantee that any particular federal or state income, payroll or other tax consequence will occur by reason of participation in this Plan. A Participant should consult with his or her own attorney or other representative regarding all tax or other consequences of participation in this Plan.

SECTION 1 - DEFINITIONS

1.1 Plan Definitions. For purposes of this Plan, the following words and phrases shall have the meaning set forth below, unless a different meaning is plainly required by the context:

“Account Balance”: The bookkeeping account maintained with respect to each Participant which reflects the value of the deferred Compensation credited to the Participant, including the Participant's Annual Deferrals, the earnings or loss of the Trust Fund (net of Trust Fund expenses) allocable to the Participant, any transfers for the Participant's benefit, and any distribution made to the Participant or the Participant's Beneficiary. If a Participant has more than one Beneficiary at the time of the Participant's death, then a separate Account Balance shall be maintained for each Beneficiary. The Account Balance includes any account established under Section 6 for rollover contributions and plan-to-plan transfers made for a Participant, the account established for a Beneficiary after a Participant's death, and any account or accounts established for an alternate payee (as defined in section 414(p)(8) of the Code).

“Administrator”: The Employer. The term Administrator shall include any person or persons, committee or organization appointed by the Employer to administer the Plan.

“Annual Deferral”: The amount of Compensation deferred in any year.

“Beneficiary”: The designated person (or, if none, the Participant's estate) who is entitled to receive benefits under the Plan after the death of a Participant.

“Code”: The Internal Revenue Code of 1986, as now in effect or as hereafter amended. All citations to sections of the Code are to such sections as they may from time to time be amended or renumbered.

"Compensation": All cash compensation for services to the Employer, including salary, wages, fees, commissions, bonuses, and overtime pay, that is includible in the Employee's gross income for the calendar year, plus amounts that would be cash compensation for services to the Employer includible in the Employee's gross income for the calendar year but for a compensation reduction election under section 125, 132(f), 401(k), 403(b), or 457(b) of the Code (including an election to defer compensation under Section 3).

"Employer": North Bay Cooperative Library System

"Employee": Each natural person who is employed by the Employer as a common law employee on a full time basis and, if elected below, on a part time basis and/or in an elected or appointed position, excluding any employee who is included in a unit of employees covered by a collective bargaining agreement that does not specifically provide for participation in the Plan.

The term "Employee" shall include employees employed on a part time basis.

The term "Employee" shall include employees in an elected or appointed position.

"Includible Compensation": An Employee's actual wages in box 1 of Form W-2 for a year for services to the Employer, but subject to a maximum of \$ 200,000 (or such higher maximum as may apply under section 401(a)(17) of the Code) and increased (up to the dollar maximum) by any compensation reduction election under section 125, 132(f), 401(k), 403(b), or 457(b) of the Code (including an election to defer Compensation under Section 2).

"Normal Retirement Age": Age 55 (if blank, age 65) or, unless elected otherwise below, the age designated by the Participant which is any age that is on or after the earlier of such age or the age at which the participant has the right to retire and receive, under the basic defined benefit pension plan of the Employer (or a money purchase pension plan in which the participant also participates if the participant is not eligible to participate in a defined benefit plan), immediate retirement benefits without actuarial or similar reduction because of retirement before some later specified age, and that is not later than age 70½. Notwithstanding the foregoing, a participant who is also a qualified police or firefighter (as defined under §415(b)(2)(H)(ii)(I) of the Code) may designate a normal retirement age that is between age 40 and age 70½. A Participant's Normal Retirement Age must be the same as his or her normal retirement age under any other eligible deferred compensation plan(s) sponsored by the Employer. The designation of a normal retirement age under the Plan does not compel retirement with the Employer.

The Normal Retirement Age shall be uniform for all Participants, the age identified above.

"Participant": An individual who is currently deferring Compensation, or who has previously deferred Compensation under the Plan by salary reduction and who has not received a distribution of his or her entire benefit under the Plan. Only individuals who perform services for the Employer as an Employee may defer Compensation under the Plan.

"Plan" means 457 Governmental
an eligible deferred compensation plan within the meaning of Section 457(b) of the Code.

"Severance from Employment": The term Severance from Employment means the date that the Employee dies, retires, or otherwise has a severance from employment with the Employer, as determined by the Administrator (and taking into account guidance issued under the Code).

"State": The State which is the Employer or of which the Employer is a political subdivision, agency or instrumentality, including any agency or instrumentality of a political subdivision of the State.

"Trust Agreement": The written agreement (or declaration) made by and between the Employer and the Trustee under which the Trust Fund is maintained.

2.9 Deferral of Sick, Vacation and Back Pay. Unless otherwise elected below, notwithstanding the foregoing, in the case of accumulated sick pay, vacation pay, or back pay that is payable before the Participant has a Severance from Employment, a Participant may elect to defer all or a portion of such pay if the agreement providing for the deferral is entered into before the amount would otherwise be paid or made available.

Elections to defer accumulated sick pay, vacation pay, or back pay shall be subject to terms of Section 2.3 and 2.6.

2.10 Employer Contributions. Annual Deferrals may be made by the Employer to the Account Balance of an Employee on a non-elective basis.

SECTION 3 - LIMITATIONS ON AMOUNTS DEFERRED

3.1 Basic Annual Limitation. The maximum amount of the Annual Deferral under the Plan for any calendar year shall not exceed the lesser of (i) the Applicable Dollar Amount or (ii) the Participant's Includible Compensation for the calendar year. The Applicable Dollar Amount is the amount established under section 457(e)(15) of the Code applicable as set forth below:

For the following years:	The Applicable Dollar Amount is:
2002	\$ 11,000
2003	\$ 12,000
2004	\$ 13,000
2005	\$ 14,000
2006 or thereafter	\$ 15,000, adjusted for cost-of-living after 2006 to the extent provided under section 415(d) of the Code.

3.2 Age 50 Catch-up Annual Deferral Contributions. A Participant who will attain age 50 or more by the end of the calendar year is permitted to elect an additional amount of Annual Deferrals, up to the maximum age 50 catch-up Annual Deferrals for the year. The maximum dollar amount of the age 50 catch-up Annual Deferrals for a year is as follows:

For the following years:	The maximum age 50 catch-up dollar amount is:
2002	\$ 1,000
2003	\$ 2,000
2004	\$ 3,000
2005	\$ 4,000
2006 or thereafter	\$ 5,000, adjusted for cost-of-living after 2006 to the extent provided under the Code.

3.3 Special Section 457 Catch-up Limitation. If the applicable year is one of a Participant's last 3 calendar years ending before the year in which the Participant attains Normal Retirement Age and the amount determined under this Section 3.3 exceeds the amount computed under Sections 3.1 and 3.2, then the Annual Deferral limit under this Section 3 shall be the lesser of:

(a) An amount equal to 2 times the Section 3.1 Applicable Dollar Amount for such year; or

(b) The sum of:

(1) An amount equal to (A) the aggregate Section 3.1 limit for the current year plus each prior calendar year beginning after December 31, 2001 during which the Participant was an Employee under the Plan, minus (B) the aggregate amount of Compensation that the Participant deferred under the Plan during such years, plus

SECTION 4 - INVESTMENT RESPONSIBILITIES

4.1 Investment of the Deferred Amount. Each Participant shall direct the investment of amounts held in his or her Account Balance under the Plan among the investment options of the Trust Fund. The investment of amounts segregated on behalf of an alternate payee pursuant to a Plan Approved Domestic Relations Order may be directed by such alternate payee to the extent provided in such order. In the absence of such direction, such amounts shall be invested in the same manner as they were immediately before such segregation was made on account of such order. Each Account Balance shall share in any gains or losses of the investment(s) in which such account is invested.

4.2 Amendment of Investment Election. A Participant may amend his or her statement of investment election at such times and by such manner and form as prescribed by the Administrator. Such amendment will, unless specifically stated otherwise, apply only to future amounts deferred under the Plan.

4.3 Investment Changes. A Participant may elect to transfer amounts in his or her Account Balance among and between those investments available under the Trust Fund at such times and by such manner and form prescribed by the Administrator, subject further to any restrictions or limitations placed on any investment by the Administrator to be uniformly applied to all Participants.

4.4 Investment Responsibility. To the extent that a Participant exercises control over the investment of amounts credited to his or her Account Balance, the Employer, the Administrator, and any other fiduciary of the Plan shall not be liable for any loss which results from such Participant's exercise of control.

4.5 Statements. The Administrator will cause to be issued statements periodically to reflect the actual earnings, gains, contributions and losses posted to the Account Balances.

SECTION 5- DISTRIBUTIONS

5.1 Benefit Distributions At Retirement or Other Severance from Employment. Upon attainment of age 70½, retirement or other Severance from Employment (other than due to death), a Participant is entitled to receive a distribution of his or her Account Balance under any form of distribution permitted under Section 5.3 commencing at the date elected under Section 5.2. If a Participant does not elect otherwise, the distribution shall be paid as soon as practicable following Normal Retirement Age or, if later, following retirement or other Severance from Employment and payment shall be made in monthly installments of the minimum annual payments described in paragraph (b) of Section 5.3.

5.2 Election of Benefit Commencement Date. A Participant may elect to commence distribution of benefits at any time after retirement or other Severance from Employment by a notice filed at least 30 days before the date on which benefits are to commence. However, in no event may distribution of benefits commence later than the date described in Section 5.8.

5.3 Forms of Distribution. In an election to commence benefits under Section 5.2, a Participant entitled to a distribution of benefits under this Section 5 may elect to receive payment in any of the forms of distribution selected below:

- (a) a lump sum payment of the total Account Balance;
- (b) annual installment payments through the year of the Participant's death, the amount payable each year equal to a fraction of the Account Balance equal to one divided by the distribution period set forth in the Uniform Lifetime Table at section 1.401(a)(9)-9, A-2, of the Income Tax Regulations for the Participant's age on the Participant's birthday for that year. If the Participant's age is less than age 70, the distribution period is 27.4 plus the number of years that the Participant's age is less than age 70. At the Participant's election, this annual payment can be made in monthly or quarterly installments. The Account Balance for this calculation (other than the final installment payment) is the Account Balance as of the end of the year prior to the year for which the distribution is being

5.7 Revocation of Prior Election. Any election made under this Section 5 may be revoked at any time.

5.8 Latest Distribution Date. In no event shall any distribution under this Section 5 begin later than the later of (a) April 1 of the year following the calendar year in which the Participant attains age 70½ or (b) April 1 of the year following the year in which the Participant retires or otherwise has a Severance from Employment. If distributions commence in the calendar year following the later of the calendar year in which the Participant attains age 70½ or the calendar year in which the Severance from Employment occurs, the distribution on the date that distribution commences must be equal to the annual installment payment for the year that the Participant has a Severance from Employment determined under paragraph (b) of Section 5.3 and an amount equal to the annual installment payment for the year after Severance from Employment determined under paragraph (b) of Section 5.3 must also be paid before the end of the calendar year of commencement.

5.9 In-Service Distributions From Rollover Account. If a Participant has a separate account attributable to rollover contributions to the plan, the Participant may at any time elect to receive a distribution of all or any portion of the amount held in the rollover account.

5.10 Unforeseeable Emergency Distribution.

(a) Distribution. If the Participant has an unforeseeable emergency before retirement or other Severance from Employment, the Participant may elect to receive a lump sum distribution equal to the amount requested or, if less, the maximum amount determined by the Administrator to be permitted to be distributed under this Section 5.10.

(b) Unforeseeable emergency defined. An unforeseeable emergency is defined as a severe financial hardship of the Participant resulting from: an illness or accident of the Participant, the Participant's spouse, or the Participant's dependent (as defined in section 152(a)); loss of the Participant's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); the need to pay for the funeral expenses of the Participant's spouse or dependent (as defined in section 152(a) of the Code); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. For example, the imminent foreclosure of or eviction from the Participant's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Except as otherwise specifically provided in this Section 5.10, neither the purchase of a home nor the payment of college tuition is an unforeseeable emergency.

(c) Unforeseeable emergency distribution standard. A distribution on account of unforeseeable emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship, or by cessation of deferrals under the plan.

(d) Distribution necessary to satisfy emergency need. Distributions because of an unforeseeable emergency may not exceed the amount reasonably necessary to satisfy the emergency need (which may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution).

5.11 Distributions for Certain Account Balances of \$ 5,000 or Less. At the direction of the Participant, or, if elected below, the Administrator, a Participant's total Account Balance shall be paid in a lump sum as soon as practical following the direction if (a) the total Account Balance does not exceed \$ 5,000 (or the dollar limit under section 411(a)(11) of the Code, if greater), (b) the Participant has not previously received a distribution of the total amount payable to the Participant under this Section 5.11 and (c) no Annual Deferral has been made with respect to the Participant during the two-year period ending immediately before the date of the distribution.

account for any eligible rollover distribution paid to the Plan from any eligible retirement plan that is an eligible governmental plan under section 457(b) of the Code.

6.2 Plan-to-Plan Transfers to the Plan. At the direction of the Employer, the Administrator may permit a class of Participants who are participants in another eligible governmental plan under section 457(b) of the Code to transfer assets to the Plan as provided in this Section 6.2. Such a transfer is permitted only if the other plan provides for the direct transfer of each Participant's interest therein to the Plan. The Administrator may require in its sole discretion that the transfer be in cash or other property acceptable to the Administrator. The Administrator may require such documentation from the other plan as it deems necessary to effectuate the transfer in accordance with section 457(e)(10) of the Code and section 1.457-10(b) of the Income Tax Regulations and to confirm that the other plan is an eligible governmental plan as defined in section 1.457-2(f) of the Income Tax Regulations. The amount so transferred shall be credited to the Participant's Account Balance and shall be held, accounted for, administered and otherwise treated in the same manner as an Annual Deferral by the Participant under the Plan, except that the transferred amount shall not be considered an Annual Deferral under the Plan in determining the maximum deferral under Section 3.

6.3 Plan-to-Plan Transfers from the Plan.

(a) At the direction of the Employer, the Administrator may permit a class of Participants and Beneficiaries to elect to have all or any portion of their Account Balance transferred to another eligible governmental plan within the meaning of section 457(b) of the Code and section 1.457-2(f) of the Income Tax Regulations. A transfer is permitted under this Section 6.3(a) for a Participant only if the Participant has had a Severance from Employment with the Employer and is an employee of the entity that maintains the other eligible governmental plan. Further, a transfer is permitted under this Section 6.3(a) only if the other eligible governmental plan provides for the acceptance of plan-to-plan transfers with respect to the Participants and Beneficiaries and for each Participant and Beneficiary to have an amount deferred under the other plan immediately after the transfer at least equal to the amount transferred.

(b) Upon the transfer of assets under this Section 6.3, the Plan's liability to pay benefits to the Participant or Beneficiary under this Plan shall be discharged to the extent of the amount so transferred for the Participant or Beneficiary. The Administrator may require such documentation from the receiving plan as it deems appropriate or necessary to comply with this Section 6.3 (for example, to confirm that the receiving plan is an eligible governmental plan under paragraph (a) of this Section 6.3, and to assure that the transfer is permitted under the receiving plan) or to effectuate the transfer pursuant to section 1.457-10(b) of the Income Tax Regulations.

6.4 Permissive Service Credit Transfers.

(a) If a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in section 414(d) of the Code) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant may elect to have any portion of the Participant's Account Balance transferred to the defined benefit governmental plan. A transfer under this Section 6.4(a) may be made before the Participant has had a Severance from Employment.

(b) A transfer may be made under Section 6.4(a) only if the transfer is either for the purchase of permissive service credit (as defined in section 415(n)(3)(A) of the Code) under the receiving defined benefit governmental plan or a repayment to which section 415 of the Code does not apply by reason of section 415(k)(3) of the Code.

SECTION 7 - BENEFICIARY

7.1 Designation. Each Participant has the right, by written notice filed with the Administrator, to designate one or more beneficiaries to receive any benefits payable under this Plan in the event of the Participant's death prior to the complete distribution of benefits. The Participant accepts and acknowledges that he or she has the burden for executing and filing, with the Administrator, a proper Beneficiary designation form.

State. The Trustee shall ensure that all investments, amounts, property, and rights held under the Trust Fund are held for the exclusive benefit of Participants and their Beneficiaries. The Trust Fund shall be held in trust pursuant to the Trust Agreement for the exclusive benefit of Participants and their Beneficiaries and defraying reasonable expenses of the Plan and of the Trust Fund. It shall be impossible, prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries, for any part of the assets and income of the Trust Fund to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries.

SECTION 11 - MISCELLANEOUS

11.1 Non-Assignability. Except as provided in Section 11.2 and 11.3, the interests of each Participant or Beneficiary under the Plan are not subject to the claims of the Participant's or Beneficiary's creditors; and neither the Participant nor any Beneficiary shall have any right to sell, assign, transfer, or otherwise convey the right to receive any payments hereunder or any interest under the Plan, which payments and interest are expressly declared to be non-assignable and non-transferable.

11.2 Domestic Relation Orders. Notwithstanding Section 11.1, if a judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a spouse or former spouse, child, or other dependent of a Participant is made pursuant to the domestic relations law of any State ("domestic relations order"), then the amount of the Participant's Account Balance shall be paid in the manner and to the person or persons so directed in the domestic relations order. Such payment shall be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan. The Administrator shall establish reasonable procedures for determining the status of any such decree or order and for effectuating distribution pursuant to the domestic relations order.

11.3 IRS Levy. Notwithstanding Section 11.1, the Administrator may pay from a Participant's or Beneficiary's Account Balance the amount that the Administrator finds is lawfully demanded under a levy issued by the Internal Revenue Service with respect to that Participant or Beneficiary or is sought to be collected by the United States Government under a judgment resulting from an unpaid tax assessment against the Participant or Beneficiary.

11.4 Mistaken Contributions. If any contribution (or any portion of a contribution) is made to the Plan by a good faith mistake of fact, then within one year after the payment of the contribution, and upon receipt in good order of a proper request approved by the Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) shall be returned directly to the Participant or, to the extent required or permitted by the Administrator, to the Employer.

11.5 Payments to Minors and Incompetents. If a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is adjudged to be legally incapable of giving valid receipt and discharge for such benefits, or is deemed so by the Administrator, benefits will be paid to such person as the Administrator or a court of competent jurisdiction may designate for the benefit of such Participant or Beneficiary. Such payments shall be considered a payment to such Participant or Beneficiary and shall, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.

11.6 Procedure When Distributee Cannot Be Located. The Administrator shall make all reasonable attempts to determine the identity and address of a Participant or a Participant's Beneficiary entitled to benefits under the Plan. For this purpose, a reasonable attempt means (a) the mailing by certified mail of a notice to the last known address shown on the Employer's or the Administrator's records, (b) notification sent to the Social Security Administration or the Pension Benefit Guaranty Corporation (under their program to identify payees under retirement plans) or notification sent to an address obtained by use of one or more individual locator services, and (c) the payee has not responded within 6 months. For payments not subject to state escheat laws, if the Administrator is unable to locate such a person entitled to benefits hereunder, or if there has been no claim made for such benefits, the Trust Fund shall continue to hold the benefits due such person.