

SUMMARY OF RESOLUTION

Authorization to Adopt Port Authority of Allegheny County Defined Contribution Program

Port Authority of Allegheny County (Authority) has previously established and maintains an Internal Revenue Code Section 457(b) deferred compensation plan for non-represented employees and transit police officers through ICMA (ICMA Plan); and

The Authority desires to adopt and establish a new defined contribution program (Defined Contribution Program) for non-represented employees and transit police officers (Eligible Employees), which shall consist of two separate plans:

- (i) the newly established Port Authority of Allegheny County Section 457(b) Program for Non-Represented Employees and Transit Police Officers (New 457(b) Plan), which shall apply to all Eligible Employees; and
- (ii) Port Authority of Allegheny County Money Purchase Pension Plan (Money Purchase Plan), which shall apply only to Post September 1, 2011 Participants as defined below; and

In connection with the establishment of the New 457(b) Plan, assets and accounts in ICMA Plan attributable to Eligible Employees will be automatically and directly transferred to the New 457(b) Plan as soon as administratively feasible on or after September 1, 2011 and ICMA Plan will cease to be available and the New 457(b) Plan will be available, on a voluntary basis, for Eligible Employee elective salary reduction contributions made on or after September 1, 2011.

The New 457(b) Plan will contain automatic enrollment and corresponding opt-out provisions for Eligible Employees hired on or after September 1, 2011. The Authority will make certain Authority contributions under the Money Purchase Plan for Eligible Employees hired on or after September 1, 2011 and for current participants in the Authority's Retirement and Disability Allowance Plan for Employees Not Represented by a Union who make a one-time election to cease participation in such plan effective September 1, 2011 in order to be eligible for such contributions (collectively, Post September 1, 2011 Participants).

Subject to a three-year cliff vesting schedule, Post September 1, 2011 Participants who make voluntary salary reduction contributions to the New 457(b) Plan will be eligible for a 50 percent Authority matching contribution up to six percent of the participant's compensation which shall be made under the Money Purchase Plan and will receive a non-elective Authority contribution equal to three percent of the participant's compensation under the Money Purchase Plan. Participants in the Defined Contribution Program will be required to direct their investments under both plans.

This resolution authorizes the appropriate members of the Authority's Pension Committee and the Authority's chief executive officer to implement a New 457(b) Plan and Money Purchase Plan and to direct transfer of assets and accounts in ICMA Plan attributable to Eligible Employees to the New 457(b) Plan as soon as administratively feasible on or after September 1, 2011; to take all such further action and to execute and deliver all such further instruments and documents in the name and on behalf of the Authority, including the specimen form plan documents provided by the service provider attached hereto as Exhibit A in a form approved by counsel, as may be necessary or proper to implement the approved provisions specified above for the Defined Contribution Program, including the New 457(b) Plan and the Money Purchase Plan.

RESOLUTION

WHEREAS, Port Authority of Allegheny County (Authority) has previously established and maintains an Internal Revenue Code Section 457(b) deferred compensation plan for non-represented employees and transit police officers through ICMA (ICMA Plan); and

WHEREAS, the Authority desires to adopt and establish a new defined contribution program (Defined Contribution Program) for non-represented employees and transit police officers (Eligible Employees), which shall consist of two separate plans: (i) the newly established Port Authority of Allegheny County Section 457(b) Program for Non-Represented Employees and Transit Police Officers (New 457(b) Plan), which shall apply to all Eligible Employees; and (ii) Port Authority of Allegheny County Money Purchase Pension Plan (Money Purchase Plan), which shall apply only to Post September 1, 2011 Participants as defined below; and

WHEREAS, in connection with the establishment of the New 457(b) Plan, assets and accounts in ICMA Plan attributable to Eligible Employees will be automatically and directly transferred to the New 457(b) Plan as soon as administratively feasible on or after September 1, 2011; and

WHEREAS, ICMA Plan will cease to be available and the New 457(b) Plan will be available, on a voluntary basis, for Eligible Employee elective salary reduction contributions made on or after September 1, 2011; and

WHEREAS, the New 457(b) Plan will contain automatic enrollment and corresponding opt-out provisions for Eligible Employees hired on or after September 1, 2011; and

WHEREAS, the Authority will make certain Authority contributions under the Money Purchase Plan for Eligible Employees hired on or after September 1, 2011 and for current participants in the Authority's Retirement and Disability Allowance Plan for Employees Not Represented by a Union who make a one-time election to cease participation in such plan effective September 1, 2011 in order to be eligible for such contributions (collectively, Post September 1, 2011 Participants); and

WHEREAS, subject to a three-year cliff vesting schedule, Post September 1, 2011 Participants who make voluntary salary reduction contributions to the New 457(b) Plan will be eligible for a 50 percent Authority matching contribution up to six percent of the participant's compensation which shall be made under the Money Purchase Plan; and

WHEREAS, subject to a three-year cliff vesting schedule, Post September 1, 2011 Participants will receive a non-elective Authority contribution equal to three percent of the participant's compensation under the Money Purchase Plan; and

WHEREAS, participants in the Defined Contribution Program will be required to direct their investments under both plans.

NOW, THEREFORE, BE IT RESOLVED that to reflect the foregoing, the New 457(b) Plan and Money Purchase Plan are hereby approved in substantially the form attached hereto as Exhibit A.

RESOLVED FURTHER, that the direct transfer of assets and accounts in ICMA Plan attributable to Eligible Employees to the New 457(b) Plan occur as soon as administratively feasible on or after September 1, 2011 and is hereby approved.

RESOLVED FURTHER, that in order to fully carry out the intent and effectuate the purposes of this resolution, the appropriate members of the Authority's Pension Committee and the Authority's chief executive officer are hereby authorized to take all such further action and to execute and deliver all such further instruments and documents in the name and on behalf of the Authority, including the specimen form plan documents provided by the service provider attached hereto as Exhibit A in a form approved by counsel, as may be necessary or proper to implement the approved provisions specified above for the Defined Contribution Program, including the New 457(b) Plan and the Money Purchase Plan.

RESOLVED FURTHER, that all previous actions taken by the proper officers, employees and counsel of the Authority to implement the foregoing are hereby ratified and confirmed.