

ORDINANCE NO. 1262

THIRD AMENDMENT TO THE

BOROUGH OF DONORA POLICE PENSION PLAN
(as amended and restated, effective January 1, 1989)

AN ORDINANCE OF THE BOROUGH OF DONORA RELATIVE TO THE ESTABLISHMENT AND MAINTENANCE OF EMPLOYEES PENSION, ANNUITY, INSURANCE AND BENEFIT FUND OR FUNDS, TO AMEND CERTAIN PROVISIONS OF THE PENSION PLAN OR PROGRAM APPLICABLE TO THE POLICE EMPLOYEES OF SAID BOROUGH:

WHEREAS, the Borough of Donora (the "Borough") has previously enacted an Ordinance establishing the Borough of Donora Police Pension Plan (the "Plan"); and

WHEREAS, the Plan was totally amended and restated, effective January 1, 1989; and

WHEREAS, the Employer reserved the right to amend the Plan pursuant to Section 10.01; and

WHEREAS, the Employer now desires the Plan to be further amended;

BE IT ORDAINED AND ENACTED BY THE BOROUGH COUNCIL AND IT IS HEREBY ORDAINED AND ENACTED by authority of the same:

Effective January 1, 1993, section 7.02 is amended in its entirety by deleting the said section and substituting a new section 7.02 as follows:

7.02 Surviving Spouse Benefit - If a Participant shall die after commencement of benefit payments hereunder or after the Participant is eligible to retire under section 5.01 and before retirement benefit payments commence, a benefit shall be paid to the surviving spouse, if any, of the Participant in an amount equal to fifty percent (50%) of the Participant's Accrued Benefit as of the date of death. This Surviving Spouse Benefit shall be paid to the surviving spouse until the earlier of the date of death or remarriage of the surviving spouse. If there is no surviving spouse or after the surviving spouse dies or remarries the Surviving Spouse Benefit shall be paid monthly in equal shares to the surviving children of the deceased Participant until death or attainment of age eighteen (18) of each child. The shares payable to the surviving children shall be adjusted as each child ceases to be eligible to receive a share of the benefit hereunder due to death or attainment of age eighteen (18).

There shall be no Surviving Spouse Benefit payable hereunder upon the Death of a Participant receiving disability benefits under section 6.01.

Effective January 1, 1993, the Plan shall be amended by adding a new section 8.03 as follows:

8.03 Deferred Vested Benefit - A Participant who has completed at least twelve (12) years of Aggregate Service and whose employment as an Employee of the Employer shall terminate for any reason other than death prior to attainment of Normal Retirement Date shall be entitled to elect to receive a deferred vested benefit in lieu of a distribution of Accumulated Contributions under section 8.02. Such a deferred vested benefit shall be in an amount equal to the Participant's Accrued Benefit as of the date employment terminates and shall commence after application as of the first day of the month coincident with or next following the date on which the Participant's Normal Retirement Date would be attained if the Participant continued in employment until such date. Any election made under this section 8.03 must be made in a writing acceptable to the Plan Administrator within ninety (90) days of the date which was the last day of employment. If no election is made hereunder within the applicable election period the Participant shall be deemed to have forever waived this election and shall receive a distribution of Accumulated Contributions pursuant to section 8.02 hereof.

Effective January 1, 1997, section 4.01 is amended in its entirety by deleting the said section and substituting a new section 4.01 as follows:

4.01 Participant Contributions - Each Participant shall as a requirement of participation pay regular contributions to the Pension Fund in an amount equal to five percent (5%) of the Participant's Basic Monthly Earnings.

Effective January 1, 1997, section 5.02 is amended in its entirety by deleting the said section and substituting a new section 5.02 as follows:

5.02 Normal Retirement Benefit - Each Participant who shall become entitled to a benefit pursuant to section 5.01 shall receive a benefit paid monthly in an amount equal to fifty percent (50%) of the Participant's Final Monthly Average Salary as determined under this Plan.

ORDAINED AND ENACTED this 8th day of July, A.D., 1993.

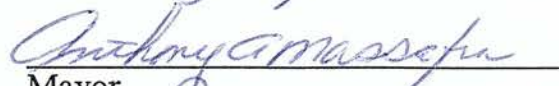
ATTEST:


Secretary of Council

BOROUGH OF DONORA


President of Council

EXAMINED AND APPROVED this 16th day of July, A.D., 1993.


Mayor