



**COMMITTEE OF THE WHOLE MEETING
AGENDA**

September 12, 2017

5:30 P.M. – 1201 S. Washington Ave.

Lansing, MI - REO Town Depot

Board of Water & Light Headquarters

Call to Order

Roll Call

Public Comments on Agenda Items

TABLED AGENDA ITEM

1. Amendments and Restatements of Retirement Plans.....**TAB 1**

a) Amendment and Restatement of Trust Agreement for the Post—Retirement Benefit Plan (VEBA)

- 1) Executive Summary
- 2) Trust Agreement (Redlined Version)
- 3) Trust Agreement
- 4) Proposed Resolution

b) Amendment and Restatement of Trust Agreement for the Defined Benefit Plan (DB)

- 1) Executive Summary
- 2) Trust Agreement (Redlined Version)
- 3) Trust Agreement
- 4) Proposed Resolution

AGENDA

2. Committee of the Whole Meeting Minutes of July 11, 2017.....**TAB 2**

3. 2018 Regular Board Meeting Dates Resolution.....**TAB 3**

4. Strategic Plan Update September 2017.....**TAB 4**

5. Sierra Club Settlement.....**DISCUSSION**

6. New Plant Update.....**DISCUSSION**

7. Public Comment

8. Other

Adjourn

EXECUTIVE SUMMARY
TRUST AGREEMENT FOR POST-RETIREMENT BENEFIT PLAN
FOR ELIGIBLE EMPLOYEES OF
LANSING BOARD OF WATER AND LIGHT

The Lansing Board of Water and Light (the “Board”) sponsors the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light (the “VEBA Plan”). Certain funds that have been accumulated for the purpose of funding VEBA Plan benefits are held in trust pursuant to the terms of the Trust Agreement for Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light (the “VEBA Trust”). In 2016, the Board created a formal Retirement Plan Committee (the “Committee”) to which the Trustees of the VEBA Trust delegated certain administration and investment authority. The Board also approved a VEBA Plan Statement of Investment Policies, Procedures and Objectives that the Committee follows when exercising its investment authority relating to the VEBA Trust.

In connection with its discharge of its administrative responsibilities relating to the VEBA Plan, the Committee has reviewed the VEBA Trust. Although the VEBA Plan document was updated as recently as 2016, the related VEBA Trust has not been updated since 1999. During its review, management identified several matters that it believes should be addressed in the VEBA Trust. Those matters are summarized below and are addressed in the attached proposed restatement of the VEBA Trust.

1. Delegation of Authority. The Board has created a Retirement Plan Committee to which certain duties have been delegated. The VEBA Trust must reflect that governance structure.
2. Tax Law Changes. Certain “qualified transfers” of assets into the VEBA Trust are no longer permitted. For that reason, the VEBA Trust qualified transfer provisions must be removed.
3. Miscellaneous. Miscellaneous revisions (such as removing provisions that are now addressed in the separate VEBA Plan document) have been made to the VEBA Trust Agreement.

Management recommends approval of the amended and restated Trust Agreement for Post-Retirement Benefit Plan for Eligible Employees of the Lansing Board of Water and Light.

TRUST AGREEMENT FOR
POST-RETIREMENT BENEFIT PLAN
FOR ELIGIBLE EMPLOYEES OF
LANSING BOARD OF WATER AND LIGHT
~~RETIREE BENEFIT PLAN AND TRUST AGREEMENT~~

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**TRUST AGREEMENT FOR
POST-RETIREMENT BENEFIT PLAN
FOR ELIGIBLE EMPLOYEES OF
LANSING BOARD OF WATER AND LIGHT**

~~RETIREE BENEFIT PLAN AND TRUST AGREEMENT~~

~~This Agreement, made this 20th day of October, 1999, by and between the~~ The Lansing Board of Water and Light (hereinafter referred to as the "~~Employer~~"; "Employer") ~~established this Trust agreement effective October 20, 1999. The Employer and the individual trustees who are named in Section 1.01(nk) below~~ hereof (hereinafter referred to as the "~~Trustee~~"; "Trustees") ~~hereby amend and restate this Trust agreement in the manner described herein.~~

WHEREAS, the Employer has established the Trust Agreement for Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light ~~Retiree Benefit Plan and Trust~~ for the purpose of accumulating funds for the payment of retiree benefits; and

WHEREAS, funds will from time to time be contributed to the ~~Trustee~~ Trustees, which funds will constitute a trust fund to be held for the exclusive benefit of eligible individuals including payment of certain expenses; and

WHEREAS, the Employer wants the ~~Trustee~~ Trustees to hold, invest, reinvest and otherwise to administer the funds, and the ~~Trustee has~~ Trustees have indicated ~~its~~ their willingness to do so, all pursuant to the terms of this Agreement; and

WHEREAS, the Employer intends that the Plan ~~and that is defined in Section 1.01(g) below and the separate~~ Trust that is created by this Agreement shall constitute a "voluntary employees' beneficiary association" under Section 501(c)(9) of the Internal Revenue Code of 1986, as amended.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the Employer and the Trustee do hereby covenant and agree as follows:

ARTICLE I - DEFINITIONS AND CONSTRUCTION

1.01 Definitions: The following words and phrases shall, when used herein, have the following respective meanings unless their context clearly indicates otherwise:

- (a) Agreement: The ~~Plan and~~ Trust ~~created hereunder~~ that is described herein.
- ~~(b) Board: The Employer's Board of Commissioners.~~
- ~~(c)~~ (b) ~~(e)~~ Effective Date: July 1, 1999, _____, 2017, the date on which the provisions of this ~~Plan~~ amended and restated Trust became effective.
- ~~(d) Employee: Any person who is employed by the Employer.~~

(c) ~~(e)~~ Employer: The Lansing Board of Water and Light (“BWL”) or its successor or successors.

(d) ~~(f)~~ Fiduciaries: The Employer, ~~the Plan Administrator,~~ and the ~~Trustee Trustees,~~ but only with respect to the specific responsibilities of each ~~for Plan and Trust administration,~~ all as described herein.

(e) ~~(g)~~ Internal Revenue Code or Code: The Internal Revenue Code of 1986, as amended.

~~(h) Participant: An Employee participating in the Plan in accordance with the provisions of Section 3.01.~~

(f) Investment Policy Statement (“IPS”): The Statement of Investment Policies, Procedures and Objectives that is approved from time to time by the Employer and communicated to the individual Trustees and to the Employer’s Retirement Plan Committee.

~~(g) (i) Plan: The Plan created hereunder as amended from time to time.~~ Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light.

(h) ~~(j)~~ Plan Administrator: Lansing Board of Water and Light.

(i) Retirement Plan Committee: The Committee that has been established by the Employer for the purposes that are described in the Committee’s governing documents.

(j) Trust (or Trust Fund): The Trust that is described in this Trust Agreement.

~~(k) Plan Year: The 12-month period commencing on July 1 and ending on June 30.~~ Trustees: Each individual member of the Employer’s governing board who is classified under the Employer’s policies as a voting member of said governing board. Notwithstanding the foregoing, a voting member of the governing board may be removed as a Trustee pursuant to Trust Article IX.

~~(l) Retiree Benefit: That benefit more fully described in Section 5.01 of this Agreement.~~

~~(m) Spouse: The individual who is the legal spouse of the Employee at the time of the Employee’s eligibility for benefits under Section I of Schedule A or Schedule B (as the case may be) of the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light.~~

~~(n) Trustee: Each member of the Employer’s Board of Commissioners (“Board”) is a Trustee during his or her term of office as a Commissioner. Each trustee shall execute an appropriate document evidencing his or her agreement to be bound by the terms of this Trust.~~

1.02 Construction: The masculine gender, where appearing in this Agreement, shall be deemed to include the feminine gender, unless the context clearly indicates to the contrary. The

words "hereof," "herein," "hereunder" and other similar compounds of the word "here" shall mean and refer to the entire Agreement and not to any particular provision or section.

ARTICLE II - RECEIPT OF CONTRIBUTIONS AND PAYMENTS FROM TRUST FUND

2.01 Receipt of Contributions. The ~~Trustee~~Trustees shall receive any contributions paid to ~~it~~them in cash or in the form of such other property as ~~it~~they may from time to time deem acceptable and which shall have been delivered to ~~it~~them. All contributions so received, together with the income therefrom and any other increment thereon, (hereinafter collectively referred to as the "Trust Fund") shall be held, ~~invested, reinvested~~ and administered by the ~~Trustee~~Trustees pursuant to the terms of this Agreement without distinction between principal and income and without liability for the payment of interest thereon, except to the extent that the Trustees delegate authority to invest, reinvest and administer the Trust Fund. The Employer shall make contributions in such manner and at such times as shall be appropriate. The ~~Trustee~~Trustees shall not be responsible for the calculation or collection of any contribution under or required by the Plan, but shall be responsible only for property received by ~~it~~them pursuant to this Agreement.

2.02 Compliance with Relevant Laws. The Plan, this Agreement and the Trust Fund created hereunder are intended to meet all requirements of Section 501(c)(9) of the Internal Revenue Code of 1986 and ~~the Employee Retirement Income Security Act of 1974~~, applicable state law, as each may be amended from time to time.

2.03 Exclusive Benefit. Anything contained in this Agreement to the contrary notwithstanding, it shall be impossible at any time prior to the satisfaction of all liabilities with respect to Plan Participants and their beneficiaries, for any part of the Trust Fund to be used for or diverted to purposes other than for the exclusive benefit of the Plan Participants and their beneficiaries, except that payment of taxes and administration expenses may be made from the Trust Fund as provided in Article ~~XVI~~ hereof.

~~2.04 Limitation in Years in which Qualified Transfers Occur. Notwithstanding anything herein to the contrary, benefits shall not be paid from this Plan to Participants or their beneficiaries during a Plan Year in which there has been a "qualified transfer" pursuant to Code Section 420 to the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions, except that once the "qualified transfer" has been exhausted for the purpose of paying qualified current retiree health liabilities, benefit payments may be made under this Plan consistent with Code Section 420(e)(1)(B).~~

ARTICLE III - ~~PARTICIPATION, ELIGIBILITY AND VESTING~~ INVESTMENT OF TRUST

~~3.01 Participation in Plan. Participation in this Plan and Trust shall be determined in accordance with the terms of the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light, a copy of which is attached hereto.~~

~~3.02 Eligibility for Benefit.~~

~~(a) Collectively Bargained Benefits. Eligibility for the benefits described in Section 5.01 shall be determined in accordance with the terms of the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light.~~

~~(b) Non-Collectively Bargained Benefits. Eligibility for the benefits described in Section 5.01 shall be determined in accordance with the terms of the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light.~~

~~3.03 Vesting. The benefit described in Article V hereof shall become payable in accordance with the terms of the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light. At no time will said benefit be vested. The Employer reserves the right to reduce or eliminate any or all Plan benefits at any time as to any or all Plan Participants and/or their eligible spouses, subject to the requirements of any collective bargaining agreement.~~

~~ARTICLE IV~~ **CONTRIBUTIONS AND FORFEITURES**

~~4.01 Employer Contributions. The Employer shall, for each Plan Year, contribute to the Trust Fund the amount determined by the Employer on or before the last day of each Plan Year, to be held and administered in Trust by the Trustee according to the terms of this Agreement.~~

~~All contributions of the Employer for a Plan Year shall be paid to the Trustee not later than the last day of such Plan Year.~~

~~4.02 Contributions by Participants. No Employee contributions are allowed under this Plan.~~

~~ARTICLE V~~ **BENEFIT**

~~5.01 Amount of Benefit. The benefits paid under this Plan shall be those benefits described in the relevant sections of the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light.~~

~~5.02 Payment of Benefit. The timing and method of payment of any benefit provided pursuant to this Agreement shall be determined in accordance with the terms of the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light.~~

~~ARTICLE VI~~ **INVESTMENTS**

~~3.01~~ ~~6.01~~ Investment of Trust Fund. ~~Subject to the provisions of Article VII hereof,~~ ~~the Trustee~~The Trustees shall invest and reinvest the principal and income of the Trust Fund and keep the Trust Fund invested, without distinction between principal and income, in such securities or in such property, real or personal, tangible or intangible, or part interest therein, wherever situated, whether or not productive of income, or consisting of wasting assets, as the ~~Trustee~~Trustees shall deem advisable, including but not limited to stocks, common or preferred, trust and participation certificates, interests in investment companies whether so-called "open-end mutual funds" or "closed-end mutual funds," common investment funds, maintained, leaseholds, fee titles, bonds or notes and mortgages, and other evidences of

indebtedness or ownership, irrespective of whether such securities or such property shall be of the character authorized by any state law from time to time for trust investments; provided, however, that investments shall be so diversified as to minimize the risk of large losses unless under the circumstances it is clearly prudent not to do so, in the sole judgment of the ~~Trustee~~.

~~6.02 Investment Company~~ person who is directing the investment of the Trust under the provisions hereof. The Trustees may, in their sole discretion, delegate this investment authority. The term "investment company" as used ~~in Section 6.01~~ above shall include shares of open-end investment companies, including, without limiting the generality of the foregoing, such investment companies as are commonly known as "money- market funds." The ~~Trustee~~ Trustees shall use the price established and provided from time to time by any such open-end investment company for any valuation required under the terms of this Agreement.

ARTICLE IV - ~~ARTICLE VII -~~ INVESTMENT ~~FUNDING~~ POLICY

~~7.01 Investment Pursuant to~~

4.01 Funding Policy

~~.-The discretion of the Trustee in investing and reinvesting the principal and income of the Trust Fund shall be subject to such investment policy (and any changes thereof from time to time) as the Plan Administrator may, pursuant this Agreement, adopt from time to time and communicate to the Trustee in writing. It shall be the duty of the Trustee to act strictly in accordance with such policy, and any changes therein, as so communicated to the Trustee from time to time in writing.~~

~~7.02 Establishment of Investment Policy. The Plan Administrator shall establish and carry out an investment policy consistent with the purposes of the Plan and the requirements of applicable law, as may be appropriate from time to time.~~

~~ARTICLE VIII -~~ ADMINISTRATION

~~8.01 Allocation of Responsibility Among Fiduciaries: The Fiduciaries shall have only those specific powers, duties, responsibilities and obligations as are specifically given to them under this Agreement. In general, the Employer shall have the sole responsibility for making the contributions provided for under Section 4.01, and shall have the sole authority to appoint and remove the Trustee and the Plan Administrator and to amend or terminate, in whole or in part, this Plan and Trust. The Plan Administrator shall have the sole responsibility for the administration of this Plan, which responsibility is specifically described in this Article VIII. The Trustee shall have the sole responsibility for the administration of the Trust and the management of the assets held under the Trust, all as specifically provided in this Agreement. Each Fiduciary warrants that any directions given, information furnished, or action taken by it shall be in accordance with the provisions of this Agreement, authorizing or providing for such direction, information or action. Furthermore, each Fiduciary may rely upon any such direction, information or action of another Fiduciary as being proper under this Agreement, and is not required to inquire into the propriety of any such direction, information or action. It is intended that each Fiduciary shall be responsible for the proper exercise of its own powers, duties,~~

~~responsibilities and obligations and shall not be responsible for any act or failure to act of another Fiduciary. No Fiduciary guarantees the Trust Fund in any manner against investment loss or depreciation in asset value.~~

~~8.02 Appointment of Plan Administrator: The Plan shall be administered by a Plan Administrator which shall be BWL.~~

~~8.03 Claims Procedure: The Plan Administrator shall have discretionary authority and shall make all determinations as to the right of any person to a benefit. Any denial by the Plan Administrator, its agent or the Insurer of a claim for benefits under the Plan by a Participant or Spouse shall be stated in writing by the Plan Administrator, its agent or the Insurer and delivered or mailed to the Participant or Spouse. Such notice shall set forth the specific reasons for the denial in a manner that may be understood without legal or actuarial counsel. Approval or denial of a claim is to be delivered or mailed to the claimant within 60 days of the time such claim is made. In addition, the Plan Administrator shall afford a reasonable opportunity to any Participant or Spouse whose claim for benefits has been denied in whole or in part for a review of the decision denying the claim. Review must be applied for by written request to the Plan Administrator within 60 days after denial of the claim. The Plan Administrator will advise the claimant of its decision within 60 days after such request is made. Any party adversely affected by the decision of the Plan Administrator may cause the issue to be submitted to binding arbitration. Party, as used in this paragraph, is defined as Participants, retirants, and beneficiaries of the Plan as well as the Plan Administrator. The appealing party shall, within sixty (60) days after receipt of the Plan Administrator's decision, file for arbitration under the rules of the American Arbitration Association which shall act as administrator of the arbitration proceedings.~~

~~8.04 Records and Reports: The Plan Administrator shall exercise such authority and responsibility as it deems appropriate in order to comply with applicable law relating to records of Participant's Service; notification to Participants; annual registration with the Internal Revenue Service; and annual reports to the Department of Labor (if applicable).~~

~~8.05 Other Plan Administrator Powers and Duties: The Plan Administrator shall have such duties and powers as may be necessary to discharge its duties hereunder, including, but not by way of limitation, the following:~~

~~(a) discretionary authority to construe and interpret the Plan, decide all questions of eligibility and determine the amount, manner and time of payment of any benefits hereunder;~~ The Employer shall establish and carry out a funding policy consistent with the purposes of the Plan and the requirements of applicable law, as may be appropriate from time to time. That funding policy shall be described in a written Investment Policy Statement (the "IPS"). As part of such funding policy, the Employer shall from time to time direct the Trustees (or, if the Trustees have delegated investment discretion to the Retirement Plan Committee, then the Employer shall direct the Retirement Plan Committee) to exercise their investment discretion so as to provide sufficient cash assets in an amount determined by the Employer under the funding policy then in effect, to be necessary to meet the liquidity requirements for the administration of the Plan.

~~(b) to prescribe procedures to be followed by Participants or Spouses filing applications for benefits; The discretion of the Trustees (or their delegatee) in investing and reinvesting the principal and income of the Trust Fund shall be subject to such funding policy and IPS, and any changes thereto from time to time, as the Employer may, pursuant to the Plan, adopt from time to time and communicate to the Trustees (or their delegatee) in writing. It shall be the duty of the Trustees (or their delegatee) to act strictly in accordance with such funding policy, and any changes therein, as so communicated to the Trustees (or their delegatee) from time to time in writing by the Employer.~~

~~(c) to prepare and distribute, in such manner as the Plan Administrator determines to be appropriate, information explaining the Plan;~~

~~(d) to receive from the Employer and from Participants such information as shall be necessary for the proper administration of the Plan;~~

~~(e) to furnish the Employer, upon request, such annual reports with respect to the administration of the Plan as are reasonable and appropriate;~~

~~(f) to receive, review and keep on file (as it deems convenient and proper) reports of the financial condition and of the receipts and disbursements of the Trust Fund from the Trustee;~~

~~(g) to appoint or employ individuals to assist in the administration of the Plan and any other agents it deems advisable, including legal and actuarial counsel.~~

~~The Plan Administrator shall have no power to add to, subtract from or modify any of the terms of the Plan, or to change or add to any benefits provided by the Plan, or to waive or fail to apply any requirements of eligibility for a benefit under the Plan. The Plan Administrator shall have no power to obtain any commercial policy of retiree accident and health insurance for any Participant.~~

~~8.06 Rules and Decisions: The Plan Administrator may adopt such rules as it deems necessary, desirable or appropriate. All rules and decisions of the Plan Administrator shall be uniformly and consistently applied to all Participants in similar circumstances. When making a determination or calculation, the Plan Administrator shall be entitled to rely upon information furnished by a Participant or Spouse, the Employer, the legal counsel of the Employer, or the Trustee.~~

~~8.07 Authorization of Benefit Payments: The Plan Administrator shall issue directions to the Trustee concerning all benefits which are to be paid from the Trust Fund pursuant to the provisions of the Plan, and warrants that all such directions are in accordance with this Plan.~~

~~8.08 Application and Forms for Benefits: Claims for benefits under the Plan are to be made on forms supplied by the Insurer or agent of the Plan Administrator. The Plan Administrator, its agent or the Insurer may rely upon all such information so furnished it, including the claimant's current mailing address.~~

~~8.09 Benefits Payable to Incompetents: If the Plan Administrator shall find that any person to whom a benefit is payable is unable to care for his or her affairs because of accident or illness, or is a minor, the Plan Administrator shall pay the benefit pursuant to whatever is ordered by a court of competent jurisdiction.~~

ARTICLE V - ~~ARTICLE IX~~ TRUSTEE'S/TRUSTEES' POWERS

5.01 ~~9.01~~ Powers. ~~When administering the Trust Fund, the Trustee is authorized and empowered, subject to the provisions of Articles VI and VII hereof.~~ The Trustees shall have the following powers, rights and duties in addition to those provided elsewhere in this Trust Agreement or by law:

(a) ~~To~~ to receive and hold all contributions paid to it hereunder; provided, however, that the ~~Trustee~~ Trustees shall have no duty to require any contributions received by ~~it~~ them comply with this Trust or with any resolution of the ~~Board, acting as such, providing therefore.~~ Employer in which the Employer authorizes contributions to the Plan;

~~(b) To have the exclusive authority and discretion to invest and reinvest the Trust Fund in stocks, bonds, mortgages, notes or other property of any kind, real or personal as permitted by state law.~~

~~(c) To manage, sell, contract to sell, grant options with respect to convey, exchange, partition, transfer, abandon, improve, repair, insure, lease and otherwise deal with all property, real or personal, in such manner, for such considerations, and on such terms and conditions as the Trustee shall decide.~~

~~(d) To retain in cash (pending investment, reinvestment or payment of benefits) such portion of the Trust Fund as the Trustee considers advisable, and to deposit each in a depository, including any bank without liability for interest.~~

~~(e)~~ (b) ~~To~~ to compromise, contest, arbitrate or abandon claims or demands.;

~~(f)~~ (c) ~~To~~ to have, with respect to the Trust Fund, all the rights of an individual owner (any of which may be delegated in accordance with applicable law), including the power to give proxies to vote stocks and other voting securities (and to delegate the power to give proxies to vote stocks and other voting securities), 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.;

~~(g)~~ (d) ~~To~~ to hold securities or other property in the name of the ~~Trustee~~ Trustees, or in such other forms as ~~it deems~~ they deem best, with or without disclosing the Trust relationship provided the records of the ~~Trustee~~ Trustees shall indicate the actual ownership of such securities or other property.;

~~(h)~~ (e) ~~To~~ to retain any funds or properties subject to any dispute without liability for the payment of interest, and to decline to make payment or delivery of any such funds or property until final adjudication is made by a court of competent jurisdiction.;

(f) ~~(i) Teto~~ make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be granted or appropriate to carry out the powers herein granted.;

(g) ~~(j) Teto~~ report to the ~~Board~~Employer on or about the last day of each Trust Year and on any Accounting Date (or as soon thereafter as is practicable) or at such other times as may be required under the Trust, the then net worth of the Trust Fund, that is, the fair market value of all assets comprising the Trust Fund, reduced by any liabilities other than liabilities to ~~partieipant~~participants or former participants and their beneficiaries, determined by the ~~Trustee~~Trustees on the basis of such evidence, data or information as ~~it considers~~they consider pertinent and liable.;

(h) ~~(k) Teto~~ furnish the ~~Board~~Employer an annual written account and accounts for such other periods as may be required ~~under~~by the ~~Plan~~Employer showing all investments, receipts, disbursements and other transactions made by the ~~Trustee~~Trustees during the accounting period, and also showing the assets of the Trust Fund held at the end of the period.;

(i) ~~(l) Teto~~ pay any estate, inheritance, income or other tax, charge or assessment attributable to any benefit which in the ~~Trustee's~~Trustees' opinion, ~~it~~they shall or may be required to pay out of such benefit; and to require before making any payment such release or other documents from any lawful taxing authority and such indemnity from the intended payee as the ~~Trustee~~Trustees shall deem necessary for ~~it~~their protection.;

(j) ~~(m) Teto~~ begin, maintain or defend any litigation necessary in connection with the investment, reinvestment and administration of this Trust.;

(k) ~~(n) Teto~~ employ agents, attorneys, accountants, ~~registered investment advisers or actuaries, and~~ other persons (who also may be employed by the ~~Board~~Employer) for such purposes as the ~~Trustee considers~~Trustees consider desirable.;

(l) to periodically review and evaluate the actions of the Retirement Plan Committee (the "Committee") as it discharges it duty under its charter and under the IPS with regard to:

(1) selecting and providing direction to investment managers and investment consultants (as those respective terms are defined in the IPS), to any custodian of Plan assets, and to other persons or entities that are retained by the Committee for the purpose of managing Plan assets; and

(2) evaluating the overall investment performance of the Plan assets;

(m) ~~(o) Teto~~ perform any and all acts in ~~it~~their judgment necessary or appropriate for the proper and advantageous management, investment and distribution of the Trust Fund; and

(n) to delegate to any other person(s) or entity all or any part of the Trustees' powers, rights, and duties that are described in this Section 5.01. Any such delegation must be

reported promptly to the Board. The delegation must be in writing (including by electronic mail) and must be kept with the Trustees' permanent records.

5.02 ~~9.02~~ Records. The accounts, books and records of the ~~Trustee~~Trustees shall reflect ~~the any~~ segregation, ~~pursuant to the provisions of Article IX hereof,~~ of any portion or portions of the Trust Fund in a separate investment account or accounts that has occurred.

5.03 Limit of Trustees' Responsibility. The Employer shall deliver to the Trustees a certified or executed copy of the Plan and any amendments thereto for convenience of reference but the rights, powers and duties of the Trustees shall be governed solely by the terms of this document without reference to the provisions of the Plan.

5.04 Payment of Benefits. The Trustees shall from time to time on the written directions of the Employer make payments out of the Trust Fund to such persons, including the Employer, in such amounts and for such purposes as are specified in the written directions of the Employer. To the extent permitted by law, the Trustees shall be under no liability for any payment made pursuant to the direction of the Employer. Any written direction of the Employer shall constitute a certification that the distribution or payment so directed is one which the Employer is authorized to direct.

5.05 Trustee Indemnification. The Employer agrees to indemnify and hold harmless each individual Trustee and all Trustees collectively against any and all claims, losses, damages, expenses and liabilities that the Trustee may incur in the exercise and performance of the Trustee's powers and duties hereunder, except to the extent that said claim, loss, damage, expense and/or liability is determined to be due to the individual Trustee's gross negligence or willful misconduct.

ARTICLE VI - ~~ARTICLE X~~ - FEES AND EXPENSES

The expenses incurred by the ~~Trustee~~Trustees in the performance of ~~its~~their duties, including fees for legal services, ~~and such compensation to the Trustee as may be agreed upon in writing from time to time between the Employer and the Trustee,~~ and all other proper charges and disbursements of the ~~Trustee~~Trustees, including any and all taxes assessed against the ~~Trustee~~Trustees or the Trust Fund, shall be paid from the Trust Fund unless paid by the Employer; ~~provided, however, that if the Trustee is a full-time employee of the Employer, any such compensation paid to said employee/Trustee shall be paid by the Employer in its sole discretion.~~ The Trust cannot compensate any ~~such full-time employee of the Employer.~~ ~~Notwithstanding the provisions of Article II hereof, payments under this Article X may be made without the approval or the direction of the Plan Administrator~~Trustee for services rendered pursuant to this Trust.

ARTICLE VII - ~~ARTICLE XI~~ - TRUSTEE'S DUTIES AND OBLIGATIONS

7.01 ~~11.01~~ Prudent Man Rule. The ~~Trustee~~Trustees shall discharge ~~its~~their duties under this Agreement solely in the interest of the Participants in the Plan and their beneficiaries and for the exclusive purpose of providing benefits under ~~Article V~~the Plan to such Participants and their beneficiaries and defraying reasonable expenses of administering the Plan, 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 a like character and with like aims, and by diversifying the investments of the Plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so, all in accordance with the provisions of this Agreement insofar as they are consistent with applicable law, as this Agreement may be from time to time amended; ~~but the duties and obligations of the Trustee as such shall be limited to those expressly imposed upon it by this Agreement.~~

~~11.02 Indemnification, Bond. The Trustee may consult with counsel (who may be counsel for the Employer or for the Trustee in its individual capacity), and the Trustee shall not be deemed imprudent by reason of its taking or refraining from taking any action in accordance with the opinion of counsel. The Employer agrees, to the extent permitted by law, to defend, and to indemnify and hold the Trustee harmless from and against any liability that the Trustee may incur in the administration of the Trust Fund, unless arising from the Trustee's own negligent or willful breach of the provisions of this Agreement. The Trustee shall not be required to give any bond or any other security for the faithful performance of its duties under this Agreement, except such as may be required by a law which prohibits the waiver thereof.~~

~~11.03 Certifications. The Trustee shall be entitled, as it may deem appropriate from time to time, to require of the Employer or any other person involved in the administration of the Plan or investment of the Trust Fund, or having any interest under the Plan or in, to, or under this Agreement or to the Trust Fund held hereunder, such certifications and proofs of facts as shall permit the Trustee to perform its duties under applicable law as it may be in effect from time to time, or to exercise the powers granted to the Trustee under this Agreement.~~

ARTICLE VIII - ARTICLE XII—ACCOUNTS AND RECORDS

8.01 ~~12.01~~ Recordkeeping. The ~~Trustee~~Trustees shall keep accurate and detailed accounts of all investments, receipts, disbursements and other transactions hereunder and all such accounts and other records relating thereto shall be open to inspection and audit at all reasonable times by any person designated by the Employer or the Plan Administrator. ~~Within ninety (90) days following the close of the fiscal year of the Trust Fund and within ninety (90) days after the removal or resignation of the Trustee as provided under Article XIII hereof, the Trustee shall file with the Employer a written account setting forth all investments, receipts, disbursement and other transactions effected by it during such fiscal year or during the period from the close of the last fiscal year to the date of such removal or resignation. Upon the expiration of ninety (90) days from the filing of such account, the Trustee shall be forever released and discharged from all liability and accountability to anyone with respect to the propriety of its accounts and transactions shown in such accounts except with respect to any such account or transactions as to which the Employer shall within such ninety (90) day period file written exceptions and objections. To the extent permitted by law, but subject to any express provision of applicable law as may be in effect from time to time to the contrary, no person other than the Employer may require an accounting or bring any action against the said Trustee with respect to the Trust Fund or its actions as Trustee.~~

8.02 ~~12.02~~ Settlement of Accounts. Notwithstanding any other provision of this Article ~~XIV~~VIII, the ~~Trustee~~Trustees shall have the right to have a judicial settlement of the ~~Trustee's~~Trustees' accounts, or for instructions in connection with the Trust Fund, the only necessary parties thereto, in addition to the ~~Trustee~~Trustees, shall be the Employer and the Plan Administrator. If the ~~Trustee~~Trustees so ~~elects~~select, ~~it~~they may bring in any other person or persons as a party or parties defendant.

ARTICLE IX - ~~ARTICLE XIII~~ - TRUSTEE'S REMOVAL OR RESIGNATION

Any individual Trustee may be removed by the Employer at any time upon thirty (30) days' notice in writing to ~~the~~said Trustee and the Plan Administrator. ~~The~~Any individual Trustee may resign at any time upon thirty (30) days' notice in writing to the Employer. Upon such resignation or removal, the Employer shall appoint a successor trustee and such successor trustee shall have the same powers and duties as those conferred upon the Trustee named in this Agreement. The removal of ~~an~~an individual Trustee and the appointment of a successor trustee shall be by written instrument delivered to the ~~Trustee~~Trustees.

ARTICLE X - ~~ARTICLE XIV~~ - LIMITATION ON TRUSTEE'S LIABILITY

10.01 ~~14.01~~ Plan Administrator. The Plan Administrator shall administer the Plan as provided therein, and the ~~Trustee~~Trustees shall not be responsible in any respect for administering the Plan nor shall the ~~Trustee~~Trustees be responsible for the adequacy of the Trust Fund to meet or discharge any payments or liabilities under the Plan. The ~~Trustee~~Trustees shall be fully protected in relying upon any written notice, instruction, direction or other communication of the Plan Administrator when signed by the Plan Administrator. The Employer from time to time shall furnish the ~~Trustee~~Trustees with the names and specimen signatures of the Plan Administrator and officers of the Employer, and shall promptly notify the ~~Trustee~~Trustees of the termination of office of the Plan Administrator or officer of the Employer and the appointment of such person's successor. Until notified to the contrary in writing, the ~~Trustee~~Trustees shall be fully protected in relying upon the most recent certification of the Plan Administrator and officers of the Employer furnished to ~~it~~them by the Employer.

10.02 ~~14.02~~ Employer Action. Any action required by any provision of this Agreement to be taken by the Board of the Employer shall be evidenced by a resolution of the Board certified to the ~~Trustee~~Trustees by the Corporate Secretary of the Employer, and the ~~Trustee~~Trustees shall be fully protected in relying upon any resolution so certified to ~~it~~them. Unless other evidence with respect thereto has been expressly prescribed in this Agreement, any other action of the Employer under any provision of this Agreement, including any approval of or exceptions to the ~~Trustee's~~Trustees' accounts, shall be evidenced by a certificate signed by an officer of the Employer, and the ~~Trustee~~Trustees shall be fully protected in relying upon such certificate. The ~~Trustee~~Trustees may accept a certificate signed by an officer of the Employer as proof of any fact or matter that the ~~Trustee deems~~Trustees deem necessary or desirable to have established in the administration of the Trust Fund (unless other evidence of such fact or matter is expressly prescribed herein), and the ~~Trustee~~Trustees shall be fully protected in relying upon the statements in the certificate.

~~10.03~~ ~~14.03~~ Trustee Reliance. The ~~Trustee~~Trustees shall be entitled conclusively to rely upon any written notice, instruction, direction, certificate or other communication believed by it to be genuine and to be signed by the proper person or persons, and the ~~Trustee~~Trustees shall be under no duty to make investigation or inquiry as to the truth, accuracy, or completeness of any statement contained therein.

ARTICLE XI - ~~ARTICLE XV~~ - MISCELLANEOUS

~~15.01~~ ~~Nonguarantee of Employment~~: ~~Nothing contained in this Plan shall be construed as a contract of employment between the Employer and any Employee, or as a right of any Employee to be continued in the employment of the Employer, or as a limitation of the right of the Employer to discharge any of its Employees, with or without cause.~~

~~11.01~~ ~~15.02~~ Rights to Trust Assets: No Employee shall have any right to, or interest in, any assets of the Trust Fund upon termination of his employment or otherwise, except to the extent of the benefits payable under the Plan to such Employee out of the assets of the Trust Fund.

~~11.02~~ ~~15.03~~ Nonalienation of Benefits: ~~Except as provided in Article V,~~ ~~benefits~~Benefits payable under ~~this~~the Plan ~~and this Trust~~ shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution, or levy of any kind, either voluntary or involuntary. The preceding sentence shall also apply to the creation, assignment or recognition of a right to any benefit payable with respect to a Participant pursuant to a domestic relations order. The Trust Fund shall not in any manner be liable for, or subject to, the debts, contracts, liabilities, engagements, or torts of any person entitled to benefits hereunder.

~~11.03~~ ~~15.04~~ Correction of Errors: Notwithstanding any other provision of this ~~Plan~~Trust Agreement to the contrary, the Employer and the Plan Administrator reserve the right to correct (retroactively, if necessary) any error in the Agreement or in the administration of the Plan which was inadvertently made in the good faith creation and/or administration of this program.

ARTICLE XII - ~~ARTICLE XVI~~ - AMENDMENTS AND ACTION BY EMPLOYER

~~12.01~~ ~~16.01~~ Amendments: The Employer reserves the right to make from time to time any amendment or amendments to this ~~Plan~~Trust Agreement which do not cause any part of the Trust Fund to be used for, or diverted to, any purpose other than the exclusive benefit of Participants, former Participants or Spouses, provided, however, that the Employer may make any amendment it determines necessary or desirable, with or without retroactive effect to comply with the Internal Revenue Code. Any such amendment shall occur in a manner that is consistent with the terms of any relevant collective bargaining agreement.

~~ARTICLE XVII~~ - ~~SUCCESSOR EMPLOYER, MERGER OR CONSOLIDATION~~

~~17.01~~ ~~Successor Employer~~: ~~In the event of the dissolution, merger, consolidation or reorganization of the Employer, provision may be made by which the Plan and Trust will be continued by the successor; and, in that event, such successor shall be substituted for the Employer under the Plan. The substitution of the successor shall constitute an assumption of the~~

~~Plan liabilities by the successor and the successor shall have all of the powers, duties and responsibilities of the Employer under the Plan.~~

~~17.02 Plan Assets: In the event of any merger or consolidation of the Plan with, or transfer in whole or in part of the assets and liabilities of the Trust Fund to another trust fund maintained or to be established for the benefit of all or some of the Participants of this Plan, the assets of the Trust Fund applicable to such Participants shall be merged or consolidated with, or transferred to, the other trust fund only if:~~

~~(a) each Participant would (if either this Plan or the other plan then terminated) receive a benefit immediately after the merger, consolidation or transfer which is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation or transfer (if this Plan had then terminated);~~

~~(b) the Employer, or any new or successor employer of the affected Participants, shall authorize such transfer of assets; and, in the case of the new or successor employer of the affected Participants, it assumes liabilities with respect to such Participants' inclusion in the new employer's plan; and~~

~~(c) such other plan and trust are qualified under Code Section 501(c)(9).~~

ARTICLE XIII - ~~ARTICLE XVIII - PLAN~~ TERMINATION OF TRUST

13.01 ~~18.01~~ Right to Terminate: The Employer may terminate the Plan and this Trust at any time. In that event, all Trust assets shall be used to purchase additional eligible benefits in accordance with the terms of the Plan and Trust. The decision regarding how said Trust assets will be so used shall be in the sole discretion of the Plan Administrator, consistent with the Plan and Trust. In the event of the dissolution, merger, consolidation or reorganization of the Employer, the Plan shall terminate and the Trust Fund shall be liquidated in a manner consistent with the preceding sentence ~~unless the Plan is continued by a successor to the Employer in accordance with Section 17.01.~~ Any termination of this Trust shall occur in a manner that is consistent with the terms of any relevant collective bargaining agreement.

ARTICLE XIV - ~~ARTICLE XIX~~ APPLICATION OF STATE LAW

Subject to applicable law, this Agreement, as amended from time to time, shall be administered, construed and enforced according to the laws of the State of Michigan and in courts situated in that State.

~~IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals as of the day and year first above written.~~

[Signature page follows.]

THE LANSING BOARD OF WATER AND LIGHT

~~Dated~~ Date: _____ -

By: _____

Its: Chair, Board of Commissioners

Its: _____

THE TRUSTEES

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

~~Dated:~~ _____

By: _____

Its: Corporate Secretary

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Document comparison by Workshare Compare on Wednesday, June 28, 2017
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Description	#3006791v4<LEGAL> - Trust Agreement for Post-Retirement Benefit Plan - 2017 Restatement
Rendering set	Standard

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Format change	
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Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	270
Deletions	398
Moved from	8
Moved to	8
Style change	0
Format changed	0
Total changes	684

**TRUST AGREEMENT FOR
POST-RETIREMENT BENEFIT PLAN
FOR ELIGIBLE EMPLOYEES OF
LANSING BOARD OF WATER AND LIGHT**

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**TRUST AGREEMENT FOR
POST-RETIREMENT BENEFIT PLAN
FOR ELIGIBLE EMPLOYEES OF
LANSING BOARD OF WATER AND LIGHT**

The Lansing Board of Water and Light (hereinafter referred to as the “Employer”) established this Trust agreement effective October 20, 1999. The Employer and the individual trustees who are named in Section 1.01(k) hereof (hereinafter referred to as the “Trustees”) hereby amend and restate this Trust agreement in the manner described herein.

WHEREAS, the Employer has established the Trust Agreement for Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light for the purpose of accumulating funds for the payment of retiree benefits; and

WHEREAS, funds will from time to time be contributed to the Trustees, which funds will constitute a trust fund to be held for the exclusive benefit of eligible individuals including payment of certain expenses; and

WHEREAS, the Employer wants the Trustees to hold, invest, reinvest and otherwise to administer the funds, and the Trustees have indicated their willingness to do so, all pursuant to the terms of this Agreement; and

WHEREAS, the Employer intends that the Plan that is defined in Section 1.01(g) below and the separate Trust that is created by this Agreement shall constitute a “voluntary employees’ beneficiary association” under Section 501(c)(9) of the Internal Revenue Code of 1986, as amended.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the Employer and the Trustee do hereby covenant and agree as follows:

ARTICLE I - DEFINITIONS AND CONSTRUCTION

1.01 Definitions: The following words and phrases shall, when used herein, have the following respective meanings unless their context clearly indicates otherwise:

- (a) Agreement: The Trust that is described herein.
- (b) Effective Date: _____, 2017, the date on which the provisions of this amended and restated Trust became effective.
- (c) Employer: The Lansing Board of Water and Light (“BWL”) or its successor or successors.
- (d) Fiduciaries: The Employer and the Trustees, but only with respect to the specific responsibilities of each, all as described herein.
- (e) Internal Revenue Code or Code: The Internal Revenue Code of 1986, as amended.

(f) Investment Policy Statement (“IPS”): The Statement of Investment Policies, Procedures and Objectives that is approved from time to time by the Employer and communicated to the individual Trustees and to the Employer’s Retirement Plan Committee.

(g) Plan: The Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light.

(h) Plan Administrator: Lansing Board of Water and Light.

(i) Retirement Plan Committee: The Committee that has been established by the Employer for the purposes that are described in the Committee’s governing documents.

(j) Trust (or Trust Fund): The Trust that is described in this Trust Agreement.

(k) Trustees: Each individual member of the Employer’s governing board who is classified under the Employer’s policies as a voting member of said governing board. Notwithstanding the foregoing, a voting member of the governing board may be removed as a Trustee pursuant to Trust Article IX.

1.02 Construction: The masculine gender, where appearing in this Agreement, shall be deemed to include the feminine gender, unless the context clearly indicates to the contrary. The words “hereof,” “herein,” “hereunder” and other similar compounds of the word “here” shall mean and refer to the entire Agreement and not to any particular provision or section.

ARTICLE II - RECEIPT OF CONTRIBUTIONS AND PAYMENTS FROM TRUST FUND

2.01 Receipt of Contributions. The Trustees shall receive any contributions paid to them in cash or in the form of such other property as they may from time to time deem acceptable and which shall have been delivered to them. All contributions so received, together with the income therefrom and any other increment thereon, (hereinafter collectively referred to as the “Trust Fund”) shall be held and administered by the Trustees pursuant to the terms of this Agreement without distinction between principal and income and without liability for the payment of interest thereon, except to the extent that the Trustees delegate authority to invest, reinvest and administer the Trust Fund. The Employer shall make contributions in such manner and at such times as shall be appropriate. The Trustees shall not be responsible for the calculation or collection of any contribution under or required by the Plan, but shall be responsible only for property received by them pursuant to this Agreement.

2.02 Compliance with Relevant Laws. The Plan, this Agreement and the Trust Fund created hereunder are intended to meet all requirements of Section 501(c)(9) of the Internal Revenue Code of 1986 and applicable state law, as each may be amended from time to time.

2.03 Exclusive Benefit. Anything contained in this Agreement to the contrary notwithstanding, it shall be impossible at any time prior to the satisfaction of all liabilities with respect to Plan Participants and their beneficiaries, for any part of the Trust Fund to be used for or diverted to purposes other than for the exclusive benefit of the Plan Participants and their

beneficiaries, except that payment of taxes and administration expenses may be made from the Trust Fund as provided in Article VI hereof.

ARTICLE III - INVESTMENT OF TRUST

3.01 Investment of Trust Fund. The Trustees shall invest and reinvest the principal and income of the Trust Fund and keep the Trust Fund invested, without distinction between principal and income, in such securities or in such property, real or personal, tangible or intangible, or part interest therein, wherever situated, whether or not productive of income, or consisting of wasting assets, as the Trustees shall deem advisable, including but not limited to stocks, common or preferred, trust and participation certificates, interests in investment companies whether so-called "open-end mutual funds" or "closed-end mutual funds," common investment funds maintained, leaseholds, fee titles, bonds or notes and mortgages, and other evidences of indebtedness or ownership, irrespective of whether such securities or such property shall be of the character authorized by any state law from time to time for trust investments; provided, however, that investments shall be so diversified as to minimize the risk of large losses unless under the circumstances it is clearly prudent not to do so, in the sole judgment of the person who is directing the investment of the Trust under the provisions hereof. The Trustees may, in their sole discretion, delegate this investment authority. The term "investment company" as used above shall include shares of open-end investment companies, including, without limiting the generality of the foregoing, such investment companies as are commonly known as "money market funds." The Trustees shall use the price established and provided from time to time by any such open-end investment company for any valuation required under the terms of this Agreement.

ARTICLE IV - FUNDING POLICY

4.01 Funding Policy.

(a) The Employer shall establish and carry out a funding policy consistent with the purposes of the Plan and the requirements of applicable law, as may be appropriate from time to time. That funding policy shall be described in a written Investment Policy Statement (the "IPS"). As part of such funding policy, the Employer shall from time to time direct the Trustees (or, if the Trustees have delegated investment discretion to the Retirement Plan Committee, then the Employer shall direct the Retirement Plan Committee) to exercise their investment discretion so as to provide sufficient cash assets in an amount determined by the Employer under the funding policy then in effect, to be necessary to meet the liquidity requirements for the administration of the Plan.

(b) The discretion of the Trustees (or their delegatee) in investing and reinvesting the principal and income of the Trust Fund shall be subject to such funding policy and IPS, and any changes thereto from time to time, as the Employer may, pursuant to the Plan, adopt from time to time and communicate to the Trustees (or their delegatee) in writing. It shall be the duty of the Trustees (or their delegatee) to act strictly in accordance with such funding policy, and any changes therein, as so communicated to the Trustees (or their delegatee) from time to time in writing by the Employer.

ARTICLE V - TRUSTEES' POWERS

5.01 Powers. The Trustees shall have the following powers, rights and duties in addition to those provided elsewhere in this Trust Agreement or by law:

(a) to receive and hold all contributions paid to it hereunder; provided, however, that the Trustees shall have no duty to require any contributions received by them comply with this Trust or with any resolution of the Employer in which the Employer authorizes contributions to the Plan;

(b) to compromise, contest, arbitrate or abandon claims or demands;

(c) to have, with respect to the Trust Fund, all the rights of an individual owner (any of which may be delegated in accordance with applicable law), including the power to give proxies to vote stocks and other voting securities (and to delegate the power to give proxies to vote stocks and other voting securities), 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;

(d) to hold securities or other property in the name of the Trustees, or in such other forms as they deem best, with or without disclosing the Trust relationship provided the records of the Trustees shall indicate the actual ownership of such securities or other property;

(e) to retain any funds or properties subject to any dispute without liability for the payment of interest, and to decline to make payment or delivery of any such funds or property until final adjudication is made by a court of competent jurisdiction;

(f) to make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be granted or appropriate to carry out the powers herein granted;

(g) to report to the Employer on or about the last day of each Trust Year and on any Accounting Date (or as soon thereafter as is practicable) or at such other times as may be required under the Trust, the then net worth of the Trust Fund, that is, the fair market value of all assets comprising the Trust Fund, reduced by any liabilities other than liabilities to participants or former participants and their beneficiaries, determined by the Trustees on the basis of such evidence, data or information as they consider pertinent and liable;

(h) to furnish the Employer an annual written account and accounts for such other periods as may be required by the Employer showing all investments, receipts, disbursements and other transactions made by the Trustees during the accounting period, and also showing the assets of the Trust Fund held at the end of the period;

(i) to pay any estate, inheritance, income or other tax, charge or assessment attributable to any benefit which in the Trustees' opinion, they shall or may be required to pay out of such benefit; and to require before making any payment such release or other documents from any lawful taxing authority and such indemnity from the intended payee as the Trustees shall deem necessary for their protection;

(j) to begin, maintain or defend any litigation necessary in connection with the investment, reinvestment and administration of this Trust;

(k) to employ agents, attorneys, accountants, actuaries, and other persons (who also may be employed by the Employer) for such purposes as the Trustees consider desirable;

(l) to periodically review and evaluate the actions of the Retirement Plan Committee (the "Committee") as it discharges its duty under its charter and under the IPS with regard to:

(1) selecting and providing direction to investment managers and investment consultants (as those respective terms are defined in the IPS), to any custodian of Plan assets, and to other persons or entities that are retained by the Committee for the purpose of managing Plan assets; and

(2) evaluating the overall investment performance of the Plan assets;

(m) to perform any and all acts in their judgment necessary or appropriate for the proper and advantageous management, investment and distribution of the Trust Fund; and

(n) to delegate to any other person(s) or entity all or any part of the Trustees' powers, rights, and duties that are described in this Section 5.01. Any such delegation must be reported promptly to the Board. The delegation must be in writing (including by electronic mail) and must be kept with the Trustees' permanent records.

5.02 Records. The accounts, books and records of the Trustees shall reflect any segregation of any portion or portions of the Trust Fund in a separate investment account or accounts that has occurred.

5.03 Limit of Trustees' Responsibility. The Employer shall deliver to the Trustees a certified or executed copy of the Plan and any amendments thereto for convenience of reference but the rights, powers and duties of the Trustees shall be governed solely by the terms of this document without reference to the provisions of the Plan.

5.04 Payment of Benefits. The Trustees shall from time to time on the written directions of the Employer make payments out of the Trust Fund to such persons, including the Employer, in such amounts and for such purposes as are specified in the written directions of the Employer. To the extent permitted by law, the Trustees shall be under no liability for any payment made pursuant to the direction of the Employer. Any written direction of the Employer shall constitute a certification that the distribution or payment so directed is one which the Employer is authorized to direct.

5.05 Trustee Indemnification. The Employer agrees to indemnify and hold harmless each individual Trustee and all Trustees collectively against any and all claims, losses, damages, expenses and liabilities that the Trustee may incur in the exercise and performance of the Trustee's powers and duties hereunder, except to the extent that said claim, loss, damage,

expense and/or liability is determined to be due to the individual Trustee's gross negligence or willful misconduct.

ARTICLE VI - FEES AND EXPENSES

The expenses incurred by the Trustees in the performance of their duties, including fees for legal services, and all other proper charges and disbursements of the Trustees, including any and all taxes assessed against the Trustees or the Trust Fund, shall be paid from the Trust Fund unless paid by the Employer. The Trust cannot compensate any Trustee for services rendered pursuant to this Trust.

ARTICLE VII - TRUSTEE'S DUTIES AND OBLIGATIONS

7.01 Prudent Man Rule. The Trustees shall discharge their duties under this Agreement solely in the interest of the Participants in the Plan and their beneficiaries and for the exclusive purpose of providing benefits under the Plan to such Participants and their beneficiaries and defraying reasonable expenses of administering the Plan, 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 a like character and with like aims, and by diversifying the investments of the Plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so, all in accordance with the provisions of this Agreement insofar as they are consistent with applicable law, as this Agreement may be from time to time amended.

ARTICLE VIII - ACCOUNTS AND RECORDS

8.01 Recordkeeping. The Trustees shall keep accurate and detailed accounts of all investments, receipts, disbursements and other transactions hereunder and all such accounts and other records relating thereto shall be open to inspection and audit at all reasonable times by any person designated by the Employer or the Plan Administrator. To the extent permitted by law, but subject to any express provision of applicable law as may be in effect from time to time to the contrary, no person other than the Employer may require an accounting or bring any action against said Trustee with respect to the Trust Fund or its actions as Trustee.

8.02 Settlement of Accounts. Notwithstanding any other provision of this Article VIII, the Trustees shall have the right to have a judicial settlement of the Trustees' accounts, or for instructions in connection with the Trust Fund, the only necessary parties thereto, in addition to the Trustees, shall be the Employer and the Plan Administrator. If the Trustees so elect, they may bring in any other person or persons as a party or parties defendant.

ARTICLE IX - TRUSTEE'S REMOVAL OR RESIGNATION

Any individual Trustee may be removed by the Employer at any time upon thirty (30) days' notice in writing to said Trustee and the Plan Administrator. Any individual Trustee may resign at any time upon thirty (30) days' notice in writing to the Employer. Upon such resignation or removal, the Employer shall appoint a successor trustee and such successor trustee shall have the same powers and duties as those conferred upon the Trustee named in this

Agreement. The removal of an individual Trustee and the appointment of a successor trustee shall be by written instrument delivered to the Trustees.

ARTICLE X - LIMITATION ON TRUSTEE'S LIABILITY

10.01 Plan Administrator. The Plan Administrator shall administer the Plan as provided therein, and the Trustees shall not be responsible in any respect for administering the Plan nor shall the Trustees be responsible for the adequacy of the Trust Fund to meet or discharge any payments or liabilities under the Plan. The Trustees shall be fully protected in relying upon any written notice, instruction, direction or other communication of the Plan Administrator when signed by the Plan Administrator. The Employer from time to time shall furnish the Trustees with the names and specimen signatures of the Plan Administrator and officers of the Employer, and shall promptly notify the Trustees of the termination of office of the Plan Administrator or officer of the Employer and the appointment of such person's successor. Until notified to the contrary in writing, the Trustees shall be fully protected in relying upon the most recent certification of the Plan Administrator and officers of the Employer furnished to them by the Employer.

10.02 Employer Action. Any action required by any provision of this Agreement to be taken by the Board of the Employer shall be evidenced by a resolution of the Board certified to the Trustees by the Corporate Secretary of the Employer, and the Trustees shall be fully protected in relying upon any resolution so certified to them. Unless other evidence with respect thereto has been expressly prescribed in this Agreement, any other action of the Employer under any provision of this Agreement, including any approval of or exceptions to the Trustees' accounts, shall be evidenced by a certificate signed by an officer of the Employer, and the Trustees shall be fully protected in relying upon such certificate. The Trustees may accept a certificate signed by an officer of the Employer as proof of any fact or matter that the Trustees deem necessary or desirable to have established in the administration of the Trust Fund (unless other evidence of such fact or matter is expressly prescribed herein), and the Trustees shall be fully protected in relying upon the statements in the certificate.

10.03 Trustee Reliance. The Trustees shall be entitled conclusively to rely upon any written notice, instruction, direction, certificate or other communication believed by it to be genuine and to be signed by the proper person or persons, and the Trustees shall be under no duty to make investigation or inquiry as to the truth, accuracy, or completeness of any statement contained therein.

ARTICLE XI - MISCELLANEOUS

11.01 Rights to Trust Assets: No Employee shall have any right to, or interest in, any assets of the Trust Fund upon termination of his employment or otherwise, except to the extent of the benefits payable under the Plan to such Employee out of the assets of the Trust Fund.

11.02 Nonalienation of Benefits: Benefits payable under the Plan and this Trust shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution, or levy of any kind, either voluntary or involuntary. The preceding sentence shall also apply to the creation, assignment or recognition

of a right to any benefit payable with respect to a Participant pursuant to a domestic relations order. The Trust Fund shall not in any manner be liable for, or subject to, the debts, contracts, liabilities, engagements, or torts of any person entitled to benefits hereunder.

11.03 Correction of Errors: Notwithstanding any other provision of this Trust Agreement to the contrary, the Employer and the Plan Administrator reserve the right to correct (retroactively, if necessary) any error in the Agreement or in the administration of the Plan which was inadvertently made in the good faith creation and/or administration of this program.

ARTICLE XII - AMENDMENTS AND ACTION BY EMPLOYER

12.01 Amendments: The Employer reserves the right to make from time to time any amendment or amendments to this Trust Agreement which do not cause any part of the Trust Fund to be used for, or diverted to, any purpose other than the exclusive benefit of Participants, former Participants or Spouses, provided, however, that the Employer may make any amendment it determines necessary or desirable, with or without retroactive effect to comply with the Internal Revenue Code. Any such amendment shall occur in a manner that is consistent with the terms of any relevant collective bargaining agreement.

ARTICLE XIII - TERMINATION OF TRUST

13.01 Right to Terminate: The Employer may terminate the Plan and this Trust at any time. In that event, all Trust assets shall be used to purchase additional eligible benefits in accordance with the terms of the Plan and Trust. The decision regarding how said Trust assets will be so used shall be in the sole discretion of the Plan Administrator, consistent with the Plan and Trust. In the event of the dissolution, merger, consolidation or reorganization of the Employer, the Plan shall terminate and the Trust Fund shall be liquidated in a manner consistent with the preceding sentence. Any termination of this Trust shall occur in a manner that is consistent with the terms of any relevant collective bargaining agreement.

ARTICLE XIV - APPLICATION OF STATE LAW

Subject to applicable law, this Agreement, as amended from time to time, shall be administered, construed and enforced according to the laws of the State of Michigan and in courts situated in that State.

[Signature page follows.]

THE LANSING BOARD OF WATER AND LIGHT

Date: _____

By: _____

Its: _____

THE TRUSTEES

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

PROPOSED RESOLUTION

Amendment and Restatement of Trust Agreement for Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light

WHEREAS, the Board of Water and Light (the "Sponsor") sponsors the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light (the "VEBA"); and

WHEREAS, the cost of VEBA benefits is funded partially through the Trust Agreement for Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light (the "VEBA Trust"); and

WHEREAS, the Sponsor wants to amend the VEBA Trust to reflect current governance procedures and for other purposes.

THEREFORE, it is:

RESOLVED, that, after its review, and based on a recommendation from management, the Sponsor adopts and approves the attached amended and restated Trust Agreement for Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light; and

EXECUTIVE SUMMARY
TRUST AGREEMENT FOR THE LANSING BOARD OF WATER AND LIGHT
DEFINED BENEFIT PLAN FOR EMPLOYEES' PENSIONS

The Lansing Board of Water and Light (the "Board") sponsors the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions (the "Defined Benefit Plan"). The assets of the Defined Benefit Plan are held in trust pursuant to the terms of the Trust Agreement for the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions (the "Pension Trust Agreement"). In 2016, the Board created a formal Retirement Plan Committee (the "Committee") to which the Trustees of the Pension Trust Agreement delegated certain administration and investment authority. The Board also approved a Defined Benefit Plan Statement of Investment Policies, Procedures and Objectives that the Committee follows when exercising its investment authority relating to the Pension Trust Agreement.

In connection with its discharge of its administrative responsibilities relating to the Defined Benefit Plan, the Committee has reviewed the Pension Trust Agreement. Although the Defined Benefit Plan document was updated as recently as 2010, the related Pension Trust Agreement has not been updated since 1980. During its review, management identified several matters that it believes should be addressed in the Pension Trust Agreement. Those matters are summarized below and are addressed in the attached proposed restatement of the Pension Trust Agreement.

1. Delegation of Authority. The Board has created a Retirement Plan Committee to which certain duties have been delegated. The Pension Trust Agreement must reflect that governance structure.

2. Investment Powers. The Pension Trust Agreement list of permitted investments does not include mutual fund-type investments. Those investment alternatives must be added to the Pension Trust Agreement.

3. Non-Voting Board Members. Non-voting Board members do not serve as Defined Benefit Plan Trustees. The Pension Trust Agreement must include that rule.

4. Certain In-Service Payments. The Defined Benefit Plan document permits certain benefit payments to a former spouse pursuant to a divorce decree. The Pension Trust Agreement must also permit such payments.

5. Indemnification of Trustees. It is common that a trust agreement provides for the employer's indemnification of individual trustees against personal liability for actions taken in good faith, subject to certain limitations.

6. Miscellaneous. Miscellaneous revisions (such as a reference to compliance with the Internal Revenue Code) have been added to the Pension Trust Agreement.

Management recommends approval of the amended and restated Trust Agreement for the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions.

~~PENSION PLAN~~ **TRUST AGREEMENT FOR THE**

~~The ENTIRE MEMBERSHIP of the City of Lansing Board of Water and Light, a Michigan Municipal Corporation with its principal place of business at Lansing, Michigan (hereinafter referred to as the "Board" or the "Corporation") shall be TRUSTEE (hereinafter referred to as the "Trustee") of the pension plan hereinafter referred to.~~

WITNESSETH:

~~WHEREAS, The Board has established a retirement plan known as Plan for Employees Pensions, a copy of which plan is attached hereto, and a copy of which, as it may be amended from time to time, will be identified by the Secretary of the Board and filed with the Trustee and which plan, as amended from time to time, shall be called the "Plan"; and~~

~~WHEREAS, The Board desires to establish a trust to implement and carry out the provisions of the Plan,~~

~~NOW, THEREFORE, To carry the Plan into effect the Board itself and as Trustee does declare and agree:~~

**LANSING BOARD OF WATER AND LIGHT DEFINED BENEFIT PLAN
FOR EMPLOYEES' PENSIONS**

**TRUST AGREEMENT FOR THE
LANSING BOARD OF WATER AND LIGHT DEFINED BENEFIT PLAN
FOR EMPLOYEES' PENSIONS**

ARTICLE I

This amended and restated Trust Agreement is entered into between the Lansing Board of Water and Light (the "Board") and those individual members of the Board's governing board who are classified under the Board's policies as voting members of said governing board (collectively, the "Trustees"). The Board sponsors the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions (the "Pension Plan"). ~~The Board has established a trust to implement and carry out the purposes of the Pension Plan.~~ This Trust Agreement for the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions (the "Trust Agreement") amends and restates the preexisting Trust Agreement that was adopted by the Board's governing board on March 11, 1980.

ARTICLE I

1.1 ~~I.1 The Board hereby creates and establishes a trust to be known as the Board of Water and Light of the City of Lansing Employees Pension Fund Trust~~The Board hereby amends and restates the Trust Agreement in order to carry out purposes of this Pension Plan. This ~~trust~~Trust Agreement shall form a part of the Pension Plan. The words and phrases defined in the Pension Plan, when used in this Trust Agreement, shall have the same meaning as defined in the Pension Plan, unless the context clearly indicates otherwise.

~~I.2 The Entire Membership of the Board hereby accepts its appointment as Trustee hereunder and shall be a fiduciary under this Trust.~~

~~I.3 The Board shall have the responsibility and authority to control and manage the operation and administration of the Plan and shall be a named fiduciary under this Plan.~~

~~I.4~~

1.2 By his or her execution of this Trust Agreement, each Trustee acknowledges that he or she is a fiduciary with respect to the Pension Plan and this Trust and accepts the duties and responsibilities that are described herein. An individual Trustee (whether a current Trustee or an individual who becomes a Trustee in the future) shall cease to be a Trustee as of the first day on which he or she is no longer classified under the Board's policies as a voting member of the Board's governing board. Any individual who is not currently a Trustee shall become a Trustee as of the future date on which he or she becomes classified under the Board's policies as a voting member of the Board's governing board.

1.3 Funding Policy.

(a) The Board shall establish ~~the general objective of the funding policy for the Plan and the Entire Membership as Trustee shall establish a funding policy and method to~~

~~carry out the objectives of the Plan. The Board and the Entire Membership as Trustee shall periodically review and, if necessary, revise such funding policy and method.~~

~~ARTICLE H~~ and carry out a funding policy consistent with the purposes of the Plan and the requirements of applicable law, as may be appropriate from time to time. That funding policy shall be described in a written Investment Policy Statement (the "IPS"). As part of such funding policy, the Board shall from time to time direct the Trustees (or, if the Trustees have delegated investment discretion to the Retirement Plan Committee, then the Board shall direct the Retirement Plan Committee) to exercise their investment discretion so as to provide sufficient cash assets in an amount determined by the Board under the funding policy then in effect, to be necessary to meet the liquidity requirements for the administration of the Plan.

(b) The discretion of the Trustees (or their delegatee) in investing and reinvesting the principal and income of the Trust Fund shall be subject to such funding policy and IPS, and any changes thereto from time to time, as the Board may, pursuant to the Plan, adopt from time to time and communicate to the Trustees (or their delegatee) in writing. It shall be the duty of the Trustees (or their delegatee) to act strictly in accordance with such funding policy, and any changes therein, as so communicated to the Trustees (or their delegatee) from time to time in writing by the Board.

1.4 The Pension Plan, this Trust Agreement, and the Trust Fund that is maintained hereunder are intended to meet all of the relevant requirements of Sections 401(a) and 501(a) of the Internal Revenue Code of 1986, as amended from time to time.

ARTICLE II **THE TRUST FUND AND ITS ADMINISTRATION**

2.1 ~~H.1~~ The Trust Fund. The Trust Fund as at any date means all property of every kind then held by the ~~Trustee~~ Trustees.

2.2 ~~H.2~~ General Powers ~~General Powers~~

~~The Trustee shall have the following powers, rights, and duties in addition to those provided elsewhere in this agreement or by law:~~ The Trustees shall invest and reinvest the principal and income of the Trust Fund and keep the Trust Fund invested, without distinction between principal and income, in such securities or in such property, real or personal, tangible or intangible, or part interest therein, wherever situated, whether or not productive of income, or consisting of wasting assets, as the Trustees shall deem advisable, including but not limited to stocks, common or preferred, trust and participation certificates, interests in investment companies whether so-called "open-end mutual funds" or "closed-end mutual funds," common investment funds maintained, leaseholds, fee titles, bonds or notes and mortgages, and other evidences of indebtedness or ownership, irrespective of whether such securities or such property shall be of the character authorized by any state law from time to time for trust investments; provided, however, that investments shall be so diversified as to minimize the risk of large losses unless under the circumstances it is clearly prudent not to do so, in the sole

judgment of the person who is directing the investment of the Trust under the provisions hereof. The Trustees may, in their sole discretion, delegate this investment authority. The term “investment company” as used above shall include shares of open-end investment companies, including, without limiting the generality of the foregoing, such investment companies as are commonly known as “money market funds.” The Trustees shall use the price established and provided from time to time by any such open-end investment company for any valuation required under the terms of this Agreement.

The Trustees shall also have the following powers, rights, and duties in addition to those provided elsewhere in this Trust Agreement or by law:

(a) (a) ~~To~~ receive and hold all contributions paid to it under the Plan; provided, however, that the ~~Trustee~~ Trustees shall have no duty to require ~~that~~ any contributions received by ~~it~~ them comply with the Plan or with any resolution of the Board, ~~acting as such, providing therefore, in which the Board authorizes contributions to the Plan;~~

~~(b) To have the exclusive authority and discretion to invest and reinvest the Trust Fund in stocks, bonds, mortgages, notes or other property of any kind, real or personal as permitted by state law.~~

~~(c) To manage, sell, contract to sell, grant options with respect to convey, exchange, partition, transfer, abandon, improve, repair, insure, lease and otherwise deal with all property, real or personal, in such manner, for such considerations, and on such terms and conditions as the Trustee shall decide.~~

~~(d) To retain in cash (pending investment, reinvestment or payment of benefits) such portion of the Trust Fund as the Trustee considers advisable, and to deposit each in a depository, including any bank without liability for interest.~~

(b) (e) ~~To~~ compromise, contest, arbitrate or abandon claims or demands;

(c) (f) ~~To~~ have, with respect to the Trust Fund, all the rights of an individual owner (any of which may be delegated in accordance with applicable law), including the power to give proxies to vote stocks and other voting securities (and to delegate the power to give proxies to vote stocks and other voting securities), 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;

(d) (g) ~~To~~ hold securities or other property in the ~~name~~ names of the ~~Trustee~~ Trustees, or in such other forms as it deems best, with or without disclosing the Trust relationship provided the records of the ~~Trustee~~ Trustees shall indicate the actual ownership of such securities or other property;

(e) ~~(h)~~ ~~To~~ retain any funds or properties subject to any dispute without liability for the payment of interest, and to decline to make payment or delivery of any such funds or property until final adjudication is made by a court of competent jurisdiction-;

(f) ~~(i)~~ ~~To~~ make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be granted or appropriate to carry out the powers herein granted-;

(g) ~~(j)~~ ~~To~~ report to the Board as such on the last day of each Plan Year and on any Accounting Date (or as soon thereafter as is practicable) or at such other times as maybe required under the Plan, the then net worth of the Trust Fund, that is, the fair market value of all assets comprising the Trust Fund, reduced by any liabilities other than liabilities to ~~participant~~participants or former participants in the Plan and their beneficiaries, determined by the Trustee on the basis of such evidence, data or information as it considers pertinent and ~~liable~~reliable;

(h) ~~(k)~~ ~~To~~ furnish the Board an annual written account and accounts for such other periods as may be required under the Plan showing all investments, receipts, disbursements and other transactions made by the Trustee during the accounting period, and also showing the assets of the Trust Fund held at the end of the period-;

(i) ~~(l)~~ ~~To~~ pay an estate, inheritance, income or other tax, charge or assessment attributable to any benefit which in the Trustees' opinion, ~~it~~they shall or may be required to pay out of such benefit; and to require before making any payment such release or other documents from any lawful taxing authority and such indemnity from the intended payee as the ~~Trustee~~Trustees shall deem necessary for ~~it~~their protection-;

(j) ~~(m)~~ ~~To~~ begin, maintain or defend any litigation necessary in connection with the investment, reinvestment and administration of this Trust-;

(k) ~~(n)~~ ~~To~~ employ agents, attorneys, accountants, ~~registered investment advisors or actuaries, and~~ other persons (who also may be employed by the Board) for such purposes as the ~~Trustee considers~~Trustees consider desirable-;

(l) to periodically review and evaluate the actions of the Pension Plan Retirement Plan Committee (the "Committee") as it discharges its duties under its charter and under the Pension Plan Statement of Investment Policies, Procedures and Objectives (the "IPS") with regard to:

(1) selecting and providing direction to investment managers and investment consultants (as those respective terms are defined in the IPS), to any custodian of Pension Plan assets, and to other persons or entities that are retained by the Committee for the purpose of managing Pension Plan assets; and

(2) evaluating the overall investment performance of the Pension Plan assets;

(m) to report periodically to the Board regarding the results of the Trustees' review and evaluation of the Committee;

(n) ~~(e)~~ To perform any and all acts in its judgment necessary or appropriate for the proper and advantageous management, investment and distribution of the Trust Fund; and

(o) to delegate to any other person(s) or entity all or any part of the Trustees' powers, rights, and duties that are described in this Section 2.2. Any such delegation must be reported promptly to the Board. The delegation must be in writing (including by electronic mail) and must be kept with the Trustees' permanent records.

2.3 H.3 Exercise of ~~Trustee's~~ Trustees' Duties. Subject to the provisions of Article IV, the ~~Trustee~~ Trustees shall discharge ~~its~~ their duties hereunder solely in the interest of the Plan Participants and their beneficiaries, and:

(a) ~~(a)~~ For for the exclusive purpose of (i) providing benefits to Plan Participants and their beneficiaries, and (ii) defraying reasonable expenses of administering the Plan;

(b) ~~(b)~~ Withwith 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 the conduct of an enterprise of a like character and with like ~~a~~ aim; and

~~(c) ~~(e)~~ By diversifying the investment of the Plan so as to minimize the risk or large losses, unless under the circumstances it is clearly prudent not to do so by~~ discharging their duties that are described in Section 2.2(l) of this Trust Agreement.

2.4 H.4 Limit of ~~Trustee's~~ Trustees' Responsibility. The Board shall deliver to the ~~Trustee~~ Trustees a certified or executed copy of the Plan and any amendments thereto for convenience of reference but the rights, powers and duties of the ~~Trustee~~ Trustees shall be governed solely by the terms of this document without reference to the provisions of the Plan.

2.5 H.5 Payment of Benefits. Subject to the Article IV limitations, the ~~Trustee~~ Trustees shall from time to time on the written directions of the ~~Corporation~~ Board make payments out of the Trust Fund to such persons, including the ~~Corporation~~ Board, in such amounts and for such purposes as are specified in the written directions of the ~~Corporation~~ Board. To the extent permitted by law, the ~~Trustee~~ Trustees shall be under no liability for any payment made pursuant to the direction of the ~~Corporation~~ Board. Any written direction of the ~~Corporation~~ Board shall constitute a certification that the distribution or payment so directed is one which the ~~Corporation~~ Board is authorized to direct.

ARTICLE III

2.6 Trustee Indemnification. The Board agrees to indemnify and hold harmless each individual Trustee and all Trustees collectively against any and all claims, losses, damages, expenses and liabilities that the Trustee may incur in the exercise and performance of the

Trustee's powers and duties hereunder, except to the extent that said claim, loss, damage, expense and/or liability is determined to be due to the individual Trustee's gross negligence or willful misconduct.

2.7 Removal or Resignation of Trustee. Any Trustee may be removed by the Board at any time upon thirty (30) days' notice in writing to the Trustee and the Plan Administrator. The Trustee may resign at any time upon thirty (30) days' notice in writing to the Board. Upon such resignation or removal, the Board shall appoint a successor trustee and such successor trustee shall have the same powers and duties as those conferred upon the Trustee named in this Agreement. The removal of a Trustee and the appointment of a successor trustee shall be by written instrument delivered to the Trustee.

ARTICLE III **MISCELLANEOUS**

~~III-I Benefits may not be assigned or alienated.
The interest of Plan Participants and their beneficiaries under this Trust may not be voluntarily or involuntarily assigned or alienated.~~

3.1 Benefits May Not Be Assigned or Alienated. The Trust shall not be liable in any manner for, or subject to, the debts or liability of any Plan Participant, retired Plan Participant, or beneficiary. No right or benefit that is payable under the Plan shall ever be subject in any manner to alienation, sale, transfer, assignment, pledge or encumbrance or any kind, either voluntarily or involuntarily. This restriction shall not apply to the creation, assignment, or recognition pursuant to a domestic relations order of a right to any benefit that is payable with respect to a Participant if that domestic relations order is determined to be a "qualified domestic relations order" as that phrase is defined in Internal Revenue Code Section 414(p).

3.2 ~~III-2~~ Evidence. Evidence required of anyone under this Trust may be by certificate, affidavit, document or other instrument which the person acting in reliance thereon considers pertinent and reliable and signed, made or presented by the proper party.

3.3 ~~III-3~~ Waiver of Notice. Any notice required under this Trust may be waived by the person entitled thereto.

3.4 ~~III-4~~ Counterparts. This Trust may be executed in any ~~n-umber~~number of counterparts, each of which shall be deemed an original and no other counterpart need be produced.

3.5 ~~III-5~~ Governing Laws. This Trust shall be construed and administered according to the laws of the State of Michigan to the extent that such laws are not preempted by the laws of the United States of America.

3.6 ~~III-6~~ Successor, etc. The provisions of this Trust shall be binding on the Board and the Trustee and their successors and on all persons entitled to benefits under the Plan and their respective heirs and legal representatives.

3.7 ~~III.7~~ Successor Employer Sponsor. ~~If a successor to the Board or a purchaser of all or substantially all of the Board assets elects to continue the Plan.~~ In the event of the dissolution, merger, consolidation or reorganization of the Board, provision may be made by which the Plan and Trust will be continued by its successor; and, in that event, such successor ~~or purchaser~~ shall be substituted for the Board under ~~this Trust~~ the Plan. The substitution of the successor shall constitute an assumption of the Board's Plan liabilities by the successor and the successor shall have all the powers, duties, and responsibilities of the Board under the Plan.

~~ARTICLE IV~~

ARTICLE IV

NO REVERSION TO BOARD

~~IV.1~~ No part of the corpus or income of the Trust Fund shall revert to the Board or be used for or diverted to, purposes other than for the exclusive benefit of Participants and their beneficiaries.

Anything contained in this Agreement to the contrary notwithstanding, it shall be impossible at any time prior to the satisfaction of all liabilities with respect to participants and their beneficiaries, for any part of the Trust Fund to be used for or diverted to purposes other than for the exclusive benefit of the participants under the Plan and their beneficiaries, except that payment of taxes and administration expenses may be made from the Trust Fund. In the case of the termination of the Plan, any residual assets of the Plan may be distributed to the ~~Corporation~~ Board at the direction of the ~~Corporation~~ Board if all liabilities of the Plan to participants and their beneficiaries have been satisfied and the distribution does not contravene any provision of law.

~~ARTICLE V~~

ARTICLE V

AMENDMENT AND TERMINATION

5.1 ~~V.1~~ Amendments. Subject to the provisions of Article V, the Board reserves the right to amend the Trust at any time by action of the Board ~~of Water and Light~~ or of a person designated by resolution of the Board ~~of Water and Light~~, except that no amendment shall change the rights, duties and liabilities of the Trustee under the Trust without its consent.

5.2 ~~V.2~~ Termination. If the Plan is terminated, all of the provisions of the Trust evidenced by the Trust, nevertheless shall continue in effect until the Trust Fund has been distributed by the Trustee in accordance with the Plan as directed by the Board.

[Signature page follows.]

THE LANSING BOARD OF WATER AND LIGHT

Date: _____

By: _____

Its: _____

THE TRUSTEES

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

~~Adopted by Board 3-11-80~~

Document comparison by Workshare Compare on Wednesday, June 28, 2017
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Rendering set	Standard

Legend:	
Insertion	
Deletion	
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<u>Moved to</u>	
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Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
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Padding cell	

Statistics:	
	Count
Insertions	142
Deletions	111
Moved from	7
Moved to	7
Style change	0
Format changed	0

Total changes	267
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**TRUST AGREEMENT FOR THE
LANSING BOARD OF WATER AND LIGHT DEFINED BENEFIT PLAN
FOR EMPLOYEES' PENSIONS**

**TRUST AGREEMENT FOR THE
LANSING BOARD OF WATER AND LIGHT DEFINED BENEFIT PLAN
FOR EMPLOYEES' PENSIONS**

This amended and restated Trust Agreement is entered into between the Lansing Board of Water and Light (the "Board") and those individual members of the Board's governing board who are classified under the Board's policies as voting members of said governing board (collectively, the "Trustees"). The Board sponsors the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions (the "Pension Plan"). The Board has established a trust to implement and carry out the purposes of the Pension Plan. This Trust Agreement for the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions (the "Trust Agreement") amends and restates the preexisting Trust Agreement that was adopted by the Board's governing board on March 11, 1980.

ARTICLE I

1.1 The Board hereby amends and restates the Trust Agreement in order to carry out purposes of this Pension Plan. This Trust Agreement shall form a part of the Pension Plan. The words and phrases defined in the Pension Plan, when used in this Trust Agreement, shall have the same meaning as defined in the Pension Plan, unless the context clearly indicates otherwise.

1.2 By his or her execution of this Trust Agreement, each Trustee acknowledges that he or she is a fiduciary with respect to the Pension Plan and this Trust and accepts the duties and responsibilities that are described herein. An individual Trustee (whether a current Trustee or an individual who becomes a Trustee in the future) shall cease to be a Trustee as of the first day on which he or she is no longer classified under the Board's policies as a voting member of the Board's governing board. Any individual who is not currently a Trustee shall become a Trustee as of the future date on which he or she becomes classified under the Board's policies as a voting member of the Board's governing board.

1.3 Funding Policy.

(a) The Board shall establish and carry out a funding policy consistent with the purposes of the Plan and the requirements of applicable law, as may be appropriate from time to time. That funding policy shall be described in a written Investment Policy Statement (the "IPS"). As part of such funding policy, the Board shall from time to time direct the Trustees (or, if the Trustees have delegated investment discretion to the Retirement Plan Committee, then the Board shall direct the Retirement Plan Committee) to exercise their investment discretion so as to provide sufficient cash assets in an amount determined by the Board under the funding policy then in effect, to be necessary to meet the liquidity requirements for the administration of the Plan.

(b) The discretion of the Trustees (or their delegatee) in investing and reinvesting the principal and income of the Trust Fund shall be subject to such funding policy and IPS, and any changes thereto from time to time, as the Board may, pursuant to the Plan, adopt from time to time and communicate to the Trustees (or their delegatee) in writing. It shall be the duty of the Trustees (or their delegatee) to act strictly in accordance with such funding

policy, and any changes therein, as so communicated to the Trustees (or their delegatee) from time to time in writing by the Board.

1.4 The Pension Plan, this Trust Agreement, and the Trust Fund that is maintained hereunder are intended to meet all of the relevant requirements of Sections 401(a) and 501(a) of the Internal Revenue Code of 1986, as amended from time to time.

ARTICLE II THE TRUST FUND AND ITS ADMINISTRATION

2.1 The Trust Fund. The Trust Fund as at any date means all property of every kind then held by the Trustees.

2.2 General Powers. The Trustees shall invest and reinvest the principal and income of the Trust Fund and keep the Trust Fund invested, without distinction between principal and income, in such securities or in such property, real or personal, tangible or intangible, or part interest therein, wherever situated, whether or not productive of income, or consisting of wasting assets, as the Trustees shall deem advisable, including but not limited to stocks, common or preferred, trust and participation certificates, interests in investment companies whether so-called "open-end mutual funds" or "closed-end mutual funds," common investment funds maintained, leaseholds, fee titles, bonds or notes and mortgages, and other evidences of indebtedness or ownership, irrespective of whether such securities or such property shall be of the character authorized by any state law from time to time for trust investments; provided, however, that investments shall be so diversified as to minimize the risk of large losses unless under the circumstances it is clearly prudent not to do so, in the sole judgment of the person who is directing the investment of the Trust under the provisions hereof. The Trustees may, in their sole discretion, delegate this investment authority. The term "investment company" as used above shall include shares of open-end investment companies, including, without limiting the generality of the foregoing, such investment companies as are commonly known as "money market funds." The Trustees shall use the price established and provided from time to time by any such open-end investment company for any valuation required under the terms of this Agreement.

The Trustees shall also have the following powers, rights, and duties in addition to those provided elsewhere in this Trust Agreement or by law:

(a) to receive and hold all contributions paid to it under the Plan; provided, however, that the Trustees shall have no duty to require that any contributions received by them comply with the Plan or with any resolution of the Board in which the Board authorizes contributions to the Plan;

(b) to compromise, contest, arbitrate or abandon claims or demands;

(c) to have, with respect to the Trust Fund, all the rights of an individual owner (any of which may be delegated in accordance with applicable law), including the power to give proxies to vote stocks and other voting securities (and to delegate the power to give proxies to vote stocks and other voting securities), 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;

(d) to hold securities or other property in the names of the Trustees, or in such other forms as it deems best, with or without disclosing the Trust relationship provided the records of the Trustees shall indicate the actual ownership of such securities or other property;

(e) to retain any funds or properties subject to any dispute without liability for the payment of interest, and to decline to make payment or delivery of any such funds or property until final adjudication is made by a court of competent jurisdiction;

(f) to make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be granted or appropriate to carry out the powers herein granted;

(g) to report to the Board as such on the last day of each Plan Year and on any Accounting Date (or as soon thereafter as is practicable) or at such other times as maybe required under the Plan, the then net worth of the Trust Fund, that is, the fair market value of all assets comprising the Trust Fund, reduced by any liabilities other than liabilities to participants or former participants in the Plan and their beneficiaries, determined by the Trustee on the basis of such evidence, data or information as it considers pertinent and reliable;

(h) to furnish the Board an annual written account and accounts for such other periods as may be required under the Plan showing all investments, receipts, disbursements and other transactions made by the Trustee during the accounting period, and also showing the assets of the Trust Fund held at the end of the period;

(i) to pay an estate, inheritance, income or other tax, charge or assessment attributable to any benefit which in the Trustees' opinion, they shall or may be required to pay out of such benefit; and to require before making any payment such release or other documents from any lawful taxing authority and such indemnity from the intended payee as the Trustees shall deem necessary for their protection;

(j) to begin, maintain or defend any litigation necessary in connection with the investment, reinvestment and administration of this Trust;

(k) to employ agents, attorneys, accountants, actuaries, and other persons (who also may be employed by the Board) for such purposes as the Trustees consider desirable;

(l) to periodically review and evaluate the actions of the Pension Plan Retirement Plan Committee (the "Committee") as it discharges its duties under its charter and under the Pension Plan Statement of Investment Policies, Procedures and Objectives (the "IPS") with regard to:

(1) selecting and providing direction to investment managers and investment consultants (as those respective terms are defined in the IPS), to any custodian of Pension Plan assets, and to other persons or entities that are retained by the Committee for the purpose of managing Pension Plan assets; and

(2) evaluating the overall investment performance of the Pension Plan assets;

(m) to report periodically to the Board regarding the results of the Trustees' review and evaluation of the Committee;

(n) to perform any and all acts in its judgment necessary or appropriate for the proper and advantageous management, investment and distribution of the Trust Fund; and

(o) to delegate to any other person(s) or entity all or any part of the Trustees' powers, rights, and duties that are described in this Section 2.2. Any such delegation must be reported promptly to the Board. The delegation must be in writing (including by electronic mail) and must be kept with the Trustees' permanent records.

2.3 Exercise of Trustees' Duties. Subject to the provisions of Article IV, the Trustees shall discharge their duties hereunder solely in the interest of the Plan Participants and their beneficiaries, and:

(a) for the exclusive purpose of (i) providing benefits to Plan Participants and their beneficiaries, and (ii) defraying reasonable expenses of administering the Plan;

(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 the conduct of an enterprise of a like character and with like aim; and

(c) by discharging their duties that are described in Section 2.2(1) of this Trust Agreement.

2.4 Limit of Trustees' Responsibility. The Board shall deliver to the Trustees a certified or executed copy of the Plan and any amendments thereto for convenience of reference but the rights, powers and duties of the Trustees shall be governed solely by the terms of this document without reference to the provisions of the Plan.

2.5 Payment of Benefits. Subject to the Article IV limitations, the Trustees shall from time to time on the written directions of the Board make payments out of the Trust Fund to such persons, including the Board, in such amounts and for such purposes as are specified in the written directions of the Board. To the extent permitted by law, the Trustees shall be under no liability for any payment made pursuant to the direction of the Board. Any written direction of the Board shall constitute a certification that the distribution or payment so directed is one which the Board is authorized to direct.

2.6 Trustee Indemnification. The Board agrees to indemnify and hold harmless each individual Trustee and all Trustees collectively against any and all claims, losses, damages, expenses and liabilities that the Trustee may incur in the exercise and performance of the Trustee's powers and duties hereunder, except to the extent that said claim, loss, damage, expense and/or liability is determined to be due to the individual Trustee's gross negligence or willful misconduct.

2.7 Removal or Resignation of Trustee. Any Trustee may be removed by the Board at any time upon thirty (30) days' notice in writing to the Trustee and the Plan Administrator. The Trustee may resign at any time upon thirty (30) days' notice in writing to the Board. Upon such resignation or removal, the Board shall appoint a successor trustee and such successor trustee shall have the same powers and duties as those conferred upon the Trustee named in this Agreement. The removal of a Trustee and the appointment of a successor trustee shall be by written instrument delivered to the Trustee.

ARTICLE III MISCELLANEOUS

3.1 Benefits May Not Be Assigned or Alienated. The Trust shall not be liable in any manner for, or subject to, the debts or liability of any Plan Participant, retired Plan Participant, or beneficiary. No right or benefit that is payable under the Plan shall ever be subject in any manner to alienation, sale, transfer, assignment, pledge or encumbrance or any kind, either voluntarily or involuntarily. This restriction shall not apply to the creation, assignment, or recognition pursuant to a domestic relations order of a right to any benefit that is payable with respect to a Participant if that domestic relations order is determined to be a "qualified domestic relations order" as that phrase is defined in Internal Revenue Code Section 414(p).

3.2 Evidence. Evidence required of anyone under this Trust may be by certificate, affidavit, document or other instrument which the person acting in reliance thereon considers pertinent and reliable and signed, made or presented by the proper party.

3.3 Waiver of Notice. Any notice required under this Trust may be waived by the person entitled thereto.

3.4 Counterparts. This Trust may be executed in any number of counterparts, each of which shall be deemed an original and no other counterpart need be produced.

3.5 Governing Laws. This Trust shall be construed and administered according to the laws of the State of Michigan to the extent that such laws are not preempted by the laws of the United States of America.

3.6 Successor, etc. The provisions of this Trust shall be binding on the Board and the Trustee and their successors and on all persons entitled to benefits under the Plan and their respective heirs and legal representatives.

3.7 Successor Sponsor. In the event of the dissolution, merger, consolidation or reorganization of the Board, provision may be made by which the Plan and Trust will be continued by its successor; and, in that event, such successor shall be substituted for the Board under the Plan. The substitution of the successor shall constitute an assumption of the Board's Plan liabilities by the successor and the successor shall have all the powers, duties, and responsibilities of the Board under the Plan.

**ARTICLE IV
NO REVERSION TO BOARD**

No part of the corpus or income of the Trust Fund shall revert to the Board or be used for or diverted to, purposes other than for the exclusive benefit of Participants and their beneficiaries.

Anything contained in this Agreement to the contrary notwithstanding, it shall be impossible at any time prior to the satisfaction of all liabilities with respect to participants and their beneficiaries, for any part of the Trust Fund to be used for or diverted to purposes other than for the exclusive benefit of the participants under the Plan and their beneficiaries, except that payment of taxes and administration expenses may be made from the Trust Fund. In the case of the termination of the Plan, any residual assets of the Plan may be distributed to the Board at the direction of the Board if all liabilities of the Plan to participants and their beneficiaries have been satisfied and the distribution does not contravene any provision of law.

**ARTICLE V
AMENDMENT AND TERMINATION**

5.1 Amendments. Subject to the provisions of Article V, the Board reserves the right to amend the Trust at any time by action of the Board or of a person designated by resolution of the Board, except that no amendment shall change the rights, duties and liabilities of the Trustee under the Trust without its consent.

5.2 Termination. If the Plan is terminated, all of the provisions of the Trust evidenced by the Trust, nevertheless shall continue in effect until the Trust Fund has been distributed by the Trustee in accordance with the Plan as directed by the Board.

[Signature page follows.]

THE LANSING BOARD OF WATER AND LIGHT

Date: _____

By: _____

Its: _____

THE TRUSTEES

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

RESOLUTION 2017-_____

**Amendment and Restatement of Trust Agreement for the
Lansing Board of Water and Light Defined Benefit Plan
for Employees' Pensions**

WHEREAS, the Board of Water and Light (the "Sponsor") sponsors the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions (the "Defined Benefit Plan"); and

WHEREAS, the cost of Defined Benefit Plan benefits is funded through the Trust Agreement for the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions (the "Pension Trust Agreement"); and

WHEREAS, the Sponsor wants to amend the Pension Trust Agreement to reflect current governance procedures and for other purposes.

THEREFORE, it is:

RESOLVED, that, after its review, and based on a recommendation from management, the Sponsor adopts and approves the attached amended and restated Trust Agreement for the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions; and

COMMITTEE OF THE WHOLE
Meeting Minutes
July 11, 2017

The Committee of the Whole of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 5:30 p.m. on Tuesday, July 11, 2017.

Committee of the Whole Chair Tony Mullen called the meeting to order and asked the Corporate Secretary to call the roll.

Present: Commissioners Tony Mullen, Beth Graham, Dennis M. Louney, Anthony McCloud, David Price, Ken Ross, Tracy Thomas, and Sandra Zerkle and Non-Voting Members: William Long (Delta Township) and Robert Nelson (East Lansing).

Absent: None.

The Corporate Secretary declared a quorum.

Public Comments

None.

Governance Policy Resolution

Commissioner Mullen shared information regarding the tabled agenda item.

Motion by Commissioner Price, **Seconded** by Commissioner Graham to take the Governance Policy Resolution and the edited draft Governance Policy from the table.

Discussion: None.

Action: Motion Carried.

Motion by Commissioner Louney to amend item 5), now item 6), to add the sentence *This policy is not intended to prevent a commissioner from fulfilling their appointed duties in representing the rate payers of the Lansing Board of Water and Light.* **Motion, was not supported.**

After some discussion, it was determined that the additional sentence did not add to or take away from the policy and was unnecessary to amend.

Motion withdrawn.

Motion by Commissioner Price, **Seconded** by Commissioner McCloud to accept the Governance Policy Resolution with the proposed edits and forward to the Board for consideration.

Discussion: Discussion transpired regarding edits for the following sections:

- Edit Section 1) d by removing the General Manager wording after “monitor organizational performance” as there are other sources from which communication is received.
- Section 2) a by removing “at all times,” due to the broadness of the wording, and replacing it with “in capacity as a board member;” and also, removing the second sentence as all issues that are in reference to the Board of Water and Light require this loyalty and responsibility.
- Edit Section 2) b ii by adding “or other Designee” for times when the Chair is not available to speak; by removing the third sentence as unnecessary or redundant.
- Edit Section 2) b iii and 2) b v by removing as unnecessary or redundant.
- Edit Section 4) a by removing the Board’s only formal connections to the BWL wording as the Board is formally connected to the BWL as the governing body.
- Edit policy by adding an additional section to provide for conducting Commissioner self-evaluations.

Action: Motion Carried.

Committee of the Whole Chair Tony Mullen recessed the meeting at 7:01 p.m. and reconvened the meeting at 7:12 pm.

Approval of Minutes

Motion by Commissioner McCloud, **Seconded** by Commissioner Thomas to approve the Committee of the Whole meeting minutes of May 9, 2017.

Action: Motion Carried.

North American Electric Reliability Corporation (NERC) Update

General Manager, Dick Peffley, introduced Robert Lalonde, Manager of Bulk Power, who provided the Commissioners with a North American Electric Reliability Corporation (NERC) update. Mr. Lalonde provided historical information on the formation of NERC and how it led to mandatory compliance with developed standards approved by the Federal Energy Regulatory Commission (FERC). He stated that NERC is an authority assigned with ensuring the reliability of the bulk electric system.

Mr. Lalonde’s presentation included information on the responsibilities developed for the Internal Compliance Program to measure and maintain compliance to standards applicable to the Board of Water & Light, as well as information on self-reporting standards, Critical Infrastructure Protection standards for the BWL and self-reports.

Easement Grant Board of Water and Light to Consumers Energy Resolution

General Manager Peffley introduced General Counsel Brandie Ekren, who provided information on the grant request for an easement to Consumers Energy Company to allow construction of gas lines and pipelines. The said easement grant request will be effective upon Lansing City Council’s approval. After a short discussion regarding additional language to the resolution the following motion was offered:

Motion by Commissioner Ross, **Seconded** by Commissioner Zerkle to forward the two proposed resolutions with the additional wording of *“Please see the attached documents”* to identify the properties for the easement grants to the full Board for consideration.

Action: Motion Carried.

Rules and Regulations FY 2018

General Manager, Dick Peffley, introduced Ray Moore, Manager of Customer Projects, who reviewed the 2018 Fiscal Year Rules and Regulations. Ray Moore also stated that, under the current electric vehicle program, the BWL will pay \$1,000 toward the installation of a Level II electric car charging station if you are an AP owner and the BWL has installed 22 charging stations.

RULES AND REGULATIONS UPDATE For Fiscal Year 2018

Electric, Water, Steam and Chilled Water

- Revision of Rule 2, **General Provisions**
 - 2.1.E - Added language to clarify that ownership does not pass to Customer for paying a deposit or contribution and the deposit is not refundable unless stated in these Rules.
 - 2.1.F - Added language to provide notice that multiple reconnect fees may be charged when multiple services require reconnection.
- Revision of Rule 3.1.B, **Characteristics of Service, Character of Service**
 - Added language to clarify, based on the BWL’s claims experience, the BWL is not liable for damage caused by conditions beyond its control.
- Revision of Rule 4.1.A, **Use of Service, General**
 - Language added to include a statement to prohibit actions by the customer that are dangerous or disruptive to service.
- Revision of Rule 4.2.A, **Use of Service, Access and Damages**
 - Added definition of maintenance.
 - Added language to expressly include removal of anything, including trees, that may interfere with maintenance of BWL facilities.
- Revision of Rule 4.2.C&D **Use of Service, Access and Damages**
 - Added language to include a prohibition against intentional interference by a customer with BWL access, and notice of the resulting fee and Customer responsibility for any losses or damage associated with failure to provide access.
- Revision of Rule 4.3.A, **Use of Service, Customer Equipment/Customer Piping and Equipment**
 - Added language to state the BWL may deny or terminate service to protect the public health and welfare.
 - Added language to expand upon and clarify that the BWL is not responsible for installing, inspecting, repairing, maintaining, testing, or removing customer equipment.
- Revision of Rule 4.3.B, **Use of Service, Customer Equipment/Customer Piping and Equipment**
 - Added language to account for damages to wiring or equipment caused by BWL planned or emergency work and states that the BWL will repair customer wiring or equipment.

- Revision of Rule 4.5.B&C (Water, Steam, & CW) /4.6.B&C (Electric), **Use of Service, Improper Use and Tampering**
 - Revisions to impose responsibility upon non-Customers for improper use of or tampering with service.
- Revision of Rule 4.6.B (Water, Steam, CW) 4.7. B (Electric), **Use of Service, Disconnection of Service**
 - Added language to encourage customers to be present at the time of service disconnections while also recognizing being present may not always be possible and informs customers they may be responsible for any consumption that takes place if the disconnection is ineffective.
- Revision of Rule 4.6.B.1.a (Water, Steam) 4.7.B.1.a (Electric), **Use of Service, Disconnection of Service, Customer Request**
 - Added language to account for non-owners, such as tenants, requesting disconnection of service.
- Revision of Rule 4.6.B.3 (Water, Steam, CW) 4.7.B.3 (Electric), **Use of Service, Disconnection of Service, Other**
 - Added language to account for disconnection when the BWL no longer serves a territory or customer choice is an alternative.
- Revision of Revision of Rule 7.1.D, **Bills and Payments, Responsibility for Payment of Bills**
 - Added language to align with industry standard practice that requires a deposit from a new customer if a delinquent customer account holder resides at the same service location as the new customer.
- Revision of Rule 9.7.A (CW), 9.12.A (Steam)10.7.A (Electric), 10.12.A (Water), **Distribution System Extensions, Easements**
 - Added language to further clarify that maintenance includes, among other things, tree trimming or removal, restoration, replacement, construction, and relocation.
- Revision of Rule 16/12, **Schedule of Fees and Charges, Connect (turn-on/turn-off) Fee**
 - Changed language to reflect actual hours of operation of the BWL Customer Service Department.

Electric

- Revision of Rule 3.3.A, **Service Conditions, Dual Voltage Transformers**
 - Changed language to alleviate situations where existing 4160 volt customers who either own the distribution transformers, or the electric rate requires them to provide the transformers and where their financial responsibility of replacement is an impediment to the BWL expeditiously completing the conversion to 13.2kV operation.
- Revision of Rule 10.14.A.1, **Distribution System Extensions, General, Outdoor Protective Lighting**
 - Added language to clarify the existence of BWL facilities on utility grade poles and so customers understand BWL OPL's are not allowed on customer owned poles.
- Revision of Rule 11.2.B Services, **For Electric Service Upgrade**
 - Added language to inform customer to contact BWL utility Services for service upgrades and that the customer is responsible for complying with BWL requirements.
- Revision of Rule 11.8.B **Services, Multi-Dwelling Structure Services**

- Added language to bring rule in line with current practice for installing secondary service conductors.
- Revision of Rule 11.9.A **Services, Conversion of Existing Overhead Electric Service**
 - Added language to clarify times the BWL must consider other projects and operational needs. While it is possible to honor Customer's request, it may be a burden on the rate payers.

Water

- Revision of Rule 4.3.C **Use of Service, Customer Piping and Equipment**
 - Revision to state the Customer is responsible for the condition of their own building and core holes because there are instances where we patched the core hole but it doesn't mean maintenance is retained by the BWL.
- Revision of Rule 5.6.D **Metering, Damaged Metering Equipment**
 - Revision to give examples of damage beyond the Customer's control.

Steam

- Revision of Rule 4.3.C **Use of Service, Customer Piping and Equipment**
 - Revision to state the Customer is responsible for the condition of their own building and core holes because there are instances where we patched the core hole but it doesn't mean maintenance is retained by the BWL.
- Revision of Rule 5.5.C **Metering, Damaged Metering Equipment**
 - Revision to give examples of damage beyond the Customer's control.

Chilled Water

- Revision of Rule 4.3.C **Use of Service, Customer Piping and Equipment**
 - Revision to state the Customer is responsible for the condition of their own building and core holes because there are instances where we patched the core hole but it doesn't mean maintenance is retained by the BWL.

Motion by Commissioner Ross, **Seconded** by Commissioner McCloud to present the resolution for the acceptance of the proposed changes to the FY 2018 Rules and Regulations to full Board for consideration.

Action: Motion Carried.

Amendments and Restatements of Retirement Plans

After a discussion with General Manager Peffley and CFO Heather Shawa, Committee of the Whole Chair Mullen pulled from the agenda item #6, Amendments and Restatements of Retirement Plans, due to time constraints. (These items will be addressed at a later date.)

Public Comment

None.

Other

General Manager Peffley provided the Committee with a copy of a letter that commended the BWL on tree trimming services that were provided in East Lansing. This letter was submitted by the president of an East Lansing Neighborhood Association.

Commissioners acknowledged the efforts for the “Under the Bridge” project that kicked off last week.

Adjourn

Motion by Commissioner Price, **Seconded** by Commissioner Thomas to adjourn the meeting.

Meeting adjourned at 8:15 p.m.

Respectfully Submitted
Tony Mullen, Chair
Committee of the Whole

PROPOSED RESOLUTION
2018 Regular Board Meeting Schedule

In accordance with the Lansing Board of Water & Light's Rules of Administrative Procedure, a schedule of dates, places, and times for each regular meeting of the Board of Commissioners for the calendar year shall be adopted in November.

RESOLVED, that regular meetings of the Lansing Board of Water & Light's Board of Commissioners are hereby set for calendar year 2018 as follows, unless otherwise notified or as a result of date conflicts with rescheduled City Council meetings:

2018

Lansing Board of Water & Light Board of Commissioners
Regular Board Meeting Schedule

Tuesday	January 23
Tuesday	March 27
Tuesday	May 22
Tuesday	July 24
Tuesday	September 25
Tuesday	November 13

Meetings will be held in the Lansing Board of Water & Light REO Town Depot located at 1201 S. Washington Ave., Lansing, MI at 5:30 p.m.

RESOLVED FURTHER, that a notice of the meeting schedule shall be published in a newspaper of general circulation in Ingham County the week of January 1, 2018.

**Timeline and Progress Report:
BWL Strategic Plan 2016-2020**

Strategy 1: Customer Experience

Goal: Enhance the Customer Experience

■ On Track
 ■ Caution
 ■ Late
 ■ Complete

Objective 1: Anticipate and Meet Customer Expectations

Task 1.1a	Status	Milestones
Routinely survey customers to assess their needs Strategic Task Owner: Customer Service / Bob Perialas	2017	Draft, finalize and conduct customer survey
	2018	Assess survey results; establish baseline; and consider options to respond to survey results
	2019	Implement survey findings
	2020	Reevaluate survey and baseline, conduct new survey if necessary

Task 1.1b	Timeline	Milestones
Customize and personalize products, services, and information access to address customer needs Strategic Task Owner: Customer Service / Bob Perialas	2017	Review payment process options; official kickoff of AMI Deployment
	2018	Implement new payment solution; Select new CIS platform; enhance energy usage customer experience via MDM portal
	2019	Design integrated Customer Portal as part of the AMI and CIS implementations
	2020	Continue enhancements and access for customers to use "Self Service" while maintaining human element

Objective 2: Improve Customer Interactions and Communications through Phone, Web, and Mobile Devices

Task 1.2a	Timeline	Milestones
Undertake a customer experience survey and determine best-in-class processes and technology Strategic Task Owner: ITD / Kim Ingram	2017	Undertake industry best practices survey
	2018	Evaluate survey results for "best fit" with BWL customer needs and infrastructure
	2019	Implement enhanced customer communications options
	2020	Continue to evaluate and implement enhanced customer communications options

Task 1.2b	Timeline	Milestones
Continue the implementation of advanced metering infrastructure (AMI) throughout the BWL system Strategic Task Owner: ITD / Kim Ingram	2017	Review and recommend infrastructure for ESB and AMI deployment
	2018	Partial implementation of water /electric meters and network and integrations to Existing CIS
	2019	Continue implementation and integrate with OMS and GIS; begin to align business analytics
	2020	Complete implementation of AMI deployment, begin integration with new CIS and investigate leveraging

Task 1.2c	Timeline	Milestones
Implement new industry technologies that take advantage of AMI by giving customers access to their usage data and helping them manage their use, e.g. through access to thermostats and appliances Strategic Task Owner: ITD / Kim Ingram and Energy & Eco Strategies/ Sue Warren	2017	NA
	2018	Review, evaluate and analyze new technology options
	2019	Begin implementation of new technologies
	2020	Continue to deploy new technologies

Task 1.2d	Timeline	Milestones
Implement new technologies that provide customers with services more closely tailored to their needs, including better access to their account information, payments, and turn-on and turn-off services Strategic Task Owner: ITD / Kim Ingram and Customer Service/ Bob Perialas	2017	RFP for new payment processing vendor and kiosk solution. Vendor selected.
	2018	Implementation of new payment processing and kiosk solution, Customer Information System (CIS) RFP development
	2019	CIS Implementation
	2020	CIS Implementation

Task 1.2e	Timeline	Milestones
Provide best-in-class outage reporting, restoration, and communication Strategic Task Owner: ITD / Kim Ingram and Lynn McKinstry/System Operations	2017	Procure Advanced Distribution Management System solution to replace Outage Management System and Energy Management System.
	2018	Implement OMS with secure customer interface (Phase 1) and kick-off EMS (Phase 2)
	2019	Finalize and implement EMS (Phase 2) and track outage map reliability
	2020	Complete project; turn over to business owner (System Operations); IT maintenance and support

Objective 3: Provide Customer-Focused Rates

Task 1.3a	Timeline	Milestones
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Timeline and Progress Report:

BWL Strategic Plan 2016-2020

Review and revise rate structures to respond to changing customer composition and needs, such as time-of-use rates	2017	Training for new rate concepts; Internal review of rate structure: RFP for Rate Design consultant
	2018	Complete Phase 1 Rate Design and implement the resulting 2/1/2018 Rate Changes
	2019	Implement Phase 1 Rate Design's 2/1/2019 Rate Changes
Strategic Task Owner: Technical Services / Mark Matus and Finance/Scott Taylor	2020	Implement Phase 1 Rate Design's 2/1/2020 Rate Changes; Begin Phase 2 Rate Design w/new Smart Grid & CIS

Timeline and Progress Report: BWL Strategic Plan 2016-2020

Strategy 2: Community Involvement

Goal: Enhance the Well-Being of our Customers and Community

■ On Track
 ■ Caution
 ■ Late
 ■ Complete

Objective 1: Be a Catalyst for Economic and Community Development

Task 2.1a	Timeline	Milestones
Keep rates competitive Strategic Task Owner: Finance / Scott Taylor	2017	Develop and recommend multi-year rate strategy following a cost of service study
	2018	Implement multi-year rate strategy
	2019	Identify and begin implementing Operational Process Improvement Efficiencies
	2020	Continue to Implement Operational Process Improvement Efficiencies

Task 2.1b	Timeline	Milestones
Serve as a partner with regional economic development agencies to promote economic growth in the greater Lansing community Strategic Task Owner: Planning & Development / George Stojic	2017	Monthly meetings w/Tri County Regional, LEAP, BOMA, EL Planning and Delta Twp.
	2018	Continue monthly meetings; Evaluate strategies, partnerships, economic development initiatives and make appropriate changes
	2019	Continue monthly meetings; Evaluate strategies, partnerships, economic development initiatives and make appropriate changes
	2020	Continue monthly meetings; Evaluate strategies, partnerships, economic development initiatives and make appropriate changes

Objective 2: Contribute to Lansing's Social and Cultural Environment

Task 2.2a	Timeline	Milestones
Continue to promote sustainability within the Lansing community through the BWL's energy efficiency and renewable energy programs and partnership with the Mayor's Live Green Lansing program Strategic Task Owner: Energy & Eco Strategies / Sue Warren	2017	Scraps-to-Soil Pilot; EE Programs; Community Solar (East Lansing 300 Kw)
	2018	Evaluate options for sustainability projects per settlements with Sierra Club and EPA; continue existing programs
	2019	Explore opportunities for partnership with local sustainability efforts; continue existing programs
	2020	Explore opportunities for partnership with local sustainability efforts; continue existing programs

Task 2.2b	Timeline	Milestones
Continue to sponsor cultural events that enrich the greater Lansing's social fabric and make it an attractive place to live and work Strategic Task Owner: Public Affairs / Steve Serkaian	2017	Adopt A River; BWL 5k; Golf 4 Charity; Chili Cook-Off; Presenting Sponsor for Silver Bells in the City
	2018	Review participation, event formats, explore event options, and continue to modify as appropriate
	2019	Review participation, event formats, explore event options, and continue to modify as appropriate
	2020	Review participation, event formats, explore event options, and continue to modify as appropriate

Task 2.2c	Timeline	Milestones
Continue to be environmental leaders Strategic Task Owner: Technical Services / Mark Matus	2017	Wind PPA; Solar (groSolar & Community); Hometown Energy Savers; Evaluate New Hydro; RecycleRama and Adopt A River
	2018	Reevaluate renewable portfolio; Hometown Energy Savers program; a look for new opportunities to advance sustainability in the region
	2019	Reevaluate renewable portfolio; Hometown Energy Savers; a look for new opportunities to advance sustainability in the region
	2020	Reevaluate renewable portfolio; Hometown Energy Savers; review new opportunities to advance sustainability in the region; retire Eckert

Task 2.2d	Timeline	Milestones
Enhance communication and outreach to our customers, neighborhood associations, and community leaders Strategic Task Owner: Pubic Affairs / Steve Serkaian	2017	GM Roundtable; Attendance at Neighborhood/Community Meetings; Community Board Service
	2018	Continue successful engagements and pursue new opportunities for community and outreach venues
	2019	Continue successful engagements and pursue new opportunities for community and outreach venues
	2020	Continue successful engagements and pursue new opportunities for community and outreach venues

Task 2.2e	Timeline	Milestones
Improve the hometown brand recognition Strategic Task Owner: Pubic Affairs / Steve Serkaian	2017	Monthly Connections; Social Media Posts; signature events; LCC Radio show; send BWL leaders to community groups and events
	2018	Revamp BWL Website; continue activity from 2017; participate in local events; explore additional opportunities to advance brand
	2019	Continue activity from 2018; participate in local events; explore additional opportunities to advance brand
	2020	Continue activity from 2019; participate in local events; explore additional opportunities to advance brand



Timeline and Progress Report: BWL Strategic Plan 2016-2020

Strategy 3: Effectively Acquire and Manage Resources

Goal: Acquire and Manage BWL Assets in an Efficient Manner to Ensure an Adequate and Reliable Supply of Utility Services to the Greater Lansing Community

■ On Track
 ■ Caution
 ■ Late
 ■ Complete

Objective 1: Improve Transmission and Distribution Reliability and Flexibility

Objective 1: Improve Transmission and Distribution Reliability and Flexibility		
Task	Timeline	Milestones
Task 3.1a		
Continue the commitment to a five-year plan of intensive upgrades to the electric T&D system Strategic Task Owner: Electric T&D / Wayne Lynn	2017	Develop comprehensive long-range plan
	2018	Complete Central Substation and west side reinforcement
	2019	Begin construction of Wise substation double ending
	2020	Begin construction of Lansing Grand River substation
Task 3.1b		
Invest in smart grid technology Strategic Task Owner: Electric T&D / Wayne Lynn	2017	Convert smart devices in field from 2G to 4G; Deploy Phase 1 of Smart Meters; Configure ADMS & GIS
	2018	Continue deployment of Smart Meters and Distribution Automation Infrastructure
	2019	Continue deployment of Smart Meters and Distribution Automation Infrastructure
	2020	Continue deployment of Smart Meters and Distribution Automation Infrastructure
Task 3.1c		
Complete the drinking water lead service replacement program Strategic Task Owner: Water Operations / Scott Hamelink	2017	Last active lead service line replaced on December 14, 2016.
	2018	NA
	2019	NA
	2020	NA
Task 3.1d		
Maintain a plan and implementation schedule to replace and upgrade sections of the water and steam distribution systems Strategic Task Owner: Water & Steam Distribution / Alando Chappell	2017	Water & Steam upgrades and prepare budget consistent with 6 year CIP
	2018	Asset Management Plan for Water Distribution to be submitted internally and to the DEQ January, 2018
	2019	Implement Asset Management Plan and continue 6-year plan for upgrades
	2020	Implement Asset Management Plan and continue 6-year plan for upgrades
Task 3.1e		
Develop automated interfaces between electric transmission and distribution system devices, customer meters, and our Outage Management System Strategic Task Owner: ITD / Kim Ingram	2017	Procure Advanced Distribution Management System solution to replace Outage Management System and Energy Management System.
	2018	Implement OMS (Phase 1); Kickoff EMS (Phase 2)
	2019	Finalize and Implement EMS
	2020	Establish interfaces

Objective 2: Fully Integrate Asset Management Principles for Each Utility

Objective 2: Fully Integrate Asset Management Principles for Each Utility		
Task	Timeline	Milestones
Task 3.2a		
Evaluate and implement improved business processes, standards, and certifications Strategic Task Owner: Operations / Dave Bolan	2017	Develop AM policy, strategy, processes and standards that will conform to ISO 55000 and Define Organization Roles & Responsibilities
	2018	Design asset management system (Cityworks)
	2019	Implement Asset Management System (Cityworks)
	2020	ISO 55000 compliance
Task 3.2b		
Implement utility industry best practices for asset management Strategic Task Owner: Operations / Dave Bolan	2017	Develop asset life cycle plan, health index and risk identification methodologies for critical assets
	2018	Identify and track performance of critical assets
	2019	Asset lifecycle and health index plans
	2020	Implement all certified best practices
Task 3.2c		
Develop and implement asset management training for employees		



Timeline and Progress Report: BWL Strategic Plan 2016-2020

Strategic Task Owner: Training / Dallas Burdick		
	Timeline	Milestones
	2017	Asset Health and Asset Life-Cycle Plan Training by UMS
	2018	Risk Assessment Methodology and Cityworks training
	2019	Ongoing training for new employees
	2020	Ongoing training for new employees
Task 3.2d	Timeline	Milestones
Create a team culture at the BWL that values and complies with asset management principles	2017	Complete Phase 1 of the BWL Organizational Realignment
	2018	Define and communicate asset management principles
	2019	Continue next phase of organizational realignment
Strategic Task Owner: HR / Michael Flowers		
Objective 3: Maintain BWL's Status as a Regional Utility Services Provider		
Task 3.3a	Timeline	Milestones
Plan for and replace the Eckert energy and capacity with a balanced portfolio of generation resources that include renewable energy, energy efficiency investments, customer programs, and new generation	2017	groSolar 24 MW; Community Solar 300 Kw; EE Cumulative Goal 7%; Identify size and location of new combined cycle plant
	2018	Pegasus Wind 89 MW and additional renewable RFP; secure design engineer and construction manager for new plant
	2019	Secure additional renewable; begin new plant construction
	2020	Reevaluate renewable portfolio and energy efficiency program; begin commissioning of new plant
Strategic Task Owner: Planning & Development / George Stojic		
Task 3.3b	Timeline	Milestones
Maintain local generation to ensure generation reliability	2017	Scheduled maintenance for Eckert #5, OTSG 1&2, Eckert #6, AUX Boiler, and, CTG 1&2
	2018	Scheduled maintenance for Eckert #4 , CTG 1&2, OTSG 1&2, Aux Boiler, and, CTG 1&2, Erickson
	2019	Scheduled maintenance for CTG 1 Hot Section, OTSG 1&2, Aux Boiler, and, CTG 2 Hot Section
	2020	Scheduled maintenance CTG 1&2, OTSG 1&2, Aux Boiler; Chiller Plant Expansion 7,500 to 10,000; new plant commission
Strategic Task Owner: Operations / Roberto Hodge		
Task 3.3c	Timeline	Milestones
Periodically review the IRP to ensure plans are up to date with modeling data, compliance expectations, and generation options	2017	Annual review of IRP with Citizen Advisory Committee: 1-20-2017
	2018	Conduct annual review with Citizen Advisory Committee
	2019	Evaluate forecast and determine whether new IRP needed; Conduct annual review with Citizen Advisory Committee
	2020	Conduct annual review with Citizen Advisory Committee; Plan for new IRP if necessary
Strategic Task Owner: Planning & Development / George Stojic		
Task 3.3d	Timeline	Milestones
Review the demand and production capacity of the BWL's water, steam, and chilled water utilities	2017	Annual summary of customer demand and production capacity for all four utilities
	2018	Annual assessment of customer demand and production capacity for all four utilities
	2019	Annual assessment of customer demand and production capacity for all four utilities
	2020	Annual assessment of customer demand and production capacity for all four utilities
Strategic Task Owner: Planning & Development / George Stojic		
Task 3.3e	Timeline	Milestones
Investigate new services and compete for new business	2017	Monthly local meeting; Dodge Reports; Strategic Account reviews
	2018	Prepare a report of new business opportunities and recommendations to improve marketing and BWL's competitiveness
	2019	Prepare business case for new business opportunities, implement marketing opportunities and recommendations to improve competitiveness
	2020	Prepare business case for new business opportunities, implement marketing opportunities and recommendations to improve competitiveness
Strategic Task Owner: Customer Projects / Ray Moore		

Timeline and Progress Report: BWL Strategic Plan 2016-2020

Strategy 4: Implement New Technologies

Goal: Support our Customers and Employees through Enhanced Use of Technology

■ On Track
 ■ Caution
 ■ Late
 ■ Complete

Objective 1: Support Existing and Planned Projects with IT Infrastructure

Objective 1: Support Existing and Planned Projects with IT Infrastructure		
Task 4.1a	Timeline	Milestones
Update the Information Technology Strategic Plan to coordinate with both industry best practices and planned BWL strategic and capital initiatives Strategic Task Owner: ITD / Kim Ingram	2017	Finalize IT Corporate Strategic Plan; Conduct ITD Strategic Plan Roadshow.
	2018	VDI rebuild; Corporate data centers out of flood zones with full backup and redundant capability.
	2019	Center of Excellence established; CMMi Assessment conducted.
	2020	IT Governance defined and in place.
Task 4.1b	Timeline	Milestones
Select and maintain reliable, well supported, redundant, secure, cost-effective, and efficient IT systems and communication networks Strategic Task Owner: ITD / Kim Ingram	2017	Conduct High Level ITD assessment and Deep Dive Assessment
	2018	Define, approve technical infrastructure solution; Procure & Build infrastructure
	2019	Test infrastructure; migrate to new infrastructure
	2020	Stand up IT Corporate infrastructure as operational, reliable, secure, and aligned to industry standards
Task 4.1c	Timeline	Milestones
Apply business process management methodologies to create and measure business value throughout the life cycle of each technology system implementation Strategic Task Owner: ITD / Kim Ingram	2017	Finalize IT Corporate Strategic Plan; create ITD Project intake form; define intake form process, communicate and execute process; ETT reviews form
	2018	Plan and define PMO processes aligned to industry standard requirements definition to support the ETT efforts
	2019	Execute projects w/ PMO Methodology aligned to Plan; define, execute, control & monitor; close cycles to support ETT insight and awareness
	2020	Enhance industry standard methodology to align to current-state PMO Methodology Trends; continue to incorporate CyberSecurity rigor

Objective 2: Enhance IT and Communications Technology

Objective 2: Enhance IT and Communications Technology		
Task 4.2a	Timeline	Milestones
Identify, prioritize, acquire, and implement technology enhancements to support business needs Strategic Task Owner: ITD / Kim Ingram	2017	Solicit and acquire PMO resources through staff augmentation; document Deep Dive recommendations
	2018	Establish Formal ITD PMO/Center of Excellence; Operationalize IT/OT functions; Review Deep Dive technical solutions; procure hardware, licenses, software, and peripheral components
	2019	Finalize ITD corporate infrastructure as secure, reliable, and flexible; PMO established
	2020	Solid state infrastructure; IT Governance adherence
Task 4.2b	Timeline	Milestones
Continuously research and compare current best practices as well as state-of-the-art technologies being tested and deployed by best-in-class organizations Strategic Task Owner: ITD / Kim Ingram	2017	Subscribed to Gartner for IT current and Best In Class technologies
	2018	Continue enhancements to security; research pilot and test future-state industry standard trends
	2019	Continuous research to ensure industry standard alignment to corporate infrastructure
	2020	Attain CMMi level; continuously improve to reach CMMi Level 2 aligned to BWL Corporate Governance
Task 4.2c	Timeline	Milestones
Identify the necessary experience, skills, and education needed for management and use of new technologies Strategic Task Owner: ITD / Kim Ingram	2017	Formalize future-state ITD organizational structure; finalize professional development plans and staffing needs
	2018	Continue skill enhancement through various professional development platforms
	2019	Continue security awareness training sessions
	2020	Ongoing professional development to support industry trends in technology

**Timeline and Progress Report:
BWL Strategic Plan 2016-2020**

Strategy 5: Workforce

Goal: Maintain a Strong and Diverse Workforce

■ On Track
 ■ Caution
 ■ Late
 ■ Complete

Objective 1: Attract and Retain a Diverse and Highly Skilled Workforce

Task 5.1a	Timeline	Milestones
Continue to invest in training and development programs for potential and existing employees Strategic Task Owner: HR / Michael Flowers	2017	Begin Development of Leadership Academy Programs (2-year process)
	2018	Formalize Employee Onboarding Process and continue development of Leadership Academy Program
	2019	Implement Onboarding Process and Leadership Academy
	2020	Hold Leadership Academy Training
Task 5.1b	Timeline	Milestones
Ensure our workforce reflects the diversity of our community Strategic Task Owner: HR / Michael Flowers	2017	Complete Workforce Gap Analysis
	2018	Attend recruitment and retention events and develop retention programs
	2019	Provide Training on Recruitment and Retention of Diverse Workforce for managers and supervisors
	2020	Review workforce statistics and adjust training and hiring methods as needed
Task 5.1c	Timeline	Milestones
Maintain a competitive total compensation package for all positions Strategic Task Owner: HR / Michael Flowers	2017	Begin Review of All Job Descriptions
	2018	Perform Market Analysis and Evaluate Adjustments
	2019	Update Job Descriptions and Review Skill Families
	2020	Perform Market Analysis and Evaluate Adjustments
Task 5.1d	Timeline	Milestones
Creatively use a diverse portfolio of tools such as social media to attract potential applicants Strategic Task Owner: HR / Michael Flowers	2017	Research and Implement Top Recruitment Strategies
	2018	Implement Social Media Campaign for 1st STEP Recruitment
	2019	Develop Applicant Tracking Analytics and Process
	2020	Implement Applicant Tracking Analytics and Process

Objective 2: Prepare for Transformation of our Workforce

Task 5.2a	Timeline	Milestones
Ensure the BWL has the ability to effectively manage the loss of human capital and institutional knowledge by utilizing succession planning Strategic Task Owner: HR / Michael Flowers	2017	Continue with intern and First Step programs
	2018	Develop Mentor Program and continue with intern and First Step program
	2019	Develop and deploy Asset Life Cycle Planning for Human Resource Capitol and continue to develop mentor program and implementation
	2020	Begin Strategically Phased Promotions
Task 5.2b	Timeline	Milestones
Transition BWL employees who are directly or indirectly impacted by BWL change (e.g. implementation of technology and Eckert retirement) Strategic Task Owner: HR / Michael Flowers	2017	Conduct Focus Groups and Develop Resume Book
	2018	Transition Workforce Out of Eckert and Begin Training in New Positions
	2019	Transition Workforce Out of Eckert and Continue Training in New Positions
	2020	Transition Workforce Into New Positions based on Changing Technology
Task 5.2c	Timeline	Milestones
For each area, determine a balance between internal resources needed to meet on-going work load and external resources needed during peak demand periods Strategic Task Owner: Operations / Dave Bolan	2017	Create Work Management Office
	2018	Conduct annual resource analysis and determine need for external support
	2019	Conduct annual resource analysis and determine need for external support
	2020	Conduct annual resource analysis and determine need for external support

Objective 3: Provide More Opportunities for a Custom Work Experience that Benefits Both the Employer and Employee

Task 5.3a



Timeline and Progress Report: BWL Strategic Plan 2016-2020

			Timeline	Milestones
Strategic Task Owner: HR / Michael Flowers			2017	Began Updating Job Descriptions
			2018	Continue Updating Job Descriptions
			2019	Determine new skills needed for implementing new technologies and positions
			2020	Develop training, position descriptions and progressions to go with new technologies and positions
Task 5.3b			Timeline	Milestones
Consider more flexible fringe benefits and work schedule options			2017	Analyze Best Practices and Identify Gaps
			2018	Conduct Focus Groups and Survey Workforce
			2019	Develop Plan for Implementation of best practices and addressing gaps
Strategic Task Owner: HR / Michael Flowers			2020	Implementation
Task 5.3c			Timeline	Milestones
Continue to promote health and wellness programs			2017	Develop Health & Wellness Champion Team
			2018	Conduct Focus Groups on Employee Health & Wellness Needs
			2019	Develop Health & Wellness Implementation Plan
Strategic Task Owner: HR / Michael Flowers			2020	Implement Health & Wellness Plan
Objective 4: Pursue Excellence by Creating a Work Place Environment that Seeks to Enhance Current Practices with the Intention of Adding Value, Making Improvements, and Increasing Efficiency				
Task 5.4a			Timeline	Milestones
Define, establish, and maintain effective quality assurance processes and systems			2017	Review quality assurance as part of UMS quality improvement process, using the ISO 9000 as guideline for quality assurance culture
			2018	Review BWL processes, implement ISO 9000 guidelines and progress toward mature program
			2019	Review BWL processes, implement ISO 9000 guidelines and progress toward mature program
Strategic Task Owner: Operations / Dave Bolan			2020	Implement ISO 9000 guidelines and achieve mature program
Task 5.4b			Timeline	Milestones
Encourage employee engagement			2017	State of the BWL Address and GM presence at department safety meetings; introduce new Employee Excellence Program
			2018	Undertake employee engagement survey; establish baseline, develop options to promote engagement
			2019	Continue to implement options to promote engagement
Strategic Task Owner: GM & Executive Staff			2020	Continue to implement options to promote engagement and prepare for 2021 survey
Task 5.4c			Timeline	Milestones
Assign responsibility and accountability to employees utilizing a system to analyze and measure the process in terms of risk to assets, safety, and customers			2017	Develop a comprehensive business Risk Management structure
			2018	Develop risk management training program and coordinate practices among SME's
			2019	Evaluate risk management structure and training and continue to coordinate practices among SME's
Strategic Task Owner: Heather Shawa			2020	Audit the risk management structure and continue to coordinate practices among SME's

Timeline and Progress Report:

BWL Strategic Plan 2016-2020

Strategy 6: Financial Stability

Goal: Maintain the Financial Stability of the BWL

■ On Track
 ■ Caution
 ■ Late
 ■ Complete

Objective 1: Practice Good Financial Stewardship

Task	Timeline	Milestones
Task 6.1a		
Develop a Financial Plan that includes a rate strategy that provides financing for the BWL's capital program, replacement generation needs, while maintaining competitive rates Strategic Task Owner: CFO / Heather Shawa	2017	Develop 6 year forecast of finances, rates, and capital needs
	2018	Submit 6 year forecast to support rate strategy and upcoming bond issuance for new plant
	2019	Implement rate strategy (1.3a); measure results including DCOH, DSC, and Rate Comparisons; adjust plan as needed
	2020	Implement rate strategy (1.3a); measure results including DCOH, DSC, and Rate Comparisons; adjust plan as needed
Task 6.1b		
Maintain an above average bond rating for municipal utilities Strategic Task Owner: CFO / Heather Shawa	2017	Rating agency evaluations resulted in affirmed ratings <i>at AA-</i>
	2018	Develop 6 Year Forecast to meet Debt Service Coverage and Days of Cash-on-Hand
	2019	Develop 6 Year Forecast to meet Debt Service Coverage and Days of Cash-on-Hand
	2020	Develop 6 Year Forecast to meet Debt Service Coverage and Days of Cash-on-Hand
Task 6.1c		
Identify cost savings through process improvement initiatives and return on investments with minimal impact on operations or employees Strategic Task Owner: CFO / Heather Shawa	2017	Conducted Transactional Reviews which identified cost savings opportunities
	2018	Develop tracking tool and continue to identify and implement cost savings initiatives
	2019	Continue to identify and implement cost savings initiatives
	2020	Continue to identify and implement cost savings initiatives
Task 6.1d		
Commit to reviewing and consistently achieving targeted rate of return Strategic Task Owner: CFO / Heather Shawa	2017	FY2018 Budget development included reviewing and adjusting targeted rate-of-return
	2018	Deploy 6 Year Forecast to achieve targeted rate-of-return
	2019	Implement rate strategy (1.3a); measure rate-of-return; implement cost control & strategic measures as appropriate to achieve target return
	2020	Implement rate strategy (1.3a); measure rate-of-return; implement cost control & strategic measures as appropriate to achieve target return

Timeline and Progress Report:

BWL Strategic Plan 2016-2020

Goal: Continuous Improvement

■ On Track
 ■ Caution
 ■ Late
 ■ Complete

Objective 1: Increase Organizational Efficiency and Strength

Task 7.1a	Timeline	Milestones
Evaluate organizational reporting structure and the ability to efficiently and productively meet current and near-future organizational requirements	2017	Issued RFP for organizational assessment, received initial report and finalized recommendations and transition plan, Phase I of the Reorganization
	2018	Continue organizational transition to Phase II
	2019	Continue organizational transition to Phase II
	2020	Reorganize completed by end of 2020
Strategic Task Owner: GM & Executive Staff		

Task 7.1b	Timeline	Milestones
Evaluate, prioritize, and improve business practices and processes	2017	General Manager and Executive Team review results of 6.1c, 3.2a, and 5.2c, IRP, and other information for prioritization and implementation
	2018	General Manager and Executive Team review results of 6.1c, 3.2a, and 5.2c, IRP, and other information for prioritization and implementation
	2019	General Manager and Executive Team review results of 6.1c, 3.2a, and 5.2c, IRP, and other information for prioritization and implementation
	2020	General Manager and Executive Team review results of 6.1c, 3.2a, and 5.2c, IRP, and other information for prioritization and implementation
Strategic Task Owner: GM & Executive Staff		

Objective 2: Enhance Organizational Resiliency

Task 7.2a	Timeline	Milestones
Coordinate with other regional entities, and enhance resiliency to external events, such as storms, accidents, cyber incidents, and terrorist attacks	2017	Five Lansing regional emergency planning sessions; targeted security, emergency and hazard projects
	2018	Continue to encourage through training, exercising, crisis communications, planning and resource development
	2019	Complete regional exercise; continue to encourage through training, exercising, crisis communications, planning and resource development
	2020	Continue to encourage through training, exercising, crisis communications, planning and resource development
Strategic Task Owner: Emergency Management / Mike Hamel		

Objective 3: Reinforce Safety Practices

Task 7.3a	Timeline	Milestones
Complete Phase II of the BWL's safety assessment	2017	Complete Phase II of MARSH Risk Consulting; MIOSHA CET Compliance Review
	2018	Complete Phase III - Ergonomics
	2019	Complete Phase IV - Safety Climate / Culture Assessment
	2020	Final Gap Assessment / Recommendations
Strategic Task Owner: Safety / Oscar Rodriguez-Franco		

Objective 4: Enhance the Team Culture

Task 7.4a	Timeline	Milestones
Communicate the connection between the Mission, Values, and Strategic Plan	2017	State of the BWL, performance planning, scorecard, other internal communications including digital signage
	2018	State of the BWL, performance planning, scorecard, other internal communications including digital signage
	2019	State of the BWL, performance planning, scorecard, other internal communications including digital signage
	2020	State of the BWL, performance planning, scorecard, other internal communications including digital signage
Strategic Task Owner: GM, Executive Staff & Management		

Task 7.4b	Timeline	Milestones
Effectively communicate corporate objectives and priorities and their status	2017	Communicated 5 Year Strategic Plan via All Employee meetings and scorecard
	2018	Continue to Communicate Strategic Plan updates via All Employee meetings and scorecard
	2019	Continue to Communicate Strategic Plan updates via All Employee meetings and scorecard
	2020	Continue to Communicate Strategic Plan updates via All Employee meetings and scorecard
Strategic Task Owner: GM & Executive Staff		

Task 7.4c	Timeline	Milestones
Continue to support the Balanced Scorecard approach as a tool to balance financial, customer service, operational, and personnel initiatives	2017	Update corporate and department scorecards to align with strategic plan
	2018	Review and update scorecard reporting items consistent with Strategic Plan
	2019	Review and update scorecard reporting items
	2020	Review and update scorecard reporting items
Strategic Task Owner: GM & Executive Staff		

Objective 5: Lead in Clean-Energy and Demand Response

Task 7.5a	Timeline	Milestones
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Timeline and Progress Report:

BWL Strategic Plan 2016-2020

Develop a cost-effective demand response program	2017	Program Design Training; Goals for DR program; Evaluate Direct v Price Control Approaches
	2018	Survey other municipal utilities for effective program designs
	2019	Develop program designs
	2020	Implement program in conjunction with AMI deployment completion
Strategic Task Owner: Technical Services / Mark Matus		

Task 7.5b	Timeline	Milestones
Increase the BWL's energy efficiency and renewable energy (Clean-Energy) programs to reach 30 percent or greater of its energy requirements in 2020, and implement a plan to expand these options as components of BWL's resource portfolio thereafter	2017	Solar (groSolar & Community) 24.3 MW; EE Cumulative Goal for 2017 is 7 MW
	2018	Pegasus wind 89 MW
	2019	Evaluate additional renewables
	2020	New energy efficiency and renewable plan to increase clean energy to 40%
Strategic Task Owner: Technical Services / Mark Matus		

Task 7.5c	Timeline	Milestones
Continue to examine opportunities for distributed generation	2017	Review performance of net metering program and modified net metering
	2018	Develop and adopt tariff method for growing distributed generation portfolio
	2019	Undertake a study to evaluate available technologies and potential applications within BWL territory
	2020	Implement strategy that is consistent with 7.5a
Strategic Task Owner: Technical Services / Mark Matus		

Objective 6: Ensure Regulatory Compliance

Task 7.6a	Timeline	Milestones
Continue to develop and update plans to ensure compliance with all applicable regulations, including environmental, electric reliability grid, drinking water, security (physical and information), and safety	2017	Form compliance monitoring committee facilitated by Office of the General Counsel
	2018	Continue to consolidate compliance in the Office of the General Counsel
	2019	Continue to consolidate compliance in the Office of the General Counsel
	2020	Complete Consolidation
Strategic Task Owner: Brandie Ekren		

Objective 7: Develop New Leaders

Task 7.7a	Timeline	Milestones
Identify potential leaders and develop a senior management succession plan	2017	Conduct Leadership Coaching for Directors
	2018	Continue Leadership Coaching with Managers & Directors
	2019	Maintain Leadership coaching for onboarding and orientation of new managers and directors
	2020	Implement leadership coaching for future leaders from BWL staff
Strategic Task Owner: GM & Executive Staff		