

Sec. 53. Vesting; Vesting Schedule; Vesting Upon Normal Retirement Age; Vesting Upon Death or Disability.

- (1) A participant vests in employer contributions as provided in the vesting schedule adopted by the employer in the Adoption Agreement, subject to subsection (3). The vesting schedule may provide for one of the following:
 - (a) Immediate vesting upon participation.
 - (b) 100% vesting after year certain, not to exceed 5 years maximum ("cliff" vesting).
 - (c) Graded percentage vesting based on years of service, provided:
 - (i) Not less than 25% after 3 years of service.
 - (ii) Not less than 50% after 4 years of service.
 - (iii) Not less than 75% after 5 years of service.
 - (iv) Not less than 100% after 6 years of service.
- (2) Notwithstanding the above, a participant shall be vested in his/her entire employer contribution account, to the extent that the balance of such account has not previously been forfeited, if he/she is employed on or after his/her Normal Retirement Age. "Normal Retirement Age" is age 60 or as otherwise specified by the employer in the Adoption Agreement.
- (3) In the event of the disability or death of an active participant, the employee or his/her beneficiary shall be vested in his/her entire employer contribution account.