

**PROPOSED AMENDMENT
TO THE
MILWAUKEE BOARD OF SCHOOL DIRECTORS
EARLY RETIREMENT SUPPLEMENT AND BENEFIT IMPROVEMENT PLAN**

- A. The definition of "Administrator" under Section 2.1, Definitions, shall be amended to be and read as follows:

"Administrator: The Board. To the extent that the Board has delegated any of its responsibilities as Administrator to any other person, persons, committee, or other entity, the term Administrator shall be deemed to refer to that person, persons, committee, or other entity."

- B. The definition of "Committee" under Section 2.1, Definitions, shall be deleted in its entirety.

- C. The term "Committee" shall be replaced with the term "Administrator" wherever used in the Plan.

- D. Section 9.1, Allocation of Responsibility for Plan and Trust Administration, shall be amended to be and read as follows:

"Section 9.1 Allocation of Responsibility for Plan and Trust Administration: The Board, the ASC, the Administrator, and the Trustee shall have only those specific powers, duties, responsibilities and obligations as are specifically given them under this Plan or the Trust. In general, the Board shall have the responsibility for making the contributions necessary to supplement the Participant Contributions in order to provide the benefits under the Plan as specified in Article VII, and shall have the sole authority to appoint and remove the Trustee, the Administrator, and any Investment Manager which may be provided for under the Trust. The Administrator shall have the responsibility for the administration of this Plan under the direction of the Board, which responsibility is specifically described in this Plan and the Trust. The Board may delegate additional responsibilities to the Administrator by resolution. 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 the Trust. Each Party warrants that any directions given, information furnished, or action taken by it shall be in accordance with the provisions of the Plan or the Trust, as the case may be, authorizing or providing for such direction, information or action. Furthermore, each Party may rely upon any such direction, information or action of another Party as being proper under this Plan or the Trust, and is not required under this Plan or the Trust to inquire into the propriety of any such direction, information or action. It is intended under this Plan and the Trust that each Party shall be responsible for the proper exercise of its own power, duties, responsibilities and obligations under this Plan and the Trust and shall not be responsible for any act or failure to act of another Party. No Party guarantees the Trust Fund in any manner against investment loss or depreciation in asset value."

- E. Section 9.2, Appointment of Committee, shall be renamed Appointment of Administrator, and be amended to be and read as follows:

"Section 9.2 Expenses of Administrator. All usual and reasonable expenses of the Administrator may be paid in whole or in part by the Board and any expenses not paid by the Board shall be paid by the Trustee out of the principal or income of the Trust Fund. The Administrator shall not receive compensation from the Trust Fund with respect to his services as Administrator."

F. Section 9.6, Committee Procedures, shall be renamed Administrator Procedures, and be amended to be and read as follows:

"Section 9.6 Administrative Procedures. The Administrator shall keep a record of all meetings and forward all necessary communications to the Board, the Trustee and/or the actuary, as appropriate. The Administrator may adopt such rules or procedures as it deems desirable for the conduct of its affairs."

G. A new Section 9.9, Delegation, shall be added to the Plan to be and read as follows:

"Section 9.9 Delegation by Administrator. The Administrator may from time to time delegate in writing to a committee or to a duly authorized officer certain of its duties or other responsibilities under the Plan. A delegation of the Administrator's duties or responsibilities may be revoked without cause or advance notice. To the extent permitted under applicable law, such committee or officer shall have the same power and authority with respect to such delegated duties or other responsibilities as the Administrator has under the Plan. The Administrator shall not be liable for any act of omission of such committee or duly authorized officer in carrying out such responsibilities."

H. Section 11.1, Amendments, shall be amended to be and read as follows:

"Section 11.1 Amendments. Subject to the provisions of any applicable collective bargaining agreement, the Board shall have the right, in its sole and final discretion, to amend the Plan at any time and from time to time to any extent which it may deem advisable; provided, that any such amendment does not cause any part of the Trust Fund to be used for, or diverted to, any purpose other than for the exclusive benefit of Participants or their beneficiaries. The Board hereby delegates its authority under this Section to amend the Plan to the Milwaukee Public Schools Retirement Committee, provided, however, that unless an amendment is legally required under federal, state, or municipal law, any amendment that materially increases the cost of the Plan or significantly changes the structure of the Plan shall be subject to the approval of the Board. The Board retains the right to amend the Plan."