

Dec. 17. 2014 12:39PM

No. 1186 P. 4

**LETTER OF AGREEMENT REGARDING  
DEFINED PENSION BENEFIT MORATORIUM**

WHEREAS, the Charter Township of Waterford, (hereinafter, "Township") and the Michigan Association of Police, (hereinafter, "Union") have agreed that the employees hired on or after November 1, 2014 shall be covered by a Defined Contribution retirement plan, and not be participants in the Act 345 Defined Benefit Plan, (hereinafter "DB") pension system and to protect the existing benefits of members in the Defined Benefit Plan and not to change the benefits for individuals hired in the future under the newly established Defined Contribution Plan during each of their respective careers;

WHEREAS, it is recognized by the Township and the Union that this has rendered the Act 345 DB pension system a closed plan, with ever-decreasing bargaining unit members represented by the Union being covered by this plan;

IT IS HEREBY AGREED BY THE TOWNSHIP AND UNION AS FOLLOWS:

1. The Act 345 DB pension plan and benefits as they currently exist by statute and by the terms of the parties from 2012-2016 and as extended until 2017 shall remain in effect and in all respects be maintained, without change of any kind for a period of fifteen (15) years from the date of ratification of this Agreement with the sole exception of composition of the pension plan's retirement board.

2. Neither the Township nor the Union shall make any proposals to modify in any way the Act 345 DB pension plan and benefits as they currently exist by the statute and by the terms of the parties new 2012-2016 collective bargaining agreement and as extended by the parties through December 31, 2017 in negotiations, mediation, or Act 312 arbitration, with the sole exception of composition of the pension plan's retirement board.

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3. Neither the Township nor the Union shall challenge the enforceability of this Letter of Agreement, and the Township and the Union further agree that this Letter of Agreement is enforceable in all forums, including but not limited to grievance arbitration, Act 312 arbitration, MERC and the Courts.

4. This Letter of Agreement shall be annexed to each and every collective bargaining agreement between the parties from the date of its execution and ratification and will expire 15 years from the date of its ratification.

FOR THE TOWNSHIP:

Ray Wall  
[Signature]

DATED: 12-16-14

FOR THE UNION:

[Signature]  
[Signature] 12-19-2014

DATED: 12-18-2014  
Christopher J Belliz 12-19

Christopher J Futy 12-19-

A. Lupp 12-19-14