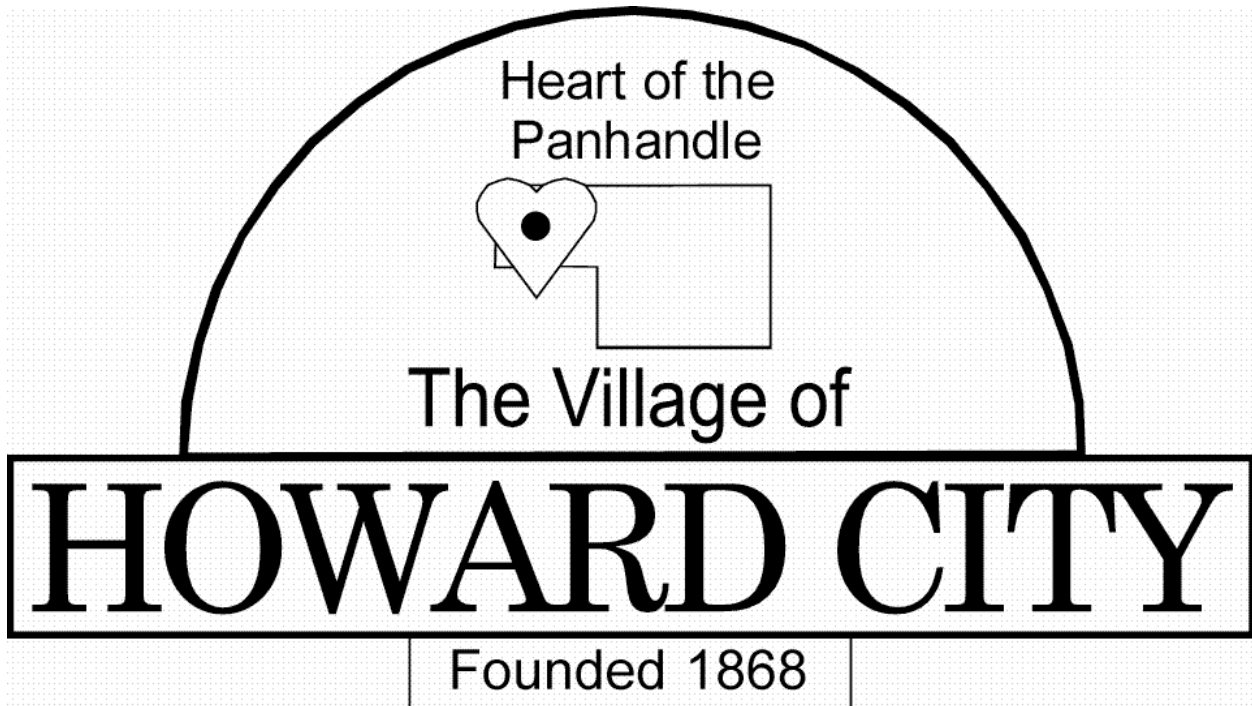


Village of Howard City
Employee Compensation Plan
EVIP Stage 3



Retirement

The Village of Howard city implemented a Defined Contribution Plan for all new hires on December 12, 2005. All new full-time hires are eligible for this plan. Anyone hired before this date was given the opportunity to stay in the Defined Benefit plan or transfer allowed assets to the Defined Contribution. The village contributes ten (10) percent to the employees Defined Contribution plan.

The multiplier for the Defined Benefit Plan in place for the Village of Howard City is 1.7%. The Final Average Compensation multiplier is five years. All employees of the village are Medicare eligible. There are no post-employment benefits provided by the Village of Howard City.

It is the intent of the Village of Howard City to work with Municipal Employees Retirement (MERS) to change the current plan document to only include 240 hours of paid leave and no overtime hours in the Final Average Compensation Calculation. We hope to have this requirement accomplished by December 31, 2012.

Health Care Premiums

Beginning June 1, 2012, all newly hired full-time employees of the Village of Howard City will be required to pay twenty percent (20%) of all health care plan costs.