



# Pension Board

Justin Strickland, City Manager  
Kelly Bush, Interim Finance & Admin Services Director  
Dr. Teaa Allston-Bing, Human Resources Director

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Regular Meeting Agenda  
December 30, 2024 | 10:00 AM  
City Hall - Executive Conference Room

1. **Call to Order**
2. **Minutes**
  - A. December 16, 2024 Minutes ()
3. **Old Agenda Items**
  - A. Amended Defined Benefit Pension Plan Document (Kelly Bush)
4. **New Agenda Items**
5. **Adjourn**

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**of Peachtree City  
Meeting Minutes  
Monday, December 16, 2024  
2:00 PM**

**Call to Order**

Finance and Administrative Director Paul Salvatore called the special called meeting of the Peachtree City Pension Board to order at 2:00 p.m. In attendance were Human Resources and Risk Management Director Dr. Teaa Allston-Bing and Assistant Finance and Administrative Director Kelly Bush. City Manager Justin Strickland joined via telephone. Also in attendance was Paul Murray from Mariner.

**Minutes**

**A. November 8, 2024 Minutes**

Allston-Bing made a motion to approve the November 8, 2024 minutes as submitted. Salvatore seconded. Motion was approved 2-0.

**New Agenda Items**

**A. Q3 Investment Review**

Murray reviewed Q3 and YTD highlights which include:

- **Total Fund Composite started the quarter at 52,597,392 and ended at 54,298,107.**
- Interest rates being cut several times already this year. The Fed is meeting this week and will probably cut rates once more.
- Stock Market is up 28%-29% in the last 12 months.
- Unemployment rate is currently at 4.2%.
- Inflation is hovering at 2 1/2% - 3.0%
- Small/Mid-cap stocks dominated this quarter, with bonds returning to a more normal rate.

2025 may see:

- Removal of restrictions on Artificial Intelligence.
- Environmental Social Governance regulations cut back.
- Trade tariffs which could cause inflation to rise. Costs will be passed on to the consumer.

**B. Domestic Equity Searches**

Mariner Institutional did a search, according to Murray, to replace the American Century US Quality Value Index fund. As of September 30, 2024, this fund has \$2.5 mil and is 4.7% of total market value in the City's plan. They reviewed the

following funds:

- BNY Mellon Dynamic Value Fund Y
- Dodge & Cox Stock I
- Vanguard Equity-Income Adm

The recommendation is to replace the fund with Dodge & Cox Stock.

Salvatore made the motion to approve the recommendation. Allston-Bing seconded. Motion was approved 2-0.

The same funds were used to determine which would replace the under-performing Pacer Cash Cows fund. As of September 30, 2024, this fund has \$3.5 mil and is 6.4% of total market value in the City's plan.

The recommendation is to replace the fund with BNY Mellon Dynamic Value Fund. Salvatore made the motion to approve the recommendation. Allston-Bing seconded. Motion was approved 2-0.

For Small-Cap Funds that, as of September 30, 2024, has \$1.1 mil and is 2.0% of total market value in the City's plan, Murray told the board that the plan is currently in Needham Small Cap Growth Institutional, which focuses on micro companies. The funds that were under consideration include:

- Calamos Timpani Small Cap Growth I
- Harbor Small Cap Growth Retirement
- Hood River Small-Cap Growth Retirement
- Vanguard Explorer Adm

The recommendation is to replace it with Hood River Small-Cap Growth Retirement.

Salvatore made the motion to approve the recommendation. Allston-Bing seconded. Motion was approved 2-0.

### **C. Domestic Fixed Income Searches**

Mariner studied these funds to replace the John Hancock Focused High Yield fund which, as of September 30, 2024, had a value of \$5.4 mil or 10% of the plan's value:

- Loomis Sayles High Income N
- NYLI MacKay High Yield Corp Bond CI R6
- Payden High Income SI
- PGIM High Yield R6

The recommendation is to replace it with Payden High Income Fund.

Salvatore made the motion to approve the recommendation. Allston-Bing seconded. Motion was approved 2-0.

Lastly, these funds were studied as a replacement for John Hancock Strategic Income Opportunities which, as of September 30, 2024, had a value of \$2.6 mil or 4.9% of the plan's value:

- Loomis Sayles Bond N
- Hartford Strategic Income R6
- PIMCO Income Insti

The recommendation is to replace it with PIMCO Income Fund.

Salvatore made the motion to approve the recommendation. Allston-Bing seconded. Motion was approved 2-0.

**D. Administrative Procedures**

Bush explained that the \$3.6 mil pension deposit went awry, resulting in a loss of approximately \$25,000 in potential interest. The money was wired back to the investment account. Procedures are now in place to lessen the possibility of that happening again.

**E. Amended Defined Benefit Pension Plan Document**

Salvatore made a motion to table this discussion until next week. Allston-Bing seconded. Motion was approved 2-0.

**Adjourn**

With no new business, Salvatore made a motion to adjourn. Allston-Bing seconded.

The meeting adjourned at 3:35 p.m.

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Stacey Collins, Recording Secretary

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Justin Strickland, City Manager

# CITY OF PEACHTREE CITY

## INTEROFFICE MEMORANDUM

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**MEMO TO:** Mayor and City Council

**VIA:** Justin Strickland, City Manager

**FROM:** Teaa Allston-Bing, Director - Human Resources & Risk Management 12/23/2024  
Kelly Bush, Assistant Finance Director 12/23/2024  
Justin Strickland, City Manager 12/23/2024

**DATE:** December 30, 2024

**SUBJECT:** Amended Defined Benefit Pension Plan Document

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**Recommendation:**

Approve the amended Peachtree City Defined Benefit Pension Plan Document.

**Discussion:**

Staff tasked the office of Morris, Manning, & Martin (Edmund Emerson) with updating the Defined Benefit Plan Document to include approved changes from previous years plus clarify some definitions.

**Budget Impact:**

N/A

**Attachments:**

1. City of Peachtree City Defined Benefit Plan Amended and Restated 1.1.2025(17607370.3)
2. Incremental Redline - City of Peachtree City Defined Benefit Plan Amended and Restated 1.1.2025-17607370-v2 and City of Peachtree
3. Cumulative Redline - City of Peachtree City Defined Benefit Plan Amended and Restated 1.1.2025-17607370-v1 and City of Peachtree

**THE CITY OF PEACHTREE CITY DEFINED BENEFIT PLAN**

**(As Amended and Restated Effective as of January 1, 2025)**

**TABLE OF CONTENTS**

	Page
<b>ARTICLE I DEFINITIONS .....</b>	<b>1</b>
Section 1. "Accrued Benefit" .....	1
Section 2. "Actuarial Equivalent" .....	1
Section 3. "Actuary" .....	1
Section 4. "Administrator" .....	1
Section 5. "Applicable Form" .....	1
Section 6. "Board of Trustees" or "Board" .....	1
Section 7. "Child" or "Children" .....	1
Section 8. "Code" .....	1
Section 9. "Code Section 415(d) Cost of Living Adjustment" .....	1
Section 10. "Contract" .....	2
Section 11. "Contributions" .....	2
Section 12. "Default Beneficiary" .....	2
Section 13. "Disability" .....	2
Section 14. "Disability Date" .....	2
Section 15. "Early Retirement Date/Early Retirement" .....	3
Section 16. "Earnings" .....	3
Section 17. "Effective Date" .....	3
Section 18. "Eligible Employee" .....	3
Section 19. "Eligible Regular Employee" .....	3
Section 20. "Employee" .....	3
Section 21. "Employee Contributions" .....	4
Section 22. "Employee Contributions with Interest" .....	4
Section 23. "Employer" .....	4
Section 24. "Enrollment Date" .....	4
Section 25. "FMLA" .....	4
Section 26. "Firefighter" .....	4
Section 27. "Final Average Earnings" .....	4
Section 28. "Governing Authority" .....	5
Section 29. "Ineligible Employee" .....	5
Section 30. "Late Retirement Date" .....	5
Section 31. "Monthly Retirement Benefit" .....	5
Section 32. "Normal Retirement Date" .....	5
Section 33. "Participant" or "Participating Employee" .....	5
Section 34. "Pension Committee" .....	5
Section 35. "Plan" .....	5
Section 36. "Plan Representative" .....	5
Section 37. "Plan Year" .....	5
Section 38. "Police Officer" .....	5
Section 39. "Post-Retirement Beneficiary" .....	6
Section 40. "Primary Pre-Retirement Beneficiary" .....	6
Section 41. "Regular Employee" .....	6
Section 42. "Resolution" .....	6

Section 43.	"Retired Participant" .....	6
Section 44.	"Retirement" or "Retires" .....	6
Section 45.	"Secondary Pre-Retirement Beneficiary" .....	6
Section 46.	"Section" .....	6
Section 47.	"Spouse" .....	6
Section 48.	"Terminated Participant" .....	6
Section 49.	"Termination," "Terminate Employment," "Termination of Employment," or "Terminated" .....	6
Section 50.	"Trust Administrator" .....	7
Section 51.	"Trust Fund" .....	7
Section 52.	"Unreduced Early Retirement Date/Unreduced Early Retirement" .....	7
Section 53.	"Vested," "Vesting," "Vested Right," or "Vested Benefit" .....	7
<b>ARTICLE II SERVICE .....</b>		<b>7</b>
Section 1.	"Current Credited Service" .....	7
Section 2.	"USERRA Military Service Credit." .....	7
Section 3.	"Credited Past Service" .....	7
Section 4.	"Prior Governmental Service" .....	8
Section 5.	"Service" .....	8
Section 6.	"Sick and Vacation Leave Service" .....	8
Section 7.	"Catastrophic Sick Leave Service" .....	8
Section 8.	"Total Credited Service" .....	8
Section 9.	"Vesting Service" .....	8
Section 10.	"Management Service" .....	8
<b>ARTICLE III ELIGIBILITY, QUALIFICATION, AND PARTICIPATION.....</b>		<b>9</b>
Section 1.	Classes of Eligible Employees. ....	9
Section 2.	Qualifications for Participation. ....	9
Section 3.	Establishing Participation in the Plan.....	11
Section 4.	Change in Employment Status.....	11
Section 5.	Participant Leaves of Absence. ....	11
Section 6.	Non-Vested Participant Breaks in Service.....	12
Section 7.	Breaks in Service where a Lump Sum was Paid. ....	13
Section 8.	Section 8. Vested Participant Breaks in Service.....	13
<b>ARTICLE IV RETIREMENT BENEFITS .....</b>		<b>13</b>
Section 1.	Normal Retirement Benefit. ....	13
Section 2.	Early Retirement Benefit.....	14
Section 3.	Late Retirement Benefit.....	14
Section 4.	Suspension of Benefits.....	15
Section 5.	Special Retirement Benefits.....	16
Section 6.	Retirement from Terminated Vested Benefit. ....	16
<b>ARTICLE V OPTIONAL FORMS OF RETIREMENT INCOME.....</b>		<b>16</b>
Section 1.	Election of Optional Benefits.....	16
Section 2.	Designation of Post-Retirement Beneficiary.....	16
Section 3.	Description of Options. ....	17
Section 4.	Cancellation of Election.....	17
Section 5.	Rule for Small Benefits. ....	17

Section 6.	Distributions. ....	17
Section 7.	Compliance with Internal Revenue Section 401(a)(9). ....	17
Section 8.	Compliance with Code Section 415. ....	18
<b>ARTICLE VI DEATH BENEFITS.....</b>		<b>18</b>
Section 1.	Death in Service Prior to Retirement. ....	18
Section 2.	Actuarial Reserve In-Service Death Benefit. ....	18
Section 3.	Designation of Primary and Secondary Pre-Retirement Beneficiary. ....	18
Section 4.	Change of Beneficiary. ....	19
Section 5.	Default Beneficiary. ....	19
Section 6.	Terminated Vested Death Benefits. ....	19
Section 7.	Terminated Vested Death Benefit. ....	19
Section 8.	Designation of Terminated Vested Pre-Retirement Beneficiary. ....	21
Section 9.	Participant Death After Retirement Benefit Commencement. ....	21
<b>ARTICLE VII TERMINATION BEFORE RETIREMENT; VESTING .....</b>		<b>21</b>
Section 1.	Vesting Requirement for Deferred Retirement Benefit. ....	21
Section 2.	Involuntary Termination Without Cause. ....	22
Section 3.	Fraud, Embezzlement, Theft, and Dismissal for Cause. ....	22
Section 4.	Forfeitures. ....	23
<b>ARTICLE VIII DISTRIBUTION AND ROLLOVER RULES .....</b>		<b>23</b>
Section 1.	Distribution Rules Imposed by Federal Law. ....	23
Section 2.	Rollover of Distributions. ....	24
<b>ARTICLE IX LIMITATIONS ON BENEFITS .....</b>		<b>25</b>
Section 1.	General 415 Limits. ....	25
Section 2.	Limitation on Annual Benefit. ....	25
<b>ARTICLE X ACTUARIAL EQUIVALENT CONVERSION TABLES .....</b>		<b>29</b>
Section 1.	Early Retirement Reduction Table. ....	29
Section 2.	Standard Joint & Survivor Factors. ....	29
Section 3.	Period Certain and Life Factors. ....	29
Section 4.	Life Annuity Factors to be Used in Computing Actuarial Reserve Death Benefit. ....	29
Section 5.	Late Retirement Actuarial Equivalence Factors. ....	30
Section 6.	Other Annuity Forms. ....	30
Section 7.	Lump Sum Payments. ....	30
Section 8.	Transition. ....	31
Section 9.	Retirement from Terminated Vested Actuarial Equivalence Factors. ....	31
Section 10.	Calculation of Actuarial Equivalence for Dependent Children Beneficiaries. ....	31
<b>ARTICLE XI CONTRIBUTIONS.....</b>		<b>31</b>
Section 1.	Employer Contributions: ....	31
Section 2.	Employee Contributions: ....	32
Section 3.	Refund and Repayment of Employee Contributions: ....	32
<b>ARTICLE XII PENSION COMMITTEE .....</b>		<b>32</b>
Section 1.	Creation and Composition. ....	32

Section 2.	Responsibilities.....	32
Section 3.	Secretary.....	33
Section 4.	Legal Assistance.....	33
<b>ARTICLE XIII BOARD OF TRUSTEES.....</b>		<b>33</b>
Section 1.	Composition and Election.....	33
Section 2.	Qualified Public Accountant.....	33
Section 3.	Fiduciary Insurance.....	33
Section 4.	Appointment of Investment Managers.....	33
Section 5.	Investment Performance.....	33
Section 6.	Appointment of Trustee.....	34
<b>ARTICLE XIV TRUST AGREEMENT .....</b>		<b>34</b>
<b>ARTICLE XV CLAIMS AND LITIGATION .....</b>		<b>34</b>
Section 1.	Disputes.....	34
<b>ARTICLE XVI AMENDMENT, MERGER, AND TERMINATION .....</b>		<b>34</b>
Section 1.	Right to Amend or Terminate the Plan.....	34
Section 2.	Merger, Consolidation or Transfer.....	34
Section 3.	Termination or Partial Termination.....	35
<b>ARTICLE XVII NON-ALIENATION OF BENEFITS.....</b>		<b>35</b>
<b>ARTICLE XVIII MISCELLANEOUS .....</b>		<b>35</b>
Section 1.	Construction.....	35
Section 2.	Non-Diversion.....	36
Section 3.	Legally Incompetent.....	36
Section 4.	Benefits Supported Only by Trust Fund.....	37
Section 5.	Non-Discrimination.....	37
Section 6.	Limitation of Liability; Legal Actions.....	37
Section 7.	Claims.....	37
Section 8.	Errors in Benefits.....	37
Section 9.	Notice.....	38
Section 10.	Right of Recovery.....	38
Section 11.	Evidence of Action.....	38
Section 12.	Reliance.....	38
Section 13.	Entire Plan.....	38

## ARTICLE I DEFINITIONS

This Article covers all generally applicable definitions used in this Plan, except for definitions related to service, which are in Article II. When the initial letter of a word or phrase is capitalized herein, the meaning of such word or phrase shall be as follows, unless a different meaning is plainly required by the content. This amended and restated document includes amendments made on or before January 1, 2025.

**Section 1.** **"Accrued Benefit"** shall mean, as of any date, the Normal Retirement benefit payable to a Participant at his Normal Retirement Date computed in accordance with the provisions of Article IV, based upon the Participant's Total Credited Service and his Final Average Earnings (if applicable) as of the date that the Participant's Accrued Benefit is being determined.

**Section 2.** **"Actuarial Equivalent"** shall mean a benefit of approximately equal value when computed on the basis of the actuarial assumptions contained in Article X.

**Section 3.** **"Actuary"** shall mean an individual, or firm, appointed or approved by the Board of Trustees to perform actuarial calculations necessary in the funding of the Plan.

**Section 4.** **"Administrator"** shall mean the Human Resources Director, Financial and Administrative Services Director, and any member(s) appointed by the City Manager.

**Section 5.** **"Applicable Form"** shall mean the appropriate form as designated and furnished by the Administrator to make the election or provide the notice required by the Plan. In those circumstances where a written election or consent is not required by the Plan or the Code, the Administrator may prescribe an oral, electronic, or telephonic form in lieu of or in addition to a written form.

**Section 6.** **"Board of Trustees" or "Board"** shall mean the City Manager, Financial and Administrative Services Director, and any member(s) appointed by the City Manager. The Board shall be comprised of at least three members in total.

**Section 7.** **"Child" or "Children"** shall mean any natural or adopted child of the Participant or Terminated Participant, as applicable, who is younger than age twenty-two (22) as of the date of the Participant's or Terminated Participant's death. The term "adopted child" shall include any child who is legally adopted by the Participant and any child who is a member of the Participant's household if placed with the Participant by an authorized placement agency for legal adoption by the Participant. The term "child" does not include a foster child.

**Section 8.** **"Code"** shall mean the Internal Revenue Code of 1986, as applicable to governmental plans, as amended from time to time, and the Internal Revenue Code of 1954, as applicable to governmental plans.

**Section 9.** **"Code Section 415(d) Cost of Living Adjustment"** shall mean the cost of living adjustment prescribed by the Secretary of the Treasury under Code Section 415(d) for any applicable year.

**Section 10. "Contract"** shall mean the entire contents of the Ordinance or Resolution adopting the Plan and any future amendments.

**Section 11. "Contributions"** shall mean payments made by the Employer to provide the benefits specified in the Plan.

**Section 12. "Default Beneficiary"** shall mean the person(s) to whom a pre-retirement death benefit is payable in the absence of a beneficiary designation by the Participant or in the event there is no Primary or Secondary Pre-Retirement Beneficiary to whom a pre-retirement death benefit is payable, determined in accordance with and subject to Article VI, Section 5.

**Section 13. "Disability"** shall mean the following:

(a) A physical or mental disability of a Participant who because of such disability becomes entitled to receive disability insurance benefits under the Federal Social Security Act, as amended, provided that the following conditions are satisfied:

(1) Such disability commenced on a specified date during the period of the Participant's employment with the Employer; and,

(2) Such disability was not self-inflicted, incurred in military service, incurred in the commission of a felonious enterprise; or the result of the use of narcotics or drugs or habitual use of alcohol; or

(b) A Participant who is not disabled in accordance with the definition under subsection (a) above solely because he lacks the quarters of Social Security coverage required under the Federal Social Security Act, as amended, shall qualify for Disability if the Pension Committee determines that the Participant is permanently disabled on the basis of a certificate signed by at least two (2) physicians, (one physician selected and paid by the disabled Participant and one selected and paid by the Employer) stating that:

(1) The Participant is permanently disabled as defined in Internal Revenue Code Section 72(m); and

(2) Such disability commenced on a specified date during the period of the Participant's employment with the Employer; and

(3) Such disability was not self-inflicted, incurred in military service, incurred in the commission of a felonious enterprise, or the result of the use of narcotics or drugs or habitual use of alcohol.

**Section 14. "Disability Date"** shall mean the first day of the first calendar month in which: (a) a Participant becomes entitled to receive a disability insurance benefit under the Federal Social Security Act, as amended; or (b) the Participant's Disability is determined by the Pension Committee to have commenced. However, in no event will the Disability Date be earlier than one (1) calendar month following the date of the Participant's Termination of Employment as a result of Disability. Credited Service continues to accrue as long as the participant retires as Disabled or directly returns to employment by the Employer upon recovery, otherwise Credited Service is

frozen at the date of Disability. Credited Service under the Retirement provision ends at the later of Normal Retirement and April 1, 2009.

**Section 15.** **"Early Retirement Date/Early Retirement"** shall mean the first day of the month coinciding with or next following the day a Participant qualifies for Early Retirement (a minimum of age 55 and 10 years of Vesting Service) when the Participant actually retires.

**Section 16.** **"Earnings"** shall mean the total taxable compensation paid to a Participant by the Employer, as reflected in the Employer's W-2 payroll records. Earnings shall also include compensation deferred pursuant to Sections 401(k), 403(b) or 457 of the Internal Revenue Code, compensation redirected pursuant to Section 125 or 132(f)(4) of the Internal Revenue Code, and contributions picked-up under Section 414(h) of the Internal Revenue Code. Earnings exclude expense allowances including, but not limited to, automobile allowances and clothing allowances and any imputed income. Likewise, post employment payments including but not limited to severance are excluded. Only the following will not be considered post employment payments: up to 80 hours of comp time, up to 480 hours of sick leave time, and up to 160 vacation hours (or the corresponding amounts defined in the employee benefit manual as of December 31, 2003 if different for Police and Firefighters).

The earnings of a Participant for any year taken into account under the Plan for any Plan Year beginning prior to January 1, 2002 shall not exceed Two Hundred Thousand Dollars (\$200,000) or for any Plan Year beginning on or after January 1, 2002 shall not exceed Two Hundred Thousand Dollars (\$200,000) (as increased by the cost of living adjustment for the year, pursuant to Code Section 401(a)(17)).

**Section 17.** **"Effective Date"** shall mean January 1, 1974.

**Section 18.** **"Eligible Employee"** shall mean any Employee, except for elected or appointed members of the Governing Authority, who satisfies any eligibility conditions applicable to the class of Eligible Employees to which he belongs. Only Employees with job designations classified as full time by the payroll system are eligible for this Plan. Full time and part time employees who meet the prior eligibility requirements by December 31, 2004 are grandfathered into the prior provisions. Part Time and Volunteer Firefighters are not Eligible Employees. Their hours of service are not included for any purpose under the plan. These provisions override any other mention or provision for Ineligible Employees in the rest of the document.

**Section 19.** **"Eligible Regular Employee"** shall mean any Regular Employee who works in a full time position. Prior to December 31, 2004, a Regular Employee who worked a regularly scheduled 20 hours per week qualified as an Eligible Regular Employee. Appendix A lists employees who met and therefore retain Eligibility under this provision. For the purpose of determining the twenty (20) hour minimum requirement for these employees as an Eligible Regular Employee, total hours at Calendar Year end divided by the total employment period during the Calendar Year replace reviewing weekly records.

**Section 20.** **"Employee"** shall mean any person who is regularly employed in the services of the Employer as an employee, except for elected or appointed members of the Governing Authority. However, notwithstanding any other provision of the Plan to the contrary,

the term "Employee" does not include: (a) an individual who is a nonresident alien and who receives no earned income (within the meaning of Code Section 911(d)(2)) from an Employer which constitutes income from sources within the United States within the meaning of Code Section 861(a)(3); (b) a leased employee; or (c) any person treated in good faith by an Employer as an independent contractor, regardless of whether such person is later determined to be a common law employee for tax purposes.

**Section 21.** **"Employee Contributions"** shall mean a percentage of Earnings which shall be "picked up" from the pay of all Eligible Regular Employees and used as Contributions.

**Section 22.** **"Employee Contributions with Interest"** shall mean Employee Contributions plus interest with the interest calculated at 1% as follows. Contributions made during each completed calendar year will get ½ a year of interest. Accumulated contributions at the beginning of the year will get a full year of interest. Accumulated contributions at the beginning of the year during the year of Termination or Retirement will get ½ a year of interest if the termination date is prior to July 1, and a full year otherwise. Contributions made during the Termination year will get ½ a year of interest.

**Section 23.** **"Employer"** shall mean The City of Peachtree City.

**Section 24.** **"Enrollment Date"** shall mean the date that an Eligible Employee first becomes a Participant under this Plan.

**Section 25.** **"FMLA"** shall mean the Family and Medical Leave Act of 1993, as amended from time to time.

**Section 26.** **"Firefighter"** shall mean an Eligible Regular Employee of the Employer who is either certified as a firefighter pursuant to O.C.G.A. § 25-4 or who would otherwise be required to be certified as a firefighter but who is exempt pursuant to O.C.G.A. § 25-4-12. In addition their most recent 10 years of Vesting Service must be while employed in this capacity.

**Section 27.** **"Final Average Earnings"** shall mean the greater of:

1) The arithmetic annual average of the Earnings paid to a Participant for a specified number of 3 consecutive years (12 month periods) of Credited Service preceding the Participant's most recent Termination. This was five (5) consecutive years prior to January 1, 2023.

-or-

2) The highest three of the last ten calendar years of Earnings. This was the highest five (5) years prior to January 1, 2023.

Calculation of Final Average Earnings shall be subject to the following:

(a) If a Participant terminates employment or is on an unpaid leave of absence and he later returns to employment with the Employer, the period(s) prior to and following such absence from employment shall be considered consecutive.

(b) If a Participant has not completed the number of consecutive years of Credited Service necessary to compute Final Average Earnings under this Section as of the date of his most recent Termination preceding Retirement, then his Final Average Earnings shall be determined by dividing his total Earnings for his entire period of Credited Service by his total number of years of Credited Service. In computing the number of years of Credited Service for this purpose, incomplete years of Credited Service shall be converted to fractional equivalents of years and included in the computation.

**Section 28.** **"Governing Authority"** shall mean the Mayor and City Council of the Employer.

**Section 29.** **"Ineligible Employee"** shall mean an Employee of the Employer who is not an Eligible Employee.

**Section 30.** **"Late Retirement Date"** shall mean the first day of the month coinciding with or next following the day the Participant qualifies for Late Retirement, as specified in Article IV, Section 3, as of which the Participant actually retires.

**Section 31.** **"Monthly Retirement Benefit"** shall mean the monthly benefit as provided in Article IV or any optional benefit payable in lieu thereof as provided in Article V.

**Section 32.** **"Normal Retirement Date"** shall mean the first day of the month coinciding with or next following the date the Participant attains age 65 and completes 5 years of Vesting Service.

**Section 33.** **"Participant" or "Participating Employee"** shall mean any Eligible Employee who is or may become eligible to receive a benefit of any type from the Plan and who has commenced participation in the Plan under Article III.

**Section 34.** **"Pension Committee"** shall mean the Administrator as referenced in Section 4 above.

**Section 35.** **"Plan"** shall mean the provisions of this document.

**Section 36.** **"Plan Representative"** shall mean the Board of Trustees as defined in Section 6 above. The Plan Representative(s) has full authority to represent the Plan in all communications with the Employees.

**Section 37.** **"Plan Year"** shall mean a twelve (12) month period beginning January 1 and ending December 31.

**Section 38.** **"Police Officer"** shall mean an Eligible Regular Employee employed by the Employer's Police Department who is either certified or registered as a peace officer pursuant to O.C.G.A. Chapter 35-8 with their most recent 10 years of Vesting Service employed in this capacity.

**Section 39. "Post-Retirement Beneficiary"** shall mean the person designated by the Participant, in writing and on the Applicable Form, to receive a post-retirement survivor benefit in accordance with and subject to the provisions of Article V and Article VI.

**Section 40. "Primary Pre-Retirement Beneficiary"** shall mean the person designated by the Participant, in writing and on an Applicable Form, to receive a pre-retirement death benefit, in accordance with and subject to the provisions of Article VI.

**Section 41. "Regular Employee"** shall mean any Employee, other than an elected or appointed member of the Governing Authority, who is regularly employed in the services of the Employer.

**Section 42. "Resolution"** shall mean a resolution duly adopted by an Employer.

**Section 43. "Retired Participant"** shall mean any Participant who has Terminated Employment with the Employer and who is receiving a benefit.

**Section 44. "Retirement" or "Retires"** shall mean withdrawal from Service with a retirement allowance granted under the provisions of the Plan. Article IV Sections 1 - 3 define what occurs when retiring from active employment; Article IV Sections 3 and 6 define what occurs when retiring from a Terminated Vested status.

**Section 45. "Secondary Pre-Retirement Beneficiary"** shall mean the person designated by the Participant, in writing and on the Applicable Form, to receive a pre-retirement death benefit in the event the Primary Pre-Retirement Beneficiary does not survive the Participant, in accordance with and subject to the provisions of Article VI.

**Section 46. "Section"** shall mean, when not preceded by the word Code or ERISA, a section of the Plan document.

**Section 47. "Spouse"** shall mean a person who, as of the date of the Participant's or Terminated Participant's death, as applicable, is lawfully joined with the Participant or Terminated Participant in a marriage which is recognized under the laws of the State of Georgia.

**Section 48. "Terminated Participant"** shall mean any Participant who has Terminated Employment with the Employer and who has a Vested Benefit under any provision of the Employer's Plan.

**Section 49. "Termination," "Terminate Employment," "Termination of Employment," or "Terminated"** shall mean a severance of employment with the Employer, including Retirement, resignation or discharge, lapse of recall rights after layoff, death, or vacation of office by an elected or appointed member of the Governing Authority. Provided, however, that Termination shall not include: (i) absence from active employment which is not treated by the Employer as a Termination of Employment; (ii) absence due to military service to the extent required under USERRA and Code Section 414(u)(8)(A), (iii) absence due to leave which qualifies as family or medical leave under the FMLA, to the extent required under the FMLA; or (iv) absence due to an authorized leave of absence for any reason if approved by the Employer. Unless otherwise required by law or unless the terms of the leave otherwise specify, if an Employee on

an authorized leave of absence fails to return to active employment upon expiration of the leave of absence, the Employee will be considered terminated as of the date immediately preceding the approved leave period.

**Section 50.** **"Trust Administrator"** will disburse retirement benefits and have custody of the Plan's assets.

**Section 51.** **"Trust Fund"** shall mean the total amounts, invested or uninvested, held at any time in trust for the Employer.

**Section 52.** **"Unreduced Early Retirement Date/Unreduced Early Retirement"** for a Participant who is a Police Officer or Firefighter, shall mean the first day of the month coinciding with or next following the date the Police Officer or Firefighter attains a minimum of age 55 and completes at least 10 years of Vesting Service or completes at least twenty-five (25) years of Vesting Service, regardless of age, when the Participant actually Retires. For all other Employees, Unreduced Early Retirement shall mean the first day of the month coinciding with or next following the date the Employee attains a minimum of age 62 and completes at least 10 years of Vesting Service. For non-sworn employees this benefit is available for terminations subsequent to September 29, 2016.

**Section 53.** **"Vested," "Vesting," "Vested Right," or "Vested Benefit"** shall mean the rights of a Terminated Participant as specified in Article VII.

## ARTICLE II SERVICE

**Section 1.** **"Current Credited Service"** shall mean the number of years and complete calendar months of Service of a Participant with the Employer from his Enrollment Date to his Termination, which are credited as Current Credited Service for purposes of meeting the Plan's requirements for vesting, retirement and death benefit eligibility, and/or for purposes of computing the amount of benefits payable under the Plan. Complete Calendar Months begin on the first scheduled work day of the month and end on the final scheduled workday of the month.

**Section 2.** **"USERRA Military Service Credit."** Notwithstanding any provision of this Plan to the contrary, benefits and service credit with respect to qualified military service shall be provided in accordance with Code Section 414(u). Code Section 414(u) provides that: (i) individuals reemployed under the Uniform Services Employment and Reemployment Rights Act of 1994 ("USERRA") must be treated as not having incurred a Break in Service because of qualified military service, (ii) periods of qualified military service must be counted for vesting and benefit accruals.

**Section 3.** **"Credited Past Service"** shall mean the number of years and complete calendar months of Service of a Participant with the Employer prior to his Enrollment Date which are treated as Credited Past Service for purposes of meeting the Plan's requirements for participation, vesting, retirement and death benefit eligibility, and/or for purposes of computing the amount of benefits payable under the Plan.

**Section 4.** **"Prior Governmental Service"** shall mean government service external to Peachtree City, granted to any Eligible Employee whose original employment date or rehire date is prior to January 1, 2004. This provision only applies to services performed for GMEB pension plan participants.

**Section 5.** **"Service"** shall mean regular service rendered as an Eligible Employee of the Employer. Service may include absence from active employment with the Employer under conditions which are not treated by the Employer as a Termination of Employment, subject to Article III concerning leaves of absence and any other conditions or limitations specified in the Plan. No Participant may receive credit for more than one (1) year of Service in any twelve (12) month period. Unused leave shall not be treated as Credited Service.

**Section 6.** **"Sick and Vacation Leave Service"** shall mean the accumulated sick and vacation leave an Employee uses at Termination or Retirement in accordance with City policies to buy additional Vesting Service and Credited Service. Such Sick and Vacation Leave Service is applied to both Vesting Service and Age to the extent necessary for eligibility purposes for retirement (if not already met) and applied to Credited Service.

**Section 7.** **"Catastrophic Sick Leave Service"** shall mean the accumulated Catastrophic Sick leave an Employee uses at Termination or Retirement in accordance with City policies to buy additional Vesting Service and Credited Service. Such Catastrophic Sick Leave Service is applied to both Vesting Service and Age to the extent necessary for eligibility purposes for retirement (if not already met) and applied to Credited Service.

**Section 8.** **"Total Credited Service"** shall mean the sum of the Participant's Current Credited Service, Credited Past Service, and Prior Governmental Service, as specified in this Article. The term Total Credited Service includes any Service required to be included in Total Credited Service by USERRA, or any other applicable federal or state law. Full months of Total Credited Service shall be treated as fractions of one (1) year. Partial months shall not be included in the calculation. An Employee excluded from participation because of age shall receive credit for all Service as required by law.

**Section 9.** **"Vesting Service"** shall mean Total Credited Service, plus any service for which a lump sum benefit has been paid by the Employer. In the event a person terminates and has less than five (5) years of Vesting Service, their unused leave (excluding sick leave) converted to calendar days shall be considered in addition to their Total Credited Service for the purpose of determining whether the benefit Vests.

**Section 10.** **"Management Service"** shall increase Total Credited Service by 6 months for Employees regularly (not temporarily) employed in the positions listed below. This will in no way will increase Vesting Service. No more than 6 months shall be granted regardless of how many of the below positions are held. An Employee is not required to Terminate in one of these positions, just to have held it regular position at some point during their Employment. Eligible positions are: City Manager, Assistant City Manager, Police Chief, Fire Chief, Financial and Administrative Services Director, Public Works Director, Recreation & Special Events Director, CVB Director, Planning and Zoning Director, HR & Risk Management Director, Court Administrator, Library Services Director, Executive Services Director, and City Engineer.

**ARTICLE III  
ELIGIBILITY, QUALIFICATION, AND PARTICIPATION**

**Section 1. Classes of Eligible Employees.** The Employer elects to not include Elected or appointed members of the Governing Authority. Provided, however, that if a person does not meet the definition of "Employee", he or she may not be included in any Eligible Employee class.

**Section 2. Qualifications for Participation.**

(a) **Minimum Service Requirement.**

With respect to each class of Eligible Regular Employees, the Employer requires at least 20 hours per week on a regular schedule as specified in Article I, Section 19. In determining whether said requirements are satisfied, the following rules shall apply:

(1) If an Employee is otherwise includable in an Eligible Regular Employee class, but he does not meet the minimum service requirements established by the Employer for said class pursuant to subsection (a) above, he or she shall not be considered an Eligible Employee, unless and until he satisfies such requirements. If an Eligible Regular Employee who has not yet become a Participant no longer meets said minimum service requirement, but he remains an Employee of the Employer, he or she shall no longer be considered an Eligible Regular Employee, unless and until he again satisfies the minimum requirement.

(2) No period of employment during which an Employee fails to satisfy the Employer's minimum service requirement and no leave of absence granted to such Employee shall be counted in determining whether any waiting period for participation established by the Employer pursuant to subsection (b) below has been satisfied. However, provided the Employee remains continuously employed by the Employer, such periods shall not be considered a break in Service under subsection (b)(1) below for purposes of satisfying said waiting period.

(b) **Waiting Period.**

Eligible Regular Employees shall be required to complete 1 year of continuous, uninterrupted Service with the Employer in order to commence participation in the Plan. In determining whether this waiting period has been satisfied, the following rules shall apply:

(1) **Breaks in Service.** If an Eligible Regular Employee has a Break in Service prior to satisfying the waiting period for participation and later becomes reemployed by the Employer, he shall be required to again satisfy the waiting period in order to be eligible to participate in the Plan. Service rendered prior to said break in Service shall not be taken into account in determining whether the waiting period has been satisfied.

(2) **Employed on Effective Date; Waiting Period Satisfied.** If an Eligible Regular Employee is employed by the Employer on the Effective Date of the Plan and he has completed a period of continuous, uninterrupted Service as an Eligible Employee immediately prior to the Effective Date equal to or exceeding the length of the required waiting period, then he shall be considered to have satisfied the waiting period and he shall be eligible to commence

participation in the Plan on the first day of the month immediately following or coinciding with the Effective Date of the Plan.

(3) Employed on Effective Date; Waiting Period Not Satisfied. If an Eligible Regular Employee is employed by the Employer on the Effective Date of the Plan, but he has not completed a period of continuous, uninterrupted Service as an Eligible Regular Employee immediately prior to the Effective Date equal to or exceeding the length of the required waiting period, then he shall be eligible to commence participation in the Plan on the first day of the month immediately following or coinciding with the date that he completes the minimum period of continuous, uninterrupted Service as an Eligible Regular Employee necessary to satisfy the required waiting period.

(4) Employed After the Effective Date. If an Eligible Regular Employee is initially employed by the Employer after the Effective Date of the Plan, he shall be eligible to commence participation in the Plan on the first day of the month immediately following or coinciding with the date that he completes the minimum period of continuous, uninterrupted Service as an Eligible Regular Employee necessary to satisfy the required waiting period.

(5) Treatment of Leaves of Absence. For purposes of determining whether the waiting period for participation has been satisfied, Service shall include any period of absence from employment which is required to be taken into account for such purpose under USERRA, the FMLA, or any other applicable federal or state law. Unless otherwise required by law or unless the terms of the leave otherwise specify, an authorized leave of absence granted to an Eligible Regular Employee by the Employer shall be counted as Credited Service for purposes of determining whether the waiting period for participation has been satisfied. However, unless otherwise required by law or unless the terms of the leave otherwise specify, if an Eligible Regular Employee on an authorized leave of absence fails to return to active employment upon expiration of the leave of absence, the Eligible Regular Employee shall be considered to have incurred a break in Service for purposes of meeting the waiting period for participation as of the date preceding the approved leave period.

(6) Treatment of Service as an Ineligible Employee. If an Employee of the Employer who is not an Eligible Employee becomes an Eligible Regular Employee while remaining continuously employed by the Employer, said Eligible Employee shall become eligible to commence participation on the first day of the month immediately following or coinciding with the date he meets the eligibility requirements for participation under this Article. For purposes of satisfying any waiting period imposed by the Employer, the Eligible Regular Employee's prior period of employment as an Ineligible Employee shall be credited in the same manner as Service as an Eligible Regular Employee, provided that during said prior period of service as an Ineligible Employee, he satisfied any minimum service requirement established by the Employer pursuant to Article III, Section 2(a). If an Eligible Regular Employee becomes an Ineligible Employee prior to satisfying the waiting period for participation in the Plan, his service as an Ineligible Employee shall be credited in the same manner as Service as an Eligible Regular Employee for purposes of satisfying said waiting period, provided that the Ineligible Employee satisfies the applicable minimum service requirements established for Eligible Employees pursuant to Article III, Section 2(a). However, in no event will an Ineligible Employee be permitted to become a Participant in the Plan unless and until he has satisfied the waiting period and has again become an Eligible

Employee. For purposes of satisfying the waiting period, leaves of absence granted to an Ineligible Employee shall be treated in the same manner as leaves of absence for Eligible Regular Employees under subsection (5) above.

(7) Prior Participation in Another GMEBS Plan. As described under Article II, Section 4, service in other GMEBS plans will be recognized if employed by the Employer prior to January 1, 2004.

**Section 3. Establishing Participation in the Plan.**

(a) Mandatory vs. Optional Participation. Participation in the Plan shall be considered mandatory for all classes of Eligible Employees.

(b) Mandatory Participation. If participation is mandatory for a class of Eligible Employees, then all Eligible Employees in the class shall become Participants in the Plan on the first day of the month immediately following or coinciding with the date they satisfy the applicable waiting period and any other eligibility requirements for participation.

(c) Optional Participation. Participation in the Plan shall not give any Eligible Employee the right to be retained in the employ of the Employer nor, upon dismissal, to have any right or interest in the Trust Fund other than as herein provided.

**Section 4. Change in Employment Status. Transfer to Ineligible Status.** If a Participant's employment status changes such that he becomes an Ineligible Employee, he shall cease to accrue benefits under the Plan for any purpose and his interest under the Plan, if any, shall be only such as existed immediately before he became an Ineligible Employee, unless and until he again becomes a Participant. In no event will his service or earnings as an Ineligible Employee be taken into account for purposes of meeting the Plan's minimum service requirements for vesting, retirement eligibility, death benefit eligibility, or for purposes of computing the amount of any benefit payable under the Plan. However, said period of service as an Ineligible Employee shall not be considered a break in Service under Article III, Section 6, provided the Ineligible Employee remains continuously employed by the Employer. If the Ineligible Employee does not again become a Participant prior to Retirement or Termination of Employment, his Vested Benefit, if any, shall be paid as provided in Article VII.

(b) Transfer Back to Eligible Status. If an Ineligible Employee described in subsection (a) above remains continuously employed by the Employer and he has another change in employment status such that he again becomes a Participant, he shall thereafter be entitled to accrue benefits in accordance with the terms of the Plan as in effect as of the date of the subsequent change in employment status.

**Section 5. Participant Leaves of Absence.**

(a) USERRA, FMLA Leave. Notwithstanding any provision of this Plan to the contrary, if any period of absence is required to be counted under USERRA, the FMLA or any other applicable federal or state law as Current Credited Service for the purpose of computing the amount of any benefit payable under the Plan, and for purposes of meeting the Plan's minimum

service requirements for vesting, retirement or death benefit eligibility, then said period of absence shall be counted as such in accordance with and subject to the requirements of such law.

(b) Other Leaves of Absence. Unless otherwise required by law or unless the terms of the leave otherwise specify, an authorized leave of absence granted to a Participant by the Employer will be counted as Current Credited Service for the purpose of computing the amount of any benefit payable under the Plan, and for purposes of meeting the Plan's minimum service requirements for vesting and benefit eligibility. However, if the Participant does not return to active employment upon expiration of the authorized leave period, then subsection (c) shall apply.

(c) Failure to Return to Service. Unless otherwise required by law or unless the terms of the leave otherwise specify, if a Participant does not return to active employment with the Employer upon expiration of a leave of absence, his interest under the Plan, if any, including his Current Credited Service for the purpose of computing the amount of any benefit payable under the Plan, and for purposes of meeting the Plan's minimum service requirements for vesting and any minimum service requirements for retirement or death benefit eligibility, will be limited to that accrued as of the date preceding the approved leave period.

(d) Unused Leave. The Employer does not credit unused leave at termination or retirement as Credited Service.

**Section 6. Non-Vested Participant Breaks in Service.** This Section shall apply only to Participants who are Eligible Regular Employees. If a non-vested Participant experiences a Break in Service; the Participant's Current Credited Service shall not include any Service rendered prior to the break in Service, unless the Participant returns to employment with the Employer within 5 years and performs the lesser of Service equal to the Break in Service, or Service equal to one (1) year. The following limitations shall apply in administering the break in Service rule:

(a) Absence of Less Than One (1) Year. If a Participant terminates employment with the Employer and returns to employment with the Employer within one (1) year after said termination, the Participant shall not be deemed to have incurred a break in Service. Except as otherwise required under this Section, however, the time he was absent shall not be taken into account for any purpose under the Plan.

(b) Treatment of Leaves of Absence. No leave of absence or other period of absence from employment shall be considered a Break in Service if it is not permitted to be treated as such under USERRA, the FMLA, or any other applicable federal or state law. Unless otherwise required by law or unless the terms of the leave otherwise specify, any other authorized leave of absence granted to a Participant shall not be deemed a break in Service, provided the Participant was regularly employed by the Employer immediately prior to his leave of absence and the Participant is reemployed by the Employer upon expiration of the leave of absence. Unless otherwise required by law or unless the terms of the leave otherwise specify, if a Participant does not return to active employment upon expiration of the approved leave period, he will be considered to have incurred a Break in Service under this Section as of the date immediately preceding the approved leave period.

(c) Transfer to Ineligible Employee Status. If a Participant's employment status changes such that he becomes an Ineligible Employee pursuant to Section 5 above, the period of time spent as an Ineligible Employee shall not be considered a Break in Service under this Section, provided the Participant remains employed by the Employer. Unless otherwise specified by the Employer, leaves of absence granted to an Ineligible Employee will not be considered a Break in Service under this Section, provided the Ineligible Employee returns to active employment with the Employer upon expiration of the approved leave period and the requirements of subsection 6(b) above are otherwise satisfied with respect to such leave of absence.

(d) Repeated Breaks in Service. If a non-vested Participant has a Break in Service, returns to employment with the Employer, and experiences one or more additional Breaks in Service prior to satisfying the one (1) year Service requirement necessary to work off the initial break, then the Participant's Current Credited Service shall not include any Service rendered prior to the most recent break in Service, unless upon the Participant's return to employment with the Employer following the most recent Break in Service he performs Service for a period equal to one (1) year.

**Section 7. Breaks in Service where a Lump Sum was Paid.**

If Participant is reemployed subsequent to being paid a Lump Sum, the Participant has six months to repay the lump sum, or for Credited Service Purposes, he will be treated as a new hire. The lump sum will include interest from the date of the payment as indicated in the trust records to the date of repayment.

If a Participant is reemployed subsequent to receiving a distribution of Employee Contributions Plus Interest, as described in Article XI, Section 3, the Participant has three months to commence repaying the distribution (plus interest as described in that section) or, for Credited Service purposes, that person will be treated as a new hire.

**Section 8. Section 8. Vested Participant Breaks in Service.** This Section shall apply only to Participants who are Eligible Regular Employees. If a Vested Participant experiences a Break in Service; upon reemployment as and Eligible Regular Employee they will immediately participate in the Plan.

**ARTICLE IV  
RETIREMENT BENEFITS**

**Section 1. Normal Retirement Benefit.**

(a) A Participant, upon Retirement on or after his Normal Retirement Date, shall receive a Monthly Retirement Benefit under which payments shall commence on the last day of the month in which his effective Retirement Date and shall be payable on the last day of each month thereafter during his lifetime. However, if directed by the Employer, Normal Retirement Benefits may be paid retroactively to the last day of the month following the month in which the Participant's Termination occurs (or, if the Participant's Termination occurs on the first of the month, the last day of said month) or if later, the last day of the month in which his Normal Retirement Date occurs. The amount of the Monthly Retirement Benefit shall be determined based upon 2.5% of Final Average Earnings multiplied by years of Total Credited Service divided by 12. For Terminations prior to January 1, 2023 the multiplier was 2%.

(b) The application for the Normal Retirement Benefit must occur within 90 days of the Normal Retirement Date.

(c) No interest shall be paid on the retroactive payment of Normal Retirement Benefits.

(d) Eligibility for Normal Retirement is defined in Article I, Section 32.

(e) Participants who retire from Disability are only eligible for a Normal Retirement Benefit; however, the Normal Retirement Benefit will be offset by Disability payments directly provided by the Employer's other benefit plan, if any, until such time as the Disability payments expire.

**Section 2. Early Retirement Benefit.**

(a) A Participant, upon Retirement from active service on or after his Early Retirement Date and before his Normal Retirement Date, shall receive a Monthly Retirement Benefit under which payments shall commence on the last day of the month in which his effective Retirement Date occurs and shall be payable on the last day of each month thereafter during the lifetime of the Participant. The amount of such Monthly Retirement Benefit shall be computed in the same manner as for a Normal Retirement Benefit, but reduced on an Actuarially Equivalent basis in accordance with the actuarial table contained in Article X, Section 1 for those who do not qualify for an Unreduced Early Retirement Benefit.

(b) The application for Early Retirement must occur within 90 days of Termination of Employment.

(c) Early Retirement benefits begin at the Participant's Early Retirement Date.

(d) Eligibility for Early Retirement/Unreduced Early Retirement is defined in Article I, Sections 15 and 52.

(e) No interest shall be paid on the retroactive payment of Early Retirement Benefits.

**Section 3. Late Retirement Benefit.**

(a) A Participant may retire from either 1) the active Service of the Employer, or 2) Terminated Vested Status, on the first day of any month after his Normal Retirement Date, in which case the Participant shall receive a monthly Late Retirement Benefit under which payments shall commence on the last day of the month in which his effective Retirement Date occurs and shall be payable on the last day of each month thereafter during the lifetime of the Participant. The amount of such Monthly Retirement Benefit shall be computed in the same manner as for a Normal Retirement Benefit, but increased on an Actuarially Equivalent basis in accordance with the actuarial table contained in Article X, Section 5.

(b) The application for the Retirement for Late Retirement Benefit must occur within 90 days of the Late Retirement Date.

(c) Retroactive payment of Late Retirement benefits to the Participant's Late Retirement Date is permitted.

(d) No interest shall be paid on the retroactive payment of Late Retirement Benefits.

(e) A Terminated Vested participant may elect to retire at his Normal Retirement Date and elect to receive retroactive payments from that date regardless of when he retires. In this case no interest shall be paid on retroactive payments.

#### **Section 4. Suspension of Benefits**

(a) General Rule. Unless otherwise provided in this Section, if a Retired Participant returns to Service as an Eligible Employee with the Employer, said Monthly Retirement Benefit shall be suspended as of the date of said return to Service. The Employer may engage on a retainer or fee basis any person receiving benefits hereunder and such engagement will not terminate or suspend such benefits. In such case, said person will not accrue benefits or service credit for any purpose under the Plan during said period of reemployment.

(b) Re-Computation of Benefit in Case of Suspension. In any case where the payment of a Participant's Retirement benefit shall have been suspended, the Retirement benefit payable on his re-retirement (whether before or after his Normal Retirement Date) shall be the benefit computed in accordance with this Article on the basis of his aggregate Total Credited Service at the time of his subsequent re-retirement, but reduced by the Actuarial Equivalent of any Retirement benefits received by him prior to his return to Service as an Eligible Employee, and by any actuarial factors used in calculating the benefit payable at the time of his previous Retirement. For purposes of this subsection, the term "Actuarial Equivalent" shall mean an amount equal to the value of Retirement benefits received, determined as of the date of the Participant's re-retirement and computed on the basis of the actuarial assumptions contained in Article X, Section 6. In no event shall the resulting benefit be less than the benefit payable at the time of his previous Retirement. A Retired Participant who is reemployed as an Eligible Employee shall not be authorized to change his form of benefit payment on his subsequent re-retirement, or to change his Post-Retirement Beneficiary, or to name a Post-Retirement Beneficiary if one had not been previously named. For the purposes of this Section 5, any such Participant's Credited Service subsequent to his reemployment by the Employer as an Eligible Employee shall commence as of the date of his reemployment as an Eligible Employee.

(c) Death in Service After Reemployment. If a Retired Participant returns to Service with the Employer as an Eligible Employee and he dies during the period of his reemployment and before re-retirement, then his Post-Retirement Beneficiary, if any, shall be entitled to receive the greater of (1) the monthly post-retirement survivor benefit payable, if any; or (2) the monthly in-service death benefit, if any, payable for the class of Eligible Employees to which the Participant belongs as of his date of death, reduced by the Actuarial Equivalent of any Retirement benefits received by the Participant prior to his death. This provision shall not be interpreted to permit payment to a Pre-Retirement Beneficiary in the event of a Retired Participant's death during reemployment.

(d) Return to Employment From Disability. Any Participant who returns to employment directly from disability will retain increased credited service for the period of disability.

**Section 5. Special Retirement Benefits.** The Board may, from time to time, offer benefit enhancements, or the opportunity to retire under specified terms and conditions to an Employee or group of Employees. In the event the enhancement has a financial cost to the city, the enhancement will require council approval.

**Section 6. Retirement from Terminated Vested Benefit.**

(a) A Terminated Vested Participant, upon Retirement on or after his Early Retirement Date and before his Normal Retirement Date, shall receive a Monthly Retirement Benefit under which payments shall commence on the last day of the month in which his effective Retirement Date occurs and shall be payable on the last day of each month thereafter during the lifetime of the Participant. The amount of such Monthly Retirement Benefit shall be computed in the same manner as for a Normal Retirement Benefit, but reduced on an Actuarially Equivalent basis in accordance with the actuarial table contained in Article X, Section 9.

(b) The application for the Retirement for Terminated Vested Benefit must occur within 90 days of the Retirement for Terminated Vested Date.

(c) Retroactive payment of Terminated Vested benefits to the Participant's Terminated Vested Retirement Date is permitted.

(d) No interest shall be paid on the retroactive payment of Terminated Vested Retirement Benefits.

(e) Eligibility for Early Retirement is covered in Article I, Section 15.

**ARTICLE V  
OPTIONAL FORMS OF RETIREMENT INCOME**

**Section 1. Election of Optional Benefits.** A Participant may elect, or may revoke a previous election and make a new election, at any time prior to his effective Retirement Date, to have his Retirement benefit payable under one of the options hereinafter set forth in lieu of the lifetime monthly Retirement benefit he is otherwise entitled to receive under Article IV. The benefit shall be paid in accordance with and subject to the terms of such option elected. Election of any option shall be made by the Participant in writing on the Retirement Application and shall be subject to approval by the Administrator.

**Section 2. Designation of Post-Retirement Beneficiary.** If the Participant elects Joint and Survivor Options or Period Certain and Life Options, he shall designate a Post-Retirement Beneficiary to receive a survivor benefit in accordance with and subject to the terms of such Option. Designation of a Post-Retirement Beneficiary may be revoked or changed by the Participant by submitting a new completed Retirement Application at any time prior to the Participant's effective Retirement date. Only the last such designation of a Post-Retirement

Beneficiary shall have effect, and any new designation of a Post-Retirement Beneficiary shall invalidate, supersede, and revoke any prior designation.

**Section 3. Description of Options.** The amount of any optional benefit set forth below shall be the Actuarial Equivalent of the amount of benefit that would otherwise be payable to the participant under Article IV, Sections 1-3.

(a) **Joint and Survivor Option.** A decreased retirement benefit which shall be payable during the lifetime of the Participant and, if his designated Post-Retirement Beneficiary should survive him, shall continue after his death during the lifetime of his Beneficiary in the same amount (100%) or in such smaller amount (75%, 50%) as the Participant may designate. The Participant's retirement benefit shall be calculated in accordance with Article X, Section 2.

(b) **Period Certain and Life Option.** A decreased benefit payable monthly to the Participant during his lifetime and, in the event of his death within a period of specified years, either ten (10), or twenty (20) years after his benefit commencement, the same monthly amount shall be payable for the balance of such period to the Post-Retirement Beneficiary designated by him. If the Post-Retirement Beneficiary does not survive the Participant, all payments shall cease at the death of the Participant and no further benefits will accrue to his estate or to other persons except as provided in Article V. The Retirement benefit shall be calculated in accordance with Article X, Section 3.

**Section 4. Cancellation of Election.** The election by a Participant of any option in Section 1-3 of this Article V shall be null and void if either the Participant or his designated Post Retirement Beneficiary dies before the Participant's effective Retirement date.

**Section 5. Rule for Small Benefits.** The present value of a Plan benefit shall be distributed to the Participant, Terminated Participant, or Pre-Retirement Beneficiary, as applicable, if the benefit payable to the recipient does not exceed \$7,000 (\$5,000 prior to January 1, 2025) on the date of distribution. The present value of such an Accrued Benefit under the Plan shall be determined in accordance with Article X, Section 7.

(a) **Present Value \$1,000 or Less:** The present value of an Accrued Benefit of a Participant, Terminated Participant, or Pre-Retirement Beneficiary which is \$1,000 or less shall be distributed in a cash lump sum to the recipient as soon as administratively feasible following the termination event, unless the recipient elects to have the distribution paid directly to an eligible retirement plan specified by the recipient in a direct rollover.

(b) **Present Value Greater than \$1,000 and Less Than \$7,000 (\$5,000 prior to January 1, 2025):** The present value of an Accrued Benefit of a Participant, Terminated Participant, or Pre-Retirement Beneficiary which exceeds \$1,000 but is \$7,000 (\$5,000 prior to January 1, 2025) or less will be paid in a direct rollover to an individual retirement account established by the Administrator in the name of the recipient as soon as administratively feasible following the termination event, unless the recipient elects to have the distribution paid in lump sum or paid directly to an eligible retirement plan specified by the recipient in a direct rollover.

**Section 6. Distributions.** Distributions payable as of any date shall be made on or as soon as administratively feasible after that date.

**Section 7. Compliance with Internal Revenue Section 401(a)(9).** All distributions shall be made in compliance with Article VIII.

**Section 8. Compliance with Code Section 415.** All benefit options must comply with the limitations of Code Section 415, pursuant to Article IX and as applicable to governmental plans.

## ARTICLE VI DEATH BENEFITS

**Section 1. Death in Service Prior to Retirement.** In the event a Participant's employment or term of office is Terminated by reason of his death prior to his Retirement, there shall be paid to his Pre-Retirement Beneficiary (Primary, Secondary, or Default Beneficiary, as applicable), the actuarial reserve In-Service Death Benefit, provided the requirements of this Article are satisfied.

**Section 2. Actuarial Reserve In-Service Death Benefit.** The Employer elects to provide the Actuarial Reserve In Service Death Benefit for the Eligible Employees. In such case, the Employer requires the Participant to have 5 years of Vesting Service in order to be entitled to receive such benefit. Provided a Participant satisfies such requirements, then in the event the Participant's employment with the Employer is terminated by reason of his death prior to his Retirement, there shall be paid to his Pre-Retirement Beneficiary a lifetime monthly death benefit actuarially equivalent to the reserve required for the Participant's anticipated Normal Retirement benefit. In calculating the Normal Retirement benefit. under the provisions of this Section, the following assumptions shall be used:

(1) The Participant's age at the time of his death is equal to the Normal Retirement Age or his attained age if his attained age is greater than the Normal Retirement Age; and,

(2) The Participant's Total Credited Service shall include the amount of Total Credited Service accrued prior to the date of the Participant's death. The death benefit under this Section shall be calculated using the factors contained in Article X, Section 4.

**Section 3. Designation of Primary and Secondary Pre-Retirement Beneficiary.**

A Participant may designate, on an Applicable Form provided for that purpose, one person as his Primary Pre-Retirement Beneficiary. The Primary Pre-Retirement Beneficiary shall receive the monthly pre-retirement death benefit elected by the Employer in the Plan in the event that the Participant's employment with the Employer is terminated by reason of the Participant's death prior to his Retirement, provided the Primary Beneficiary survives the Participant by at least 32 days in accordance with O.C.G.A. § 47-1-15. The Participant may additionally designate, on an Applicable Form provided for that purpose, one person as his Secondary Pre-Retirement Beneficiary. The monthly death benefit otherwise payable to the Primary Pre-Retirement Beneficiary hereunder shall be payable to the Participant's designated Secondary Pre-Retirement Beneficiary in the event that: (1) the Participant's employment with the Employer is terminated by reason of the Participant's death prior to his Retirement; (2) the Primary Pre-Retirement Beneficiary does not survive the Participant by at least thirty-two (32) days; and (3) the Secondary

Pre-Retirement Beneficiary survives the Participant by at least thirty-two (32) days. . The one exception of the limitation to a single beneficiary is the Participant may designate Dependent Child(ren) as their beneficiary. For the purposes of this section a Dependent Child is an individual under age 22 or a disabled child of any age, who either is claimed as a dependent on the most recent tax return, or whose guardian receives court ordered child support payments. Benefits for Dependent Children will be the Actuarial Equivalent as Defined in Article X Section 10.

**Section 4. Change of Beneficiary.** Designation of a Primary or Secondary Pre-Retirement Beneficiary may be changed by the Participant in writing on an Applicable Form provided for that purpose at any time prior to Retirement. Only the last such designation prior to Retirement shall have effect and any new designation of a Primary or Secondary Pre-Retirement Beneficiary invalidates, supersedes, and revokes any prior designation.

**Section 5. Default Beneficiary.**

In the absence of a designation by the Participant, or if there is no Primary or Secondary Pre-Retirement Beneficiary to whom a pre-retirement death benefit is payable under this Article, then the pre-retirement death benefit shall be paid to the Participant's surviving Default Beneficiary in accordance with this Section. For purposes of this Section, the Participant's Default Beneficiary(ies) shall be as follows: (a) the Participant's surviving Spouse; or (b) if there is no surviving Spouse, the Participant's surviving Children; or (c) if there is no surviving Spouse or Children, the Participant's surviving Parent(s). For purposes of this Section, the term "surviving" shall mean surviving the Participant by at least thirty-two (32) days. For purposes of this Section, the term "Spouse" shall be as defined in Article I, Section 47. The term "Child" or "Children" shall be as defined in Article I, Section 7. The term "Parent" shall be as defined in O.C.G.A. § 19-113(7), determined as of the date of the Participant's death. Notwithstanding any other provision to the contrary, if a death benefit becomes payable to more than one Child of the Participant under this Section 5, then such benefit shall be paid to each such Child and calculated in a manner to provide each Child with an equal monthly benefit which ceases on the date such child reaches age twenty-two (22). Such benefit shall be calculated using the factors contained in Article X, Section 6. If a death benefit is payable to more than one surviving Parent of the Participant under this Section, then such benefit shall be calculated in a manner to provide each such Parent with the same monthly benefit amount for his or her lifetime. If a child who is receiving a monthly benefit hereunder reaches age twenty-two (22) or if a child or Parent receiving a monthly benefit hereunder dies, this shall not affect the monthly benefit amount any other child or Parent is receiving.

**Section 6. Terminated Vested Death Benefits.** The Employer provides a death benefit for Terminated Participants. In the event such a Terminated Vested Participant dies before his effective Retirement Date, there shall be paid to his Pre-Retirement Beneficiary (Primary, Secondary, or Default Pre-Retirement Beneficiary, as applicable) the Terminated Vested Death Benefit provided the requirements of this Article are satisfied.

**Section 7. Terminated Vested Death Benefit.** The Employer elects to provide a death benefit for Terminated Participants. In the event that the Terminated Participant dies prior to his effective Retirement date, his Pre-Retirement Beneficiary may apply to receive a lifetime monthly death benefit subject to the provisions of this Section. If the Terminated Participant's Pre-Retirement Beneficiary is the Terminated Participant's Spouse, then the lifetime monthly death benefit payable

to the Spouse Beneficiary under this Section shall commence on the last day of the month coinciding with or immediately following the date of the Terminated Participant's death. Alternatively, the Spouse Beneficiary may elect to defer benefit payment commencement until the last day of any month up to and including the date the Participant would have attained Normal Retirement Age. For purposes of this Section, the term "Spouse" or "Spouse Beneficiary" shall be as defined in Article I, Section 47. A Spouse Beneficiary shall be considered to have deferred benefit payment commencement until the last day of the month following the date the Spouse makes application for payment of death benefits. If the designated and surviving Pre-Retirement Beneficiary is not the Spouse of the Terminated Participant, then the lifetime monthly death benefit payable to the Beneficiary under this Section shall commence on the last day of the month coinciding with or immediately following the date of the Terminated Participant's death. Benefits under this Section shall be computed as follows:

(a) Terminated Participant Death Before Early Retirement Age: Payment Before Early Retirement Age. If a Terminated Participant dies before attaining Early Retirement Age and if benefit payments commence to a Spouse Beneficiary or non-spouse Beneficiary before the Terminated Participant would have attained Early Retirement Age, then the monthly death benefit payable to the Beneficiary shall be the Actuarial Equivalent of the monthly Retirement benefit amount that would have otherwise been payable to the Terminated Participant, assuming: (i) the Terminated Participant survived until Normal Retirement Age; and (ii) the Terminated Participant elected the optional form of Retirement payment designated herein as Option A at one hundred percent (100%), and then died. Said benefit shall be calculated in accordance with the actuarial assumptions specified in Article X, Section 6.

(b) Terminated Participant Death Before Early Retirement Age: Deferred Payment by Spouse Until After Early Retirement Age. If the Terminated Participant dies before attaining Early Retirement Age and a Spouse Beneficiary defers payment until a date which is on or after the date the Terminated Participant would have attained Early Retirement Age, then the monthly death benefit payable to the Spouse Beneficiary shall be the monthly Retirement benefit that would have otherwise been payable to the Terminated Participant, assuming that: (i) the Terminated Participant survived until the date upon which the deferred benefit payments commence in accordance with the Spouse Beneficiary's selected benefit commencement date; and, (ii) the Terminated Participant elected on such date to retire with the optional form of Retirement payment designated at one hundred percent (100%) joint and survivor, and then died.

(c) Terminated Participant Death After Early Retirement Age: Payment Upon Death. If the Terminated Participant dies after attaining Early Retirement Age, and if benefit payments commence to a Spouse Beneficiary or non-spouse Beneficiary on the last day of the month coinciding with or immediately following the date of the Terminated Participant's death, then the monthly death benefit payable to the Beneficiary shall be the monthly benefit that would have otherwise been payable to the Terminated Participant, assuming: (i) the Terminated Participant retired on the date of death, and (ii) the Terminated Participant elected the one hundred percent (100%) joint and survivor; and then died.

(d) Terminated Participant Death After Early Retirement Age; Deferred Payment by Spouse. If the Terminated Participant dies after attaining Early Retirement Age, and if a Spouse Beneficiary defers payment in accordance with this Section, then the monthly benefit

payable to the Spouse Beneficiary shall be the monthly Retirement benefit that would have otherwise been payable to the Terminated Participant, assuming that: (i) the Terminated Participant survived until the date upon which the deferred benefit payments commence in accordance with the Spouse Beneficiary's selected commencement date, and (ii) the Terminated Participant elected to retire on such date at one hundred percent (100%) joint and survivor, and then died.

(e) Calculation of Benefits. Benefits under this Section shall be calculated taking into account only the Participant's Total Credited Service and Final Average Earnings (where applicable) as of the date of his Termination of Employment with Employer, and the applicable benefit formula in effect on the date of said Termination.

**Section 8. Designation of Terminated Vested Pre-Retirement Beneficiary.** The Primary and Secondary Pre-Retirement Beneficiary designated by the Participant to receive in-service death benefits under this Article VI, Section 3 shall automatically be considered the Participant's Primary and Secondary Pre-Retirement Beneficiary for purposes of payment of terminated vested pre-retirement death benefits, if any, under the Employer's Plan. If the Participant changes his beneficiary designation in accordance with Section 4, his designation under this Section shall be considered changed as well to reflect the new designation. In the absence of a designation by the Participant, or if there is no Primary or Secondary Pre-Retirement Beneficiary to whom a terminated vested pre-retirement death benefit is payable upon the Participant's death, then the terminated vested pre-retirement death benefit otherwise payable, if any, shall be paid to the Participant's Default Beneficiary in accordance with Article VI, Section 5.

**Section 9. Participant Death After Retirement Benefit Commencement.** Upon the death of a Retired Participant subsequent to his Retirement, there shall be payable to the Participant's designated Post-Retirement Beneficiary, a benefit to be determined as follows:

(a) If the Participant has not elected an optional form of payment, as provided in Article V, or if he has elected an optional form of payment and his designated Post-Retirement Beneficiary does not survive him, no further payment of any kind whatsoever shall be made at the death of the Participant.

(b) If the Participant has elected an optional form of payment, as provided in Article V, and his designated Post-Retirement Beneficiary survives him, benefits shall be payable to the Post-Retirement Beneficiary as provided by the option elected, commencing the month following the Participant's last benefit payment month.

## ARTICLE VII TERMINATION BEFORE RETIREMENT; VESTING

**Section 1. Vesting Requirement for Deferred Retirement Benefit.** A Participant whose employment is terminated for any reason other than death or Retirement shall be entitled to a Vested right in his Accrued Benefit if he accrues a minimum of 5 years of Vesting Service. Payment of such Vested Retirement Benefit shall commence on the last day of the month in which his effective Retirement Date occurs and shall be payable on the last day of each month thereafter during the lifetime of the Participant, unless the Participant elects an optional form of benefit payment under Article V. The amount of such Monthly Retirement Benefit shall be computed in

the manner prescribed for Normal or Early Retirement in Article IV, as applicable, but based upon the Participant's Final Average Earnings (if applicable) and Total Credited Service up to the Participant's date of Termination of Employment with the Employer. Notwithstanding any other provision of the Plan to the contrary, if a Participant has satisfied the requirements for Normal Retirement, the Participant shall be 100% Vested in his Normal Retirement benefit.

**Section 2. Involuntary Termination Without Cause.** A Participant whose employment is terminated involuntarily and without cause shall be entitled to a Vested Benefit if he has completed five (5) years of Vesting Service. For the purpose of this condition, "cause" for dismissal shall mean negligence or inefficiency in performing the duties of the position held, unfitness to perform assigned duties, insubordination, or misconduct reflecting discredit on the Employer.

**Section 3. Fraud, Embezzlement, Theft, and Dismissal for Cause.**

(a) In the event the Employer shall receive, prior to a Participant's actual Retirement date, written confession by such Participant, or proof satisfactory to the Governing Authority that such Participant has committed or has been convicted of having committed an act of fraud, embezzlement, or theft in connection with his duties or in the course of his employment with the Employer, or in connection with the Plan, his participation in the Plan shall be forthwith terminated, and the applicable provisions of O.C.G.A. § 47-1-20 et seq. set forth in paragraph (b) shall govern.

(b) As required by Georgia State Law, if a public employee first or again becoming a public employee after July 1, 1985 commits a public employment related crime in the capacity of a public employee and is convicted for the commission of such crime, such employee shall forfeit all rights and benefits under and membership in any public retirement system in which the employee is a member, effective on the date of final conviction. Any such public employee shall not at any time after such final conviction be eligible for membership in any public retirement system.

(c) For purposes of this Section, the following definitions shall apply:

(1) "Final conviction" means a conviction which has been upheld after the convicted person has exhausted all appeals of the conviction.

(2) "Political subdivision" means any county, municipality, or local school district.

(3) "Public employee" means any elected and appointed officials and employees of the state or any branch, department, board, bureau, commission, authority, or other agency of the state and elected and appointed officials and employees of any political subdivision or authority or other agency of a political subdivision.

(4) "Public employment related crime" generally means any one or more of the following crimes:

(i) theft by an officer or employee of a government in breach of duties as such officer or employee;

- (ii) any felony related to abuse of governmental office;
- (iii) making false statements or concealing facts in matters within the jurisdiction of the state or a political subdivision;
- (iv) conspiracy to defraud the state or a political subdivision;
- (v) stealing, altering, or concealing public records; and
- (vi) selling offices or dividing fees.

(5) "Public retirement system" means any retirement or pension system created by or pursuant to the authority of Georgia law or the Constitution of Georgia which has public employees as members of the retirement or pension system, including this Plan.

**Section 4. Forfeitures.** Forfeitures arising from Termination of Employment, withdrawal or any other reason may not be applied to increase the benefits any individual would otherwise receive under the Plan. However, forfeitures will remain Trust assets, and as such, may be used to reduce an Employer's contribution.

## ARTICLE VIII DISTRIBUTION AND ROLLOVER RULES

**Section 1. Distribution Rules Imposed by Federal Law.** Notwithstanding any provision of this Plan to the contrary, any distribution under the Plan shall be made in accordance with a reasonable, good faith interpretation Code Section 401(a)(9) and the regulations promulgated thereunder as applicable to governmental plans and shall comply with the following rules:

In any event, where distributions have not yet begun, the entire interest, if any, of a Participant under the Plan shall be distributed within five (5) years after the death of the Participant, unless the Participant's benefits are payable to the beneficiary or joint beneficiaries designated by the Participant over a period not to exceed the life expectancy or joint life expectancies of such beneficiary or beneficiaries. In such case, the distribution of benefits under this Section shall begin (i) in the case of a non-Spouse beneficiary, no later than one (1) year following the date of death of the Participant, or (ii) in the case of a surviving Spouse, no later than the date on which the Participant would have attained age 70 ½ if the Participant attained that age before January 1, 2020, age 72 if the Participant attained that age before January 1, 2023, age 73 if the Participant attained that age after December 31, 2022, or age 75 if the Participant attained that age after December 31, 2032.

To the extent required by Code Section 401(a)(9) and the regulations promulgated thereunder, payment of the accounts of a Participant shall begin not later than the "required beginning date." For purposes of this Section, "required beginning date" means April 1 of the calendar year following the later of (i) the calendar year in which the Participant reaches age 70 ½ if the Participant attained that age before January 1, 2020, age 72 if the Participant attained that age before January 1, 2023, age 73 if the Participant attained that age after December 31, 2022, or

age 75 if the Participant attained that age after December 31, 2032, or (ii) the calendar year in which the Participant Retires.

A Participant's election of the form of benefit payment shall be restricted to assure compliance with the minimum distribution and incidental death benefit requirements of Code Section 401(a)(9). As part of that compliance, a distribution shall not be made over a period extending beyond: (i) the life of the Participant; (ii) the life of the Participant and his designated beneficiary; (iii) a period certain not extending beyond the life expectancy of the Participant; or (iv) a period certain not extending beyond the joint life and last survivor expectancy of the Participant and his designated beneficiary. If distribution of the Participant's benefit has commenced before the Participant's death, the remaining interest shall be distributed at least as rapidly as under the method of distribution being used as of the date of the Participant's death.

**Section 2. Rollover of Distributions.** Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Section, a Distributee may elect, at the time and in the manner prescribed by the Administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover. The following definitions shall apply to this Section:

An "Eligible Rollover Distribution" is any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: (i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated beneficiary, or for a specified period of ten (10) years or more; (ii) any distribution to the extent such distribution is required under Code Section 401(a)(9); (iii) the portion of any distribution that is not includible in gross income; or (iv) any other distributions which the Internal Revenue Service does not consider eligible for rollover treatment, such as certain corrective distributions necessary to comply with the provisions of Code Section 402(g) or 415. An Eligible Rollover Distribution also includes a distribution to a surviving Spouse.

An "Eligible Retirement Plan" is an individual retirement account described in Code Section 408(a); an individual retirement annuity described in Code Section 408(b) (other than an endowment contract); an annuity plan described in Code Section 403(a) or an annuity contract described in Code Section 403(b); a qualified trust described in Code Section 401(a), an eligible plan under Code Section 457(b) which is maintained by a state or political subdivision of a state, or any agency or instrumentality of a state or political subdivision, and which agrees to separately account for amounts transferred into such plan from this Plan; or, effective January 1, 2008, to the extent permitted and in accordance with the rules applicable under Code Section 408A, a Roth individual retirement account described in Section 408A of the Code; that accepts the Distributee's Eligible Rollover Distribution; provided, however, in the case of an Eligible Rollover Distribution to a Distributee who is a non-spouse Beneficiary of a deceased Participant, an Eligible Retirement Plan shall be limited to an individual retirement account or annuity described in Code Section 408(a) or (b), as contemplated under Code Section 402(c)(11).

A "Distributee" includes an employee or former employee. A Distributee also includes the employee's or former employee's surviving spouse. A Distributee also includes a non-spouse

beneficiary who is a designated beneficiary as defined by Code Section 401(a)(9)(E). However, a non-spouse beneficiary may only make a direct rollover of the distribution to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution, and the account or annuity will be treated as an “inherited” individual retirement account or annuity.

A “Direct Rollover” is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

Notwithstanding subsection (a), if an Eligible Rollover Distribution is expected to total less than Two Hundred Dollars (\$200) during a year, such payment may not be directly rolled over.

## **ARTICLE IX LIMITATIONS ON BENEFITS**

**Section 1. General 415 Limits.** The Plan shall be administered so as to comply with the limitations of Code Section 415, as applicable to governmental plans.

**Section 2. Limitation on Annual Benefit.**

(a) In no event shall the aggregate annual benefit for a calendar year (the “limitation year”) provided under this Plan and all other defined benefit plans (without regard to whether the plan has terminated) of the Employer for any Participant exceed an amount equal to One Hundred Sixty Thousand Dollars (\$160,000) as adjusted pursuant to Code Section 415(d)(1)(A) (\$280,000 for 2025).

(b) Adjustments for Benefits Commencing Before Age 62.

(1) If the retirement income benefit under the Plan begins before age sixty-two (62) and the Plan does not have an immediately commencing straight life annuity payable at both age sixty-two (62) and the age of benefit commencement, the One Hundred Sixty Thousand Dollar (\$160,000) limitation for the Participant’s retirement income benefit commencement date is the annual amount of a benefit payable in the form of a straight life annuity commencing at the Participant’s retirement income benefit commencement date that is the actuarial equivalent of the One Hundred Sixty Thousand Dollar (\$160,000) limitation (adjusted under subsection (h) for years of participation less than ten (10), if required) with actuarial equivalence computed using a five percent (5%) interest rate assumption and the applicable mortality table for the retirement income benefit commencement date (expressing the Participant’s age based on completed calendar months as of the retirement income benefit commencement date).

(2) If the retirement income benefit under the Plan begins before age sixty-two (62) and the Plan has an immediately commencing straight life annuity payable at both age sixty-two (62) and the age of benefit commencement, the One Hundred Sixty Thousand Dollar (\$160,000) limitation for the Participant’s retirement income benefit commencement date is the lesser of the limitation determined under paragraph (1) and the One Hundred Sixty Thousand Dollar (\$160,000) limitation (adjusted under subsection (h) for years of participation less than ten (10), if required) multiplied by the ratio to the annual amount of the immediately commencing straight life annuity under the Plan at the Participant’s retirement income benefit commencement

date to the annual amount of the immediately commencing straight life annuity under the Plan at age sixty-two (62), both determined without applying the limitations of this Article.

(c) Adjustment for Benefits Commencing After Age 65.

(1) If the retirement income benefit under the Plan begins after age sixty-five (65) and the Plan does not have an immediately commencing straight life annuity payable at both age sixty-five (65) and the age of benefit commencement, the One Hundred Sixty Thousand Dollar (\$160,000) limitation at the Participant's retirement income benefit commencement date is the annual amount of a benefit payable in the form of a straight life annuity commencing at the Participant's retirement income benefit commencement date that is the actuarial equivalent of the One Hundred Sixty Thousand Dollar (\$160,000) limitation (adjusted under subsection (h) for years of participation less than ten (10), if required), with actuarial equivalence computed using a five percent (5%) interest rate assumption and the applicable mortality table for that retirement income benefit commencement date as specified in Article IX, Section 2(e)(1)(ii) of the Plan (expressing the Participant's age based on completed calendar months as of the retirement income benefit commencement date).

(2) If the retirement income benefit under the Plan begins after age sixty-five (65) and the Plan has an immediately commencing straight life annuity payable at both age sixty-five (65) and the age of benefit commencement, the One Hundred Sixty Thousand Dollar (\$160,000) limitation at the Participant's retirement income benefit commencement date is the lesser of the limitation determined under paragraph (1) and the One Hundred Sixty Thousand Dollar (\$160,000) limitation (adjusted under subsection (h) for years of participation less than ten (10), if required) multiplied by the ratio of the annual amount of the adjusted immediately commencing straight life annuity under the Plan at the Participant's retirement income benefit commencement date to the annual amount of the adjusted immediately commencing straight life annuity under the Plan at age sixty-five (65), both determined without applying the limitations of this Article. For this purpose, the adjusted immediately commencing straight life annuity under the Plan at the Participant's retirement income benefit commencement date is the annual amount of such annuity payable to the Participant, computed disregarding the Participant's accruals after age sixty-five (65) but including actuarial adjustments even if those actuarial adjustments are used to offset accruals; and the adjusted immediately commencing straight life annuity under the Plan at age sixty-five (65) is the annual amount of such annuity that would be payable under the Plan to a hypothetical Participant who is age sixty-five (65) and has the same accrued benefit as the Participant.

(d) Notwithstanding the other requirements of this section, in adjusting the dollar limitation for the Participant's retirement income benefit commencement date under subsection (b) or (c), as applicable, no adjustment shall be made to the One Hundred Sixty Thousand Dollar (\$160,000) limitation to reflect the portability of a Participant's death between the retirement income benefit commencement date and age sixty-two (62), or between age sixty-five (65) and the retirement income benefit commencement date, as applicable, if benefits are not forfeited upon the death of the Participant prior to the retirement income benefit commencement. To the extent benefits are forfeited upon death before the retirement income benefit commencement date, such an adjustment shall be made. Furthermore, notwithstanding the requirements of this section, the adjustments provided for in subsections (b) and (c) shall not apply

(i) in the event the Participant's benefit is based on at least fifteen (15) years of service as a full-time employee of any police or fire department or on fifteen (15) years of military service, or (ii) in the case of pre-retirement disability benefits or pre-retirement death benefits.

(e) Adjustment for Form Not Subject to Code Section 417(e)(3). For distributions made in any form other than a straight life annuity or a qualified joint and survivor annuity to which Code Section 417(e)(3) does not apply, such benefit shall be adjusted to a straight life annuity, beginning at the same age, which is the actuarial equivalent of such benefit.

(1) For limitation years beginning on or after July 1, 2007, the actuarially equivalent straight life annuity is equal to the greater of (or the reduced limitation applicable at the retirement income benefit commencement date which is the "lessor of" when adjusted in accordance with the following assumptions):

(i) the annual amount of the straight life annuity (if any) payable to the participant under the Plan commencing at the same retirement income benefit commencement date as the Participant's form of benefit; or

(ii) the annual amount of the straight life annuity commencing at the same retirement income benefit commencement date that has the same actuarial present value as the Participant's form of benefit, computed using a five percent (5%) interest rate assumption and the applicable mortality table described in Internal Revenue Service guidance (the mortality table specified in Revenue Ruling 2001-62 on or after January 1, 2003) and, for years after December 31, 2008, the applicable mortality tables described in Code Section 417(e)(3)(B) (Internal Revenue Service Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Code Section 417(e)(3)(B)).

(f) Adjustment for Form Subject to Code Section 417(e)(3). As required by final Treasury Regulations, for distributions made in any form to which Code Section 417(e)(3) applies, such benefit shall be adjusted to a straight life annuity, beginning at the same age, which is the actuarially equivalent straight life annuity benefit which is the greatest of (or the reduced limitation applicable at the retirement income benefit commencement date which is the "least of" when adjusted in accordance with the following assumptions):

(1) the annual amount of the straight life annuity commencing at the retirement income benefit commencement date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in Article X of the Plan for actuarial experience;

(2) the annual amount of the straight life annuity commencing at the retirement income benefit commencement date that has the same actuarial present value as the particular form of benefit payable, computed using a five and five-tenths percent (5.5%) interest assumption (or the applicable statutory interest assumption) and the applicable mortality tables described in Code Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Code Section 417(e)(3)(B)); or

(3) the annual amount of the straight life annuity commencing at the retirement income benefit commencement date that has the same actuarial present value as the

particular form of benefit payable computed using the applicable interest rate for the distribution under Internal Revenue Service guidance, the applicable mortality tables described in Code Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service Guidance implementing Code Section 417(e)(3)(B)), divided by one and five-one-hundredths (1.05)

(g) Limitation on benefits under this Article shall not apply where the total annual benefits payable to a Participant under this Plan and all other qualified defined benefit plans (whether or not terminated) of the Employer do not exceed Ten Thousand Dollars (\$10,000) in the aggregate. This minimum limitation is not applicable for a Participant whose Employer maintains or has maintained a defined contribution plan in which such Participant participated.

(h) The Ten Thousand Dollars (\$10,000) minimum limitation, if provided, must be reduced where a Participant has less than ten (10) years of service with the Employer at the time the Participant begins to receive retirement benefits under the Plan, and the maximum dollar limitation must be reduced where a Participant has less than ten (10) years of participation when retirement benefits under the Plan commence. These adjustments are made by multiplying the applicable limitations by the appropriate fraction:

(i) for the Ten Thousand Dollars (\$10,000) minimum limitation – years of service with the employer as of and including, the current limitation year divided by ten (10); or

(ii) for the maximum dollar limitation – years of participation with the employer as of and including, the current limitation year divided by ten (10).

**ARTICLE X  
ACTUARIAL EQUIVALENT CONVERSION TABLES**

**Section 1. Early Retirement Reduction Table**

Number of Years Before Normal Retirement*	Factor Reducing Normal Retirement Benefit
0	1.0000
1	.9333
2	.8667
3	.8000
4	.7333
5	.6667
6	.6333
7	.6000
8	.5667

9	.5333
10	.5000

\*Interpolate for whole months.

**Section 2. Standard Joint & Survivor Factors.** Factors for Joint & Survivor Annuities shall be computed on an actuarially equivalent basis at the Participant's retirement age using the UP-1984 Mortality Table without age setback with interest at 8%. These factors will vary by the difference between the Participant's age and the Beneficiary's age at Retirement.

**Section 3. Period Certain and Life Factors.** Factors for Certain & Life Annuities shall be computed on an actuarially equivalent basis at the Participant's retirement age using the UP-1984 Mortality Table without age setback with interest at 8%.

**Section 4. Life Annuity Factors to be Used in Computing Actuarial Reserve Death Benefit.** Factors for Actuarial Reserve Death Benefits shall be computed on an actuarially equivalent basis at the Participant's age at Death using the UP-1984 Mortality Table without age setback with interest at 8%.

**Section 5. Late Retirement Actuarial Equivalence Factors.**

<u>Current Age</u>	<u>Factor</u>
65	1.0000
66	1.1317
67	1.2850
68	1.4645
69	1.6755
70	1.9246
71	2.2204
72	2.6486
73	2.9967
74	3.5073
75	4.1274

Figure factor using years and months. Divide difference between next highest age factor and age factor lower, by 12, then multiply by number of months. Add this onto age for years factor to arrive at correct factor. (Round off to 4 decimals).

**Section 6. Other Annuity Forms.** Conversion factors for other annuity forms shall be computed by an enrolled Actuary on an actuarially equivalent basis at the Participant's retirement age using the UP-1984 Mortality Table without age setback with interest at 8%. If appropriate, such factors may vary by the difference between the Participant's age and the Beneficiary's age. The value of Retirement benefits received by a Participant for purposes of

Article V, Section 6 shall be determined using the UP-1984 Mortality Table without age setback with interest at 8%.

**Section 7. Lump Sum Payments.** Effective January 1, 2001, a single sum distribution of benefits payable under Article V, Section 5, or upon plan termination, or if required for compliance with Section 401(a)(9) of the Internal Revenue Code, shall be computed on the basis of the actual age of the Participant and/or Beneficiary at the time of distribution and under the following actuarial assumptions:

(a) **Interest:** The applicable interest rate established by the Internal Revenue Service under Code Section 417(e)(3) and accompanying regulations, as in effect for the month of September preceding the calendar year during which the distribution is paid.

(b) **Mortality:** The applicable mortality table established by the Internal Revenue Service pursuant to IRC Section 417(e)(3) and accompanying regulations.

(c) **Age at Which Payments Begin:** The greater of the Normal Retirement Date or the age at the time of distribution of the Participant and/or Beneficiary.

**Section 8. Transition.** These factors are effective 12/31/2004. Participants are entitled to the greater of their frozen accrued benefit as of 12/31/2004 using the previous actuarial equivalent factors, or their benefit at Termination or Retirement using these factors.

**Section 9. Retirement from Terminated Vested Actuarial Equivalence Factors**

Number of Years Before Normal Retirement*	Factor Reducing Normal Retirement Benefit
0	1.0000
1	.8944
2	.8022
3	.7213
4	.6502
5	.5875
6	.5319
7	.4826
8	.4387
9	.3995
10	.3644

\*Interpolate for whole months.

**Section 10. Calculation of Actuarial Equivalence for Dependent Children Beneficiaries.** If the Beneficiary(ies) is a Dependent Child(ren), then the monthly benefits will be the same for all the Beneficiaries and will be allocated based on Annuity Factors calculated at an 8% interest rate without any consideration for Mortality. The last payment for each Beneficiary will be the first of the month coincident with or following their 22<sup>nd</sup> birthday. In the event of disabled children, the annuity amount will be computed using the same method described in Section 2 of this Article.

## **ARTICLE XI CONTRIBUTIONS**

**Section 1. Employer Contributions:** The Employer shall make the necessary Contributions to fund the Plan. The amount of these Contributions shall be based upon the actuarial assumptions adopted by the Board of Trustees, the benefits provided in the Plan, and the number of Participants and their respective ages, Earnings, and lengths of Creditable Service and such other factors as the Board of Trustees shall deem appropriate to assure proper funding of the Plan. Contributions by the Employer shall be applied as necessary to assure the payment of Accrued Benefits to Participants and Beneficiaries.

**Section 2. Employee Contributions:** Starting with the first payroll subsequent to April 23, 2023, Employees participating in the Plan will have 3% of Earnings “picked up” and contributed to the Plan. This is an increase from 2.25% which was effective for payrolls subsequent to payrolls December 31, 2016. Contributions will not be “picked up” from compensation that is not included in Earnings as defined in Article I Section 16.

**Section 3. Refund and Repayment of Employee Contributions:** A Participant who terminates employment prior to attaining to a Vested right in his Accrued Benefit shall receive a distribution of their Employee Contributions Plus Interest. If such individual again becomes a Participating Employee, such Participant may repay this distribution plus interest with the interest calculated at 1%. Interest, for this purpose, shall be determined using the methodology set forth in Article I, Section 21, but shall not include any interest for the period between the date of rehire and the date repayment is actually made. A Participant must elect to make a repayment within three months after the individual once again becomes a Participating Employee and must complete repayment by (i) the first anniversary of such date or (ii) such reasonable date as the Pension Committee may determine.

If a Participant makes the repayment described in this Section, the period of covered employment before the termination of employment shall be taken into account for determining the Participant’s Credited Service and Final Average Earnings.

## **ARTICLE XII PENSION COMMITTEE**

**Section 1. Creation and Composition.** There shall be a Pension Committee for the Employer. The Pension Committee shall be defined in Article I, Section 34.

**Section 2. Responsibilities.** The Pension Committee shall have the following responsibilities:

(a) In its dealings with the Actuary and the Trust Administrator or its duly appointed representatives, the Pension Committee shall:

(1) Furnish all information with respect to enrollment of Eligible Employees.

(2) Assure the collection and remittance to the Trust Administrator of all required Contributions.

(3) Furnish the Actuary and the Trust Administrator, in accordance with its rules and regulations, all reports and other records required to administer the Plan.

(4) Notify the Trust Administrator, in accordance with its rules and regulations, of all benefit elections made by Participants under the Plan and all matters regarding payment of benefits.

(5) Notify the actuary of the termination of Participating Employees.

(b) In dealing with those persons participating or eligible to participate in the Plan, the Pension Committee shall:

(1) Be responsible for the enrollment of Eligible Employees.

(2) Handle distribution of all reports to Participants.

(3) Handle arbitration between the Employer and Participants in all matters regarding the Plan.

(4) Handle any notices of eligibility, benefits, available options, and any other notices required by this Plan.

**Section 3.** **Secretary.** The Pension Committee shall designate, in writing, a secretary or other representative who shall have full authority to represent the Committee in all communications with the state and the Employer's Employees.

**Section 4.** **Legal Assistance.** The City Attorney or other attorney appointed by the Governing Authority shall furnish legal advice to the Pension Committee with respect to the Plan and the Committee's assigned responsibilities hereunder.

### **ARTICLE XIII BOARD OF TRUSTEES**

**Section 1.** **Composition and Election.** The composition of the Board of Trustees is specified in Article 1, Section 6.

**Section 2.** **Qualified Public Accountant.** The Administrator may engage on behalf of all Participants an independent qualified public accountant to conduct such an examination of any financial statements of the Plan, and of other books and records of the Plan, as the qualified

public accountant may deem necessary to enable him to form an opinion as to whether the financial statements and schedules required to be included in the annual report of the Plan are presented fairly in conformity with generally accepted accounting principles as applicable to a governmental plan, applied on a basis consistent with that of the preceding Plan Year and who shall perform such other services for the Plan as the Administrator may require.

**Section 3. Fiduciary Insurance.** The Board of Trustees may purchase fiduciary liability insurance for any of its fiduciaries, or for itself, to cover liability or losses occurring by reason of the act or omission of a fiduciary.

**Section 4. Appointment of Investment Managers.** The Board of Trustees may appoint and terminate investment manager(s) for the plan.

**Section 5. Investment Performance.** The Board of Trustees is responsible to monitor investment performance, and hire/change new managers as performance dictates.

**Section 6. Appointment of Trustee.** The Board of Trustees may hire/change the Trust Administrator as cost or performance dictates. This includes the execution of the trust agreement.

#### **ARTICLE XIV TRUST AGREEMENT**

The representative of the Employer who is authorized to enter into and execute on behalf of the Employer the Trust Agreement is the Board of Trustees. All contributions under the Plan shall be transferred to the Trust to be held, managed, invested, and distributed as part of the Trust Fund by the Board in accordance with the provisions of the Plan. All benefits under the Plan shall be distributed solely from the Trust Fund.

The Board shall distribute the corpus and income of the Trust Fund to the Participants and their Beneficiaries in accordance with applicable state and federal law and the Plan. At no time prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries shall any part of the corpus or income be used for, or diverted to, purposes other than the exclusive benefit of the Participants and their beneficiaries.

#### **ARTICLE XV CLAIMS AND LITIGATION**

**Section 1. Disputes.** In the event of disagreement between a Participant and the Employer with respect to any rights, claims, or responsibilities under the Plan which cannot be resolved by the Pension Committee as provided under Article XII, the Participant may make an appeal regarding such rights, claims, or responsibilities to the Governing Authority. In the event that any such rights, claims, or responsibilities result in a suit or other legal action by a Participant or Beneficiary, such action shall be defended in the same manner as other suits against the Employer.

**ARTICLE XVI  
AMENDMENT, MERGER, AND TERMINATION**

**Section 1. Right to Amend or Terminate the Plan.** The Employer reserves the right to amend the Plan at any time, retroactively or otherwise, by action of the Board. The Employer expects and intends to continue the Plan indefinitely, but reserves the right to terminate the Plan at any time by action of the Board. However, no amendment or terminate of the Plan shall:

(a) Authorize any part of the Fund to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries;

**Section 2. Merger, Consolidation or Transfer.**

(a) Subject to Subparagraph (b) below, the Employer, by action of the Board, may direct that the Plan be merged or consolidated with, or transfer all or a portion of its assets and liabilities to, another plan or receive assets and liabilities from another plan.

(b) The merger or consolidation with, or transfer of assets and liabilities to, any other qualified plan shall be permitted only if the benefit each Participant would receive if the Plan were terminated immediately after such merger or consolidation or transfer of assets and liabilities would be at least as great as the benefit he would have received had the Plan been terminated immediately before any such transaction.

**Section 3. Termination or Partial Termination.** In the event of a complete or partial termination of the Plan, the Fund shall be allocated in accordance with Section 4044 of ERISA and the Retirement Income of each affected Employee shall become fully vested and nonforfeitable to the extent funded. In the event of a complete termination of the Plan, Retirement Income shall be distributed as soon as practicable after termination through the purchase of a non-transferable annuity contract or contracts from a life insurance company and lump sum distributions in accordance with the terms of the Plan. After all liabilities for Plan benefits have been satisfied, the Employer shall be entitled to any balance of the Fund which shall remain. In the event of a complete termination or a complete discontinuance of contributions under the Plan, each affected Participant shall become 100% vested in his accrued benefit.

**ARTICLE XVII  
NON-ALIENATION OF BENEFITS**

None of the benefits, payments, proceeds or distributions payable under the Plan shall be subject to the claim of any creditor of any Participant or to the claim of any creditor of any Beneficiary hereunder, or to any legal process of levy or attachment by any creditor of any such Participant or Beneficiary; and no such benefits shall be in any manner liable for or subject to the debts, liabilities, engagements, or torts of any Participant or Beneficiary; and neither any such Participant or Beneficiary shall have any right to alienate, commute, anticipate, transfer, encumber, pledge, or assign any of the benefits, payments, proceeds, or distributions under the Plan.

**ARTICLE XVIII  
MISCELLANEOUS**

**Section 1. Construction.**

(a) Words used in this Plan in the masculine gender shall be construed to include the feminine gender where appropriate, and words used in this Plan in the singular or plural shall be construed as being in the plural or singular where appropriate.

(b) The Plan shall be construed, enforced, and administered and the validity thereof determined in accordance with the Code, and, when not inconsistent with the Code, the laws of the State of Georgia, including the conformity to Federal law provisions in Article 6 of Title 47 of the Official Code of Georgia, O.C.G.A. § 47-1-80 et seq. (where are hereby incorporated by reference), and the Public Retirement System Standards Laws, O.C.G.A. § 47-20-1 et seq.

(c) In resolving any conflict between provisions of the Plan and in resolving any other uncertainty as to the meaning or intention of any provision of the Plan, the interpretation that (i) causes the Plan to constitute a qualified governmental retirement plan under the provisions of Code Sections 401 and 414(d) and the Trust as exempt from tax under Code Sections 501 and 115, and (ii) causes the Plan to comply with all applicable requirements of the Code and federal law shall prevail over any different interpretation.

(d) In resolving any conflict between the Plan and any policy or contract issued under the Plan, the provisions of the Plan shall prevail.

(e) The headings and subheadings in the Plan are inserted for convenience of reference only and are not to be considered in the construction of any provision of the Plan.

(f) Neither the establishment nor maintenance of the Plan nor any amendment thereof, nor any act or omission under the Plan or resulting from the operation of the Plan shall be construed:

(1) as conferring upon any Participant, beneficiary, or any other person a right or claim against the Trust Fund, the Trustees, the Employer, or the Administrator, except to the extent that such right or claim shall be specifically expressed and provided in the Plan;

(2) as a contract or Agreement between the Employer and any Participant or other person;

(3) as being consideration for, or an inducement or condition of, employment of any Participant or other person, or as affecting or restricting in any manner or to any extent whatsoever the rights or obligations of the Employer or any Participant or other person to continue or terminate the employment relationship at any time; or

(4) as giving any Participant the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or other person at any time.

**Section 2. Non-Diversion.**

(a) The assets of the Plan shall never inure to the benefit of an Employer and shall be held for the exclusive purposes of providing benefits to Participants in the Plan and their beneficiaries and defraying reasonable expenses of administering the Plan, except in the case of a contribution which is made by an Employer under a mistake of fact as determined solely by the Administrator. Such contribution shall be returned to the Employer, upon demand, and shall be reduced for any loss incurred but unadjusted for any gains earned during the time the mistaken contribution was part of the Trust Fund.

(b) Trust assets shall be managed in compliance with Code Section 503(b).

**Section 3. Legally Incompetent.** Any Participant or Beneficiary receiving or claiming benefits under the Plan shall be conclusively presumed to be mentally competent and of age until the Plan Representative receives a written notice, in a form and manner acceptable to it, that such person is incompetent or a minor, and that a guardian or other person legally vested with the care of his estate has been appointed. In the event a guardian of the estate of any person receiving or claiming benefits under the Plan shall be appointed by a court of competent jurisdiction, payments shall be made to such guardian provided that proper proof of appointment is furnished in a form and manner suitable to the Plan Representative. Any payment so made shall be a complete discharge of liability therefore under the Plan.

**Section 4. Benefits Supported Only by Trust Fund.** Any person having any claim under the Plan shall look solely to the assets of the Trust Fund for satisfaction. In no event shall the Employer, or any of its employees or agents, be liable in their individual capacities to any person whomsoever, under the provisions of the Plan.

**Section 5. Non-Discrimination.** The Employer, through the Pension Committee, shall administer the Plan in a uniform and consistent manner with respect to all Participants.

**Section 6. Limitation of Liability; Legal Actions.**

(a) It is expressly understood and agreed by each Employee who becomes a Participant hereunder that, except for willful neglect or fraud, neither the Employer, the Plan Representative, nor the Board of Trustees shall be in any way subject to any suit or litigation, or to any legal liability, for any cause or reason or thing whatsoever, in connection with the Plan or its operation, and each such Participant hereby releases the Employer, all its employees and agents, the Plan Representative, and the Board of Trustees from any and all liability or obligation.

(b) The Employer and the Plan Representative shall be the only necessary parties to any action or proceeding involving any rights under the Plan or the proper administration thereof, and no Participant, Beneficiary, or other persons having or claiming to have an interest in the Plan shall be entitled to any notice of process. Any final judgment which is not appealed or appealable that may be entered in any such action or proceeding shall be binding and conclusive on the parties hereto and all persons having or claiming to have an interest in the Plan.

Each fiduciary under the Plan shall be responsible only for the specific duties assigned under the Plan and shall not be directly or indirectly responsible for the duties assigned to another

fiduciary. Any person or a group of persons may serve in more than one (1) fiduciary capacity with respect to the Plan.

**Section 7. Claims.** Any payment to a Participant or Beneficiary, or to their legal representatives, in accordance with the provisions of the Plan, shall to the extent thereof be in full satisfaction of all claims hereunder against the Plan Representative or the Employer, either of which may require such Participant, Beneficiary, or legal representative, as a condition precedent to such payment, to execute a receipt and release therefore in such form as shall be determined by the Plan Representative or the Employer.

**Section 8. Errors in Benefits.** The Administrator may correct errors and, so far as practicable, may adjust any benefit or credit or payment accordingly or take any other remedial action required or permitted to comply with any remedial or correction program promulgated by the Internal Revenue Service, including without limitation the Employee Plans Compliance Resolution System (EPCRS) or any successor guidance, or otherwise provided pursuant to applicable law. If the benefit paid to a Participant or Beneficiary under the Plan is determined by the Administrator to be in excess of the amount of the benefit to which the Participant or Beneficiary may receive under the Code and/or the terms of the Plan (the “Overpayment”), the Administrator may take reasonable actions as it may consider necessary in order to recoup the Overpayment from the Participant or Beneficiary to whom the Overpayment was erroneously paid, including (i) requiring the Overpayment to be repaid to the Plan, (ii) reducing future benefits that are (or may be) payable to the Participant or Beneficiary under the Plan, (iii) using any combination of the methods described in (i) or (ii) above, and/or (iv) taking any other steps that the Administrator considers necessary and appropriate to recoup the Overpayment to the extent permitted by applicable law applicable law, including The SECURE 2.0 Act of 2022 (as applicable to governmental plans), and IRS guidance.

**Section 9. Notice.** Any notice given under the Plan shall be sufficient if given to: (1) the Board if addressed to the Administrator at its office; (2) the Employer if addressed to the address of the Governing Authority; or (3) a Participant or Beneficiary, when addressed to the Participant at his or her address as it appears in the records of the Administrator or the Employer.

**Section 10. Right of Recovery.** If the Administrator makes any payment that according to the terms of the Plan and the benefits provided hereunder should not have been made, the Administrator may recover that incorrect payment, whether or not it was made due to the error of the Administrator, from the person to whom it was made, or from any other appropriate party. If any such incorrect payment is made directly to a Participant, the provisions of Section 8 apply.

**Section 11. Evidence of Action.** Any action by any Employer pursuant to any of the provisions of the Plan shall be evidenced by ordinance or resolution of its governing body, and the Administrator and the Board shall be fully protected in acting in accordance with such resolution or ordinance so certified to it. All orders, requests, and instructions to the Administrator by an Employer or by any duly authorized representative, shall be in writing and the Administrator shall act and shall be fully protected in acting in accordance with such orders, requests, and instructions.

**Section 12.** **Reliance.** The Administrator or Board shall not incur any liability in acting upon any notice, request, signed letter, telegram, or other paper or document believed by the Administrator or Board to be genuine or to be executed or sent by an authorized person.

**Section 13.** **Entire Plan.** The Plan document and the documents incorporated by reference herein shall constitute the only legally governing documents for the Plan. No statement by the Trustees, the Employer, or Administrator shall be used in any claim unless in writing, signed by the party against whom the claim is being made. Except as otherwise specifically required by law, the rights and obligations under the Plan with respect to persons whose employment with the Employer terminated or who vacated office with the Employer for any reason whatsoever prior to January 1, 2025, shall be governed by such Plan, if any, as it existed and was in effect at the time of such termination.

[Signature Page Follows]

IN WITNESS WHEREOF, the Board of Trustees of the Plan has caused this Plan to be adopted and executed this \_\_\_\_ day of December, 2024.

\_\_\_\_\_  
City Manager, Trustee

\_\_\_\_\_  
Financial and Administrative Services Director,  
Trustee

\_\_\_\_\_  
Human Resources Director, Trustee

**Appendix A**

**Grandfathered Part-Time Employees**

Constance Berger — not eligible/not vested

Karen Cavanaugh — became full-time employee

Susan Garcia — became full-time employee

Stephanie A. Hodge — vested

Joyce Horace — deceased — spouse drawing benefit

Michael Johnson — not eligible/not vested

Nancy M. Jurchenko — drawing pension benefit

Carol M. Lavin — continues to work part-time in Library

Cinnamon M. Mack — became full-time employee

Sidney J. McKinney — drawing pension benefit

Nancy J. Moll — became full-time employee

Linda Morton — became full-time employee

Jared A. Reichard — received lump sum payout

Elaine Sheridan — not eligible/not vested

Nick T. Vlachos

## Appendix B

### Special Retirement Benefits Agreements

As allowed in ARTICLE IV Section 5, special retirement benefits can be approved by the Board and City Council for specific employees or a specific group of employees.

A. Effective October 1, 2016, the following special retirement benefits, terms, and conditions were granted to Jonathan N. Rorie, City Manager of the City of Peachtree City:

1. In the event that employee remains with the employer and has ten (10) years of service and is the age of fifty-five (55), employee may retire and receive seventy-five percent (75%) of the monthly benefit that employee would receive as provided in Article IV Section 1 of the Plan in effect on the employee's retirement date.

2. In the event that employee is voluntarily or involuntarily terminated prior to his reaching ten (10) years of service and age fifty-five (55), the employee at his sole discretion may choose to elect a lump sum payment in lieu of his benefit under the plan, of an amount equal to eight percent (8%) of employee's base salary for his cumulative period of employment.

B. Effective May 16, 2023, the following special retirement benefits, terms, and conditions were granted to Robert Hawkins, disabled Firefighter of the City of Peachtree City:

1. For this employee, "Final Average Earnings" shall mean the highest three of the last fifteen calendar years of Earnings.

C. Effective August 15, 2024, the following special retirement benefits, terms, and conditions were granted to Justin Strickland, City Manager of the City of Peachtree City:

1. This employee is immediately 100% Vested under the Plan.

D. Effective December 31, 2024, the following special retirement benefits, terms, and conditions were granted to Paul Salvatore, Financial & Administrative Services Director of the City of Peachtree City:

1. This employee is credited with an additional year of Credited Service under the Plan and an additional year of age for purposes of applying the Late Retirement actuarial equivalence factor under the Plan.

2. For this employee, "Final Average Earnings" under the Plan shall be \$192,424.26.

3. For this employee, the City will contribute the employee's accrued sick and vacation leave to the Plan to be paid to the employee upon retirement.

**THE CITY OF PEACHTREE CITY DEFINED BENEFIT PLAN**

**(As Amended and Restated Effective as of January 1, 2025)**

## TABLE OF CONTENTS

	Page
<b>ARTICLE I DEFINITIONS</b> .....	<b>1</b>
Section 1. "Accrued Benefit".....	1
Section 2. "Actuarial Equivalent".....	1
Section 3. "Actuary".....	1
Section 4. "Administrator".....	1
Section 5. "Applicable Form".....	1
Section 6. "Board of Trustees" or "Board".....	1
Section 7. "Child" or "Children".....	1
Section 8. "Code".....	1
Section 9. "Code Section 415(d) Cost of Living Adjustment".....	1
Section 10. "Contract".....	2
Section 11. "Contributions".....	2
Section 12. "Default Beneficiary".....	2
Section 13. "Disability".....	2
Section 14. "Disability Date".....	2
Section 15. "Early Retirement Date/Early Retirement".....	3
Section 16. "Earnings".....	3
Section 17. "Effective Date".....	3
Section 18. "Eligible Employee".....	3
Section 19. "Eligible Regular Employee".....	3
Section 20. "Employee".....	3
Section 21. "Employee Contributions".....	4
Section 22. "Employee Contributions with Interest".....	4
Section 23. "Employer".....	4
Section 24. "Enrollment Date".....	4
Section 25. "FMLA".....	4
Section 26. "Firefighter".....	4
Section 27. "Final Average Earnings".....	4
Section 28. "Governing Authority".....	5
Section 29. "Ineligible Employee".....	5
Section 30. "Late Retirement Date".....	5
<del>Section 31. "Military Service".....</del>	<del>5</del>
Section <del>32</del> <u>31</u> . "Monthly Retirement Benefit".....	5
Section <del>33</del> <u>32</u> . "Normal Retirement Date".....	5
Section <del>34</del> <u>33</u> . "Participant" or "Participating Employee".....	5
Section <del>35</del> <u>34</u> . "Pension Committee".....	5
Section <del>36</del> <u>35</u> . "Plan".....	5
Section <del>37</del> <u>36</u> . "Plan Representative".....	5
Section <del>38</del> <u>37</u> . "Plan Year".....	5
Section <del>39</del> <u>38</u> . "Police Officer".....	<u>6</u> <del>5</del>
Section <del>40</del> <u>39</u> . "Post-Retirement Beneficiary".....	6
Section <del>41</del> <u>40</u> . "Primary Pre-Retirement Beneficiary".....	6
Section <del>42</del> <u>41</u> . "Regular Employee".....	6

Section <del>43</del> <u>42</u> . "Resolution" .....	6
Section <del>44</del> <u>43</u> . "Retired Participant" .....	6
Section <del>45</del> <u>44</u> . "Retirement" or "Retires" .....	6
Section <del>46</del> <u>45</u> . "Secondary Pre-Retirement Beneficiary" .....	6
Section <del>47</del> <u>46</u> . "Section" .....	6
Section <del>48</del> <u>47</u> . "Spouse" .....	6
Section <del>49</del> <u>48</u> . "Terminated Participant" .....	6
Section <del>50</del> <u>49</u> . "Termination," "Terminate Employment," "Termination of Employment," or "Terminated" .....	6
Section <del>51</del> <u>50</u> . "Trust Administrator" .....	7
Section <del>52</del> <u>51</u> . "Trust Fund" .....	7
Section <del>53</del> <u>52</u> . "Unreduced Early Retirement Date/Unreduced Early Retirement" .....	7
Section <del>54</del> <u>53</u> . "Vested," "Vesting," "Vested Right," or "Vested Benefit" .....	7
<b>ARTICLE II SERVICE</b> .....	<b>7</b>
Section 1. "Current Credited Service" .....	7
Section 2. "USERRA Military Service Credit." .....	7
Section 3. "Credited Past Service" .....	7
Section 4. "Prior Governmental Service" .....	8
Section 5. " <del>Prior Military</del> Service" .....	8
<del>Section 6.</del> " <del>Service</del> " .....	<del>8</del>
Section <del>7</del> <u>6</u> . "Sick and Vacation Leave Service" .....	8
Section <del>8</del> <u>7</u> . "Catastrophic Sick Leave Service" .....	8
Section <del>9</del> <u>8</u> . "Total Credited Service" .....	8
Section <del>10</del> <u>9</u> . "Vesting Service" .....	8
Section <del>11</del> <u>10</u> . "Management Service" .....	<u>9</u> <del>8</del>
<b>ARTICLE III ELIGIBILITY, QUALIFICATION, AND PARTICIPATION</b> .....	<b>9</b>
Section 1. Classes of Eligible Employees. ....	9
Section 2. Qualifications for Participation. ....	9
Section 3. Establishing Participation in the Plan. ....	11
Section 4. Change in Employment Status. ....	11
Section 5. Participant Leaves of Absence. ....	<del>11</del> <u>11</u>
Section 6. Non-Vested Participant Breaks in Service. ....	12
Section 7. Breaks in Service where a Lump Sum was Paid. ....	13
Section 8. Section 8. Vested Participant Breaks in Service. ....	13
<b>ARTICLE IV RETIREMENT BENEFITS</b> .....	<b><del>14</del><u>13</u></b>
Section 1. Normal Retirement Benefit. ....	<del>14</del> <u>13</u>
Section 2. Early Retirement Benefit. ....	14
Section 3. Late Retirement Benefit. ....	<del>15</del> <u>14</u>
Section 4. Suspension of Benefits .....	15
Section 5. Special Retirement Benefits. ....	16
Section 6. Retirement from Terminated Vested Benefit. ....	16
<b>ARTICLE V OPTIONAL FORMS OF RETIREMENT INCOME</b> .....	<b>16</b>
Section 1. Election of Optional Benefits. ....	16
Section 2. Designation of Post-Retirement Beneficiary. ....	<del>17</del> <u>16</u>
Section 3. Description of Options. ....	17

Section 4.	Cancellation of Election.....	17
Section 5.	Rule for Small Benefits.....	17
Section 6.	Distributions.....	<del>18</del> <u>17</u>
Section 7.	Compliance with Internal Revenue Section 401(a)(9).....	<del>18</del> <u>17</u>
Section 8.	Compliance with Code Section 415.....	18
<b>ARTICLE VI DEATH BENEFITS.....</b>		<b>18</b>
Section 1.	Death in Service Prior to Retirement.....	18
Section 2.	Actuarial Reserve In-Service Death Benefit.....	18
Section 3.	Designation of Primary and Secondary Pre-Retirement Beneficiary.....	<del>18</del> <u>18</u>
Section 4.	Change of Beneficiary.....	19
Section 5.	Default Beneficiary.....	19
Section 6.	Terminated Vested Death Benefits.....	<del>20</del> <u>19</u>
Section 7.	Terminated Vested Death Benefit.....	<del>20</del> <u>19</u>
Section 8.	Designation of Terminated Vested Pre-Retirement Beneficiary.....	21
Section 9.	Participant Death After Retirement Benefit Commencement.....	21
<b>ARTICLE VII TERMINATION BEFORE RETIREMENT; VESTING.....</b>		<b><del>22</del><u>21</u></b>
Section 1.	Vesting Requirement for Deferred Retirement Benefit.....	<del>22</del> <u>21</u>
Section 2.	Involuntary Termination Without Cause.....	22
Section 3.	Fraud, Embezzlement, Theft, and Dismissal for Cause.....	22
Section 4.	Forfeitures.....	23
<b>ARTICLE VIII DISTRIBUTION AND ROLLOVER RULES.....</b>		<b>23</b>
Section 1.	Distribution Rules Imposed by Federal Law.....	23
Section 2.	Rollover of Distributions.....	24
<b>ARTICLE IX LIMITATIONS ON BENEFITS.....</b>		<b>25</b>
Section 1.	General 415 Limits.....	25
Section 2.	Limitation on Annual Benefit.....	25
<b>ARTICLE X ACTUARIAL EQUIVALENT CONVERSION TABLES.....</b>		<b>29</b>
Section 1.	Early Retirement Reduction Table.....	29
Section 2.	Standard Joint & Survivor Factors.....	29
Section 3.	Period Certain and Life Factors.....	29
Section 4.	Life Annuity Factors to be Used in Computing Actuarial Reserve Death Benefit.....	29
Section 5.	Late Retirement Actuarial Equivalence Factors.....	30
Section 6.	Other Annuity Forms.....	30
Section 7.	Lump Sum Payments.....	30
Section 8.	Transition.....	31
Section 9.	Retirement from Terminated Vested Actuarial Equivalence Factors.....	31
Section 10.	Calculation of Actuarial Equivalence for Dependent Children Beneficiaries.....	31
<b>ARTICLE XI CONTRIBUTIONS.....</b>		<b>31</b>
Section 1.	Employer Contributions:.....	31
Section 2.	Employee Contributions:.....	32
Section 3.	Refund and Repayment of Employee Contributions:.....	32

<b>ARTICLE XII PENSION COMMITTEE</b> .....	<b>32</b>
Section 1. <b>Creation and Composition.</b> .....	32
Section 2. <b>Responsibilities.</b> .....	32
Section 3. <b>Secretary.</b> .....	33
Section 4. <b>Legal Assistance.</b> .....	33
<b>ARTICLE XIII BOARD OF TRUSTEES</b> .....	<b>33</b>
Section 1. <b>Composition and Election.</b> .....	33
Section 2. <b>Qualified Public Accountant.</b> .....	33
Section 3. <b>Fiduciary Insurance.</b> .....	33
Section 4. <b>Appointment of Investment Managers.</b> .....	33
Section 5. <b>Investment Performance.</b> .....	33
Section 6. <b>Appointment of Trustee.</b> .....	34
<b>ARTICLE XIV TRUST AGREEMENT</b> .....	<b>34</b>
<b>ARTICLE XV CLAIMS AND LITIGATION</b> .....	<b>34</b>
Section 1. <b>Disputes.</b> .....	34
<b>ARTICLE XVI AMENDMENT, MERGER, AND TERMINATION</b> .....	<b>34</b>
Section 1. <b>Right to Amend or Terminate the Plan.</b> .....	34
Section 2. <b>Merger, Consolidation or Transfer.</b> .....	34
Section 3. <b>Termination or Partial Termination.</b> .....	35
<b>ARTICLE XVII NON-ALIENATION OF BENEFITS</b> .....	<b>35</b>
<b>ARTICLE XVIII MISCELLANEOUS</b> .....	<b>35</b>
Section 1. <b>Construction.</b> .....	35
Section 2. <b>Non-Diversion.</b> .....	36
Section 3. <b>Legally Incompetent.</b> .....	36
Section 4. <b>Benefits Supported Only by Trust Fund.</b> .....	37
Section 5. <b>Non-Discrimination.</b> .....	37
Section 6. <b>Limitation of Liability; Legal Actions.</b> .....	37
Section 7. <b>Claims.</b> .....	37
Section 8. <b>Errors in Benefits.</b> .....	37
Section 9. <b>Notice.</b> .....	38
Section 10. <b>Right of Recovery.</b> .....	38
Section 11. <b>Evidence of Action.</b> .....	38
Section 12. <b>Reliance.</b> .....	38
Section 13. <b>Entire Plan.</b> .....	38

## ARTICLE I DEFINITIONS

This Article covers all generally applicable definitions used in this Plan, except for definitions related to service, which are in Article II. When the initial letter of a word or phrase is capitalized herein, the meaning of such word or phrase shall be as follows, unless a different meaning is plainly required by the content. This amended and restated document includes amendments made on or before January 1, 2025.

**Section 1.** "Accrued Benefit" shall mean, as of any date, the Normal Retirement benefit payable to a Participant at his Normal Retirement Date computed in accordance with the provisions of Article IV, based upon the Participant's Total Credited Service and his Final Average Earnings (if applicable) as of the date that the Participant's Accrued Benefit is being determined.

**Section 2.** "Actuarial Equivalent" shall mean a benefit of approximately equal value when computed on the basis of the actuarial assumptions contained in Article X.

**Section 3.** "Actuary" shall mean an individual, or firm, appointed or approved by the Board of Trustees to perform actuarial calculations necessary in the funding of the Plan.

**Section 4.** "Administrator" shall mean the Human ~~Resource~~ Administrator Resources Director, Financial ~~Services Director~~, and Administrative Services Director ~~of the Employer~~, and any member(s) appointed by the City Manager.

**Section 5.** "Applicable Form" shall mean the appropriate form as designated and furnished by the Administrator to make the election or provide the notice required by the Plan. In those circumstances where a written election or consent is not required by the Plan or the Code, the Administrator may prescribe an oral, electronic, or telephonic form in lieu of or in addition to a written form.

**Section 6.** "Board of Trustees" or "Board" shall mean the City Manager, Financial and Administrative Services Director, and ~~members~~ any member(s) appointed by the City Manager ~~due to changes in titles or responsibilities~~. The Board shall be comprised of at least three members in total.

**Section 7.** "Child" or "Children" shall mean any natural or adopted child of the Participant or Terminated Participant, as applicable, who is younger than age twenty-two (22) as of the date of the Participant's or Terminated Participant's death. The term "adopted child" shall include any child who is legally adopted by the Participant and any child who is a member of the Participant's household if placed with the Participant by an authorized placement agency for legal adoption by the Participant. The term "child" does not include a foster child.

**Section 8.** "Code" shall mean the Internal Revenue Code of 1986, as applicable to governmental plans, as amended from time to time, and the Internal Revenue Code of 1954, as applicable to governmental plans.

**Section 9. "Code Section 415(d) Cost of Living Adjustment"** shall mean the cost of living adjustment prescribed by the Secretary of the Treasury under Code Section 415(d) for any applicable year.

**Section 10. "Contract"** shall mean the entire contents of the Ordinance or Resolution adopting the Plan and any future amendments.

**Section 11. "Contributions"** shall mean payments made by the Employer to provide the benefits specified in the Plan.

**Section 12. "Default Beneficiary"** shall mean the person(s) to whom a pre-retirement death benefit is payable in the absence of a beneficiary designation by the Participant or in the event there is no Primary or Secondary Pre-Retirement Beneficiary to whom a pre-retirement death benefit is payable, determined in accordance with and subject to Article VI, Section 5.

**Section 13. "Disability"** shall mean the following:

(a) A physical or mental disability of a Participant who because of such disability becomes entitled to receive disability insurance benefits under the Federal Social Security Act, as amended, provided that the following conditions are satisfied:

(1) Such disability commenced on a specified date during the period of the Participant's employment with the Employer; and,

(2) Such disability was not self-inflicted, incurred in military service, incurred in the commission of a felonious enterprise; or the result of the use of narcotics or drugs or habitual use of alcohol; or

(b) A Participant who is not disabled in accordance with the definition under subsection (a) above solely because he lacks the quarters of Social Security coverage required under the Federal Social Security Act, as amended, shall qualify for Disability if the Pension Committee determines that the Participant is permanently disabled on the basis of a certificate signed by at least two (2) physicians, (one physician selected and paid by the disabled Participant and one selected and paid by the Employer) stating that:

(1) The Participant is permanently disabled as defined in Internal Revenue Code Section 72(m); and

(2) Such disability commenced on a specified date during the period of the Participant's employment with the Employer; and

(3) Such disability was not self-inflicted, incurred in military service, incurred in the commission of a felonious enterprise, or the result of the use of narcotics or drugs or habitual use of alcohol.

**Section 14. "Disability Date"** shall mean the first day of the first calendar month in which: (a) a Participant becomes entitled to receive a disability insurance benefit under the Federal Social Security Act, as amended; or (b) the Participant's Disability is determined by the

Pension Committee to have commenced. However, in no event will the Disability Date be earlier than one (1) calendar month following the date of the Participant's Termination of Employment as a result of Disability. Credited Service continues to accrue as long as the participant retires as Disabled or directly returns to employment by the Employer upon recovery, otherwise Credited Service is frozen at the date of Disability. Credited Service under the Retirement provision ends at the later of Normal Retirement and April 1, 2009.

**Section 15.** **"Early Retirement Date/Early Retirement"** shall mean the first day of the month coinciding with or next following the day a Participant qualifies for Early Retirement (a minimum of age 55 and 10 years of Vesting Service) when the Participant actually retires.

**Section 16.** **"Earnings"** shall mean the total taxable compensation paid to a Participant by the Employer, as reflected in the Employer's W-2 payroll records. Earnings shall also include compensation deferred pursuant to Sections 401(k), 403(b) or 457 of the Internal Revenue Code, compensation redirected pursuant to Section 125 or 132(f)(4) of the Internal Revenue Code, and contributions picked-up under Section 414(h) of the Internal Revenue Code. Earnings exclude expense allowances including, but not limited to, automobile allowances and clothing allowances and any imputed income. Likewise, post employment payments including but not limited to severance are excluded. Only the following will not be considered post employment payments: up to 80 hours of comp time, up to 480 hours of sick leave time, and up to 160 vacation hours (or the corresponding amounts defined in the employee benefit manual as of December 31, 2003 if different for Police and Firefighters).

The earnings of a Participant for any year taken into account under the Plan for any Plan Year beginning prior to January 1, 2002 shall not exceed Two Hundred Thousand Dollars (\$200,000) or for any Plan Year beginning on or after January 1, 2002 shall not exceed Two Hundred Thousand Dollars (\$200,000) (as increased by the cost of living adjustment for the year, pursuant to Code Section 401(a)(17)).

**Section 17.** **"Effective Date"** shall mean January 1, 1974.

**Section 18.** **"Eligible Employee"** shall mean any Employee, except for elected or appointed members of the Governing Authority, who satisfies any eligibility conditions applicable to the class of Eligible Employees to which he belongs. Only Employees with job designations classified as full time by the payroll system are eligible for this Plan. Full time and part time employees who meet the prior eligibility requirements by December 31, 2004 are grandfathered into the prior provisions. Part Time and Volunteer Firefighters are not Eligible Employees. Their hours of service are not included for any purpose under the plan. These provisions override any other mention or provision for Ineligible Employees in the rest of the document.

**Section 19.** **"Eligible Regular Employee"** shall mean any Regular Employee who works in a full time position. Prior to December 31, 2004, a Regular Employee who worked a regularly scheduled 20 hours per week qualified as ~~an~~ Eligible Regular Employee. Appendix A lists employees who met and therefore retain Eligibility under this provision. For the purpose of determining the twenty (20) hour minimum requirement for these employees as an Eligible

Regular Employee, total hours at Calendar Year end divided by the total employment period during the Calendar Year replace reviewing weekly records.

**Section 20. "Employee"** shall mean any person who is regularly employed in the services of the Employer as an employee, except for elected or appointed members of the Governing Authority. However, notwithstanding any other provision of the Plan to the contrary, the term "Employee" does not include: (a) an individual who is a nonresident alien and who receives no earned income (within the meaning of Code Section 911(d)(2)) from an Employer which constitutes income from sources within the United States within the meaning of Code Section 861(a)(3); (b) a leased employee; or (c) any person treated in good faith by an Employer as an independent contractor, regardless of whether such person is later determined to be a common law employee for tax purposes.

**Section 21. "Employee Contributions"** shall mean a percentage of Earnings which shall be "picked up" from the pay of all Eligible Regular Employees and used as Contributions.

**Section 22. "Employee Contributions with Interest"** shall mean Employee Contributions plus interest with the interest calculated at 1% as follows. Contributions made during each completed calendar year will get ½ a year of interest. Accumulated contributions at the beginning of the year will get a full year of interest. Accumulated contributions at the beginning of the year during the year of Termination or Retirement will get ½ a year of interest if the termination date is prior to July 1, and a full year otherwise. Contributions made during the Termination year will get ½ a year of interest.

**Section 23. "Employer"** shall mean The City of Peachtree City.

**Section 24. "Enrollment Date"** shall mean the date that an Eligible Employee first becomes a Participant under this Plan.

**Section 25. "FMLA"** shall mean the Family and Medical Leave Act of 1993, as amended from time to time.

**Section 26. "Firefighter"** shall mean an Eligible Regular Employee of the Employer who is either certified as a firefighter pursuant to O.C.G.A. § 25-4 or who would otherwise be required to be certified as a firefighter but who is exempt pursuant to O.C.G.A. § 25-4-12. In addition their most recent 10 years of Vesting Service must be while employed in this capacity.

**Section 27. "Final Average Earnings"** shall mean the greater of:

1) The arithmetic annual average of the Earnings paid to a Participant for a specified number of 3 consecutive years (12 month periods) of Credited Service preceding the Participant's most recent Termination. This was five (5) consecutive years prior to January 1, 2023.

-or-

2) The highest three of the last ten calendar years of Earnings. This was the highest five (5) years prior to January 1, 2023.

Calculation of Final Average Earnings shall be subject to the following:

(a) If a Participant terminates employment or is on an unpaid leave of absence and he later returns to employment with the Employer, the period(s) prior to and following such absence from employment shall be considered consecutive.

(b) If a Participant has not completed the number of consecutive years of Credited Service necessary to compute Final Average Earnings under this Section as of the date of his most recent Termination preceding Retirement, then his Final Average Earnings shall be determined by dividing his total Earnings for his entire period of Credited Service by his total number of years of Credited Service. In computing the number of years of Credited Service for this purpose, incomplete years of Credited Service shall be converted to fractional equivalents of years and included in the computation.

**Section 28.** **"Governing Authority"** shall mean the Mayor and City Council of the Employer.

**Section 29.** **"Ineligible Employee"** shall mean an Employee of the Employer who is not an Eligible Employee.

**Section 30.** **"Late Retirement Date"** shall mean the first day of the month coinciding with or next following the day the Participant qualifies for Late Retirement, as specified in Article IV, Section 3, as of which the Participant actually retires.

~~**Section 31. "Military Service"**~~ shall mean service performed while on active duty in the Armed Forces of the United States if the Participant was granted an honorable discharge. Except as otherwise required by federal or state law, Military Service shall not include service which is credited toward retirement under any other local, state, or federal retirement or pension plan.

**Section 31.** ~~**Section 32. "Monthly Retirement Benefit"**~~ shall mean the monthly benefit as provided in Article IV or any optional benefit payable in lieu thereof as provided in Article V.

**Section 32.** ~~**Section 33. "Normal Retirement Date"**~~ shall mean the first day of the month coinciding with or next following the date the Participant the attains age 65 and completes 5 years of Vesting Service.

**Section 33.** ~~**Section 34. "Participant" or "Participating Employee"**~~ shall mean any Eligible Employee who is or may become eligible to receive a benefit of any type from the Plan and who has commenced participation in the Plan under Article III.

**Section 34.** ~~**Section 35. "Pension Committee"**~~ shall mean the Administrator as referenced in Section 4 above.

**Section 35.** ~~**Section 36. "Plan"**~~ shall mean the provisions of this document.

Section 36. ~~Section 37.~~ "**Plan Representative**" shall mean the Board of Trustees as defined in Section 6 above. The Plan Representative(s) has full authority to represent the Plan in all communications with the Employees.

Section 37. ~~Section 38.~~ "**Plan Year**" shall mean a twelve (12) month period beginning January 1 and ending December 31.

Section 38. ~~Section 39.~~ "**Police Officer**" shall mean an Eligible Regular Employee employed by the Employer's Police Department who is either certified or registered as a peace officer pursuant to O.C.G.A. Chapter 35-8 with their most recent 10 years of Vesting Service employed in this capacity.

Section 39. ~~Section 40.~~ "**Post-Retirement Beneficiary**" shall mean the person designated by the Participant, in writing and on the Applicable Form, to receive a post-retirement survivor benefit in accordance with and subject to the provisions of Article V and Article VI.

Section 40. ~~Section 41.~~ "**Primary Pre-Retirement Beneficiary**" shall mean the person designated by the Participant, in writing and on an Applicable Form, to receive a pre-retirement death benefit, in accordance with and subject to the provisions of Article VI.

Section 41. ~~Section 42.~~ "**Regular Employee**" shall mean any Employee, other than an elected or appointed member of the Governing Authority, who is regularly employed in the services of the Employer.

Section 42. ~~Section 43.~~ "**Resolution**" shall mean a resolution duly adopted by an Employer.

Section 43. ~~Section 44.~~ "**Retired Participant**" shall mean any Participant who has Terminated Employment with the Employer and who is receiving a benefit.

Section 44. ~~Section 45.~~ "**Retirement**" or "**Retires**" shall mean withdrawal from Service with a retirement allowance granted under the provisions of the Plan. Article IV Sections 1 - 3 define what occurs when retiring from active employment; Article IV Sections 3 and 6 define what occurs when retiring from a Terminated Vested status.

Section 45. ~~Section 46.~~ "**Secondary Pre-Retirement Beneficiary**" shall mean the person designated by the Participant, in writing and on the Applicable Form, to receive a pre-retirement death benefit in the event the Primary Pre-Retirement Beneficiary does not survive the Participant, in accordance with and subject to the provisions of Article VI.

Section 46. ~~Section 47.~~ "**Section**" shall mean, when not preceded by the word Code or ERISA, a section of the Plan document.

Section 47. ~~Section 48.~~ "**Spouse**" shall mean a person who, as of the date of the Participant's or Terminated Participant's death, as applicable, is lawfully joined with the Participant or Terminated Participant in a marriage which is recognized under the laws of the State of Georgia.

Section 48. ~~Section 49.~~ **"Terminated Participant"** shall mean any Participant who has Terminated Employment with the Employer and who has a Vested Benefit under any provision of the Employer's Plan.

Section 49. ~~Section 50.~~ **"Termination," "Terminate Employment," "Termination of Employment," or "Terminated"** shall mean a severance of employment with the Employer, including Retirement, resignation or discharge, lapse of recall rights after layoff, death, or vacation of office by an elected or appointed member of the Governing Authority. Provided, however, that Termination shall not include: (i) absence from active employment which is not treated by the Employer as a Termination of Employment; (ii) absence due to military service to the extent required under USERRA and Code Section 414(u)(8)(A), (iii) absence due to leave which qualifies as family or medical leave under the FMLA, to the extent required under the FMLA; or (iv) absence due to an authorized leave of absence for any reason if approved by the Employer. Unless otherwise required by law or unless the terms of the leave otherwise specify, if an Employee on an authorized leave of absence fails to return to active employment upon expiration of the leave of absence, the Employee will be considered terminated as of the date immediately preceding the approved leave period.

Section 50. ~~Section 51.~~ **"Trust Administrator"** will disburse retirement benefits and have custody of the Plan's assets.

Section 51. ~~Section 52.~~ **"Trust Fund"** shall mean the total amounts, invested or uninvested, held at any time in trust for the Employer.

Section 52. ~~Section 53.~~ **"Unreduced Early Retirement Date/Unreduced Early Retirement"** for a Participant who is a Police Officer or Firefighter, shall mean the first day of the month coinciding with or next following the date the Police Officer or Firefighter attains a minimum of age 55 and completes at least 10 years of Vesting Service or completes at least twenty-five (25) years of Vesting Service, regardless of age, when the Participant actually Retires. For all other Employees, Unreduced Early Retirement shall mean the first day of the month coinciding with or next following the date the Employee attains a minimum of age 62 and completes at least 10 years of Vesting Service. For non-sworn employees this benefit is available for terminations subsequent to September 29, 2016.

Section 53. ~~Section 54.~~ **"Vested," "Vesting," "Vested Right," or "Vested Benefit"** shall mean the rights of a Terminated Participant as specified in Article VII.

## ARTICLE II SERVICE

Section 1. **"Current Credited Service"** shall mean the number of years and complete calendar months of Service of a Participant with the Employer from his Enrollment Date to his Termination, which are credited as Current Credited Service for purposes of meeting the Plan's requirements for vesting, retirement and death benefit eligibility, and/or for purposes of computing the amount of benefits payable under the Plan. - Complete Calendar Months begin on the first scheduled work day of the month and end on the final scheduled workday of the month.

**Section 2. "USERRA Military Service Credit."** Notwithstanding any provision of this Plan to the contrary, benefits and service credit with respect to qualified military service shall be provided in accordance with Code Section 414(u). Code Section 414(u) provides that: (i) individuals reemployed under the Uniform Services Employment and Reemployment Rights Act of 1994 ("USERRA") must be treated as not having incurred a Break in Service because of qualified military service, (ii) periods of qualified military service must be counted for vesting and benefit accruals.

**Section 3. "Credited Past Service"** shall mean the number of years and complete calendar months of Service of a Participant with the Employer prior to his Enrollment Date which are treated as Credited Past Service for purposes of meeting the Plan's requirements for participation, vesting, retirement and death benefit eligibility, and/or for purposes of computing the amount of benefits payable under the Plan.

**Section 4. "Prior Governmental Service"** shall mean government service external to Peachtree City, granted to any Eligible Employee whose original employment date or rehire date is prior to January 1, 2004. This provision only applies to services performed for GMEB pension plan participants.

**Section 5. "~~Prior Military Service~~"** ~~shall mean Military Service not covered by Article II, Section 2. The Employer elects not to treat this service as Credited Service.~~

**Section 6. "Service"** shall mean regular service rendered as an Eligible Employee of the Employer. Service may include absence from active employment with the Employer under conditions which are not treated by the Employer as a Termination of Employment, subject to Article III concerning leaves of absence and any other conditions or limitations specified in the Plan. No Participant may receive credit for more than one (1) year of Service in any twelve (12) month period. Unused leave shall not be treated as Credited Service.

**Section 6. ~~Section 7.~~ "Sick and Vacation Leave Service"** shall mean ~~that Employees may elect to use their~~the accumulated sick and vacation leave an Employee uses at Termination or Retirement. ~~They may use it in accordance with City policies~~ to buy additional Vesting Service or Credited Service ~~in lieu of receiving it as Compensation without consideration of any hour limitations otherwise referenced in this Plan. Any combination of Vesting and/or Credited Service may be elected. Additional Vesting.~~ Such Sick and Vacation Leave Service is applied to both Vesting Service and Age to the extent necessary for eligibility purposes. ~~Additional Credited Service only applies for retirement (if not already met) and applied to Credited Service. This provision is effective for Terminations/Retirements on or after September 29, 2016.~~

**Section 7. ~~Section 8.~~ "Catastrophic Sick Leave Service"** shall mean ~~that Employees may elect to use their~~the accumulated Catastrophic Sick leave an Employee uses at Termination or Retirement. ~~They may use it in accordance with City policies~~ to buy additional Vesting Service or Credited Service. ~~Any combination of Vesting and/or Credited Service may be elected. Additional Vesting.~~ Such Catastrophic Sick Leave Service is applied to both Vesting Service and Age to the extent necessary for eligibility purposes. ~~Additional Credited~~

~~Service only applies for retirement (if not already met) and applied to Credited Service. This provision is effective for Terminations/Retirements on or after September 29, 2016.~~

**Section 8.** ~~**Section 9.**~~ **"Total Credited Service"** shall mean the sum of the Participant's Current Credited Service, Credited Past Service, ~~Prior Military Service,~~ and Prior Governmental Service, as specified in this Article. The term Total Credited Service includes any Service required to be included in Total Credited Service by USERRA, or any other applicable federal or state law. Full months of Total Credited Service shall be treated as fractions of one (1) year. Partial months shall not be included in the calculation. An Employee excluded from participation because of age shall receive credit for all Service as required by law.

**Section 9.** ~~**Section 10.**~~ **"Vesting Service"** shall mean Total Credited Service, plus any service for which a lump sum benefit has been paid by the Employer. In the event a person terminates and has less than five (5) years of Vesting Service, their unused leave (excluding sick leave) converted to calendar days shall be considered in addition to their Total Credited Service for the purpose of determining whether the benefit Vests.

**Section 10.** ~~**Section 11.**~~ **"Management Service"** shall increase Total Credited Service by 6 months for Employees regularly (not temporarily) employed in the positions listed below. This will in no way will increase Vesting Service. No more than 6 months shall be granted regardless of how many of the below positions are held. An Employee is not required to Terminate in one of these positions, just to have held it regular position at some point during their Employment. Eligible positions are: City Manager, Assistant City Manager, Police Chief, Fire Chief, Financial and Administrative Services Director, Public ~~Services Superintendent~~Works Director, Recreation & Special Events Director, CVB Director, Planning and Zoning Director, HR & Risk Management Director, Court Administrator, Library ~~Administrator, Facilities Manager~~Services Director, Executive Services Director, and City Engineer.

### ARTICLE III ELIGIBILITY, QUALIFICATION, AND PARTICIPATION

**Section 1.** **Classes of Eligible Employees.** The Employer elects to not include Elected or appointed members of the Governing Authority. Provided, however, that if a person does not meet the definition of "Employee", he or she may not be included in any Eligible Employee class.

**Section 2.** **Qualifications for Participation.**

(a) **Minimum Service Requirement.**

With respect to each class of Eligible Regular Employees, the Employer requires at least 20 hours per week on a regular schedule as specified in Article I, Section 19. In determining whether said requirements are satisfied, the following rules shall apply:

(1) If an Employee is otherwise includable in an Eligible Regular Employee class, but he does not meet the minimum service requirements established by the Employer for said class pursuant to subsection (a) above, he or she shall not be considered an

Eligible Employee, unless and until he satisfies such requirements. If an Eligible Regular Employee who has not yet become a Participant no longer meets said minimum service requirement, but he remains an Employee of the Employer, he or she shall no longer be considered an Eligible Regular Employee, unless and until he again satisfies the minimum requirement.

(2) No period of employment during which an Employee fails to satisfy the Employer's minimum service requirement and no leave of absence granted to such Employee shall be counted in determining whether any waiting period for participation established by the Employer pursuant to subsection (b) below has been satisfied. However, provided the Employee remains continuously employed by the Employer, such periods shall not be considered a break in Service under subsection (b)(1) below for purposes of satisfying said waiting period.

(b) Waiting Period.

Eligible Regular Employees shall be required to complete 1 year of continuous, uninterrupted Service with the Employer in order to commence participation in the Plan. In determining whether this waiting period has been satisfied, the following rules shall apply:

(1) Breaks in Service. If an Eligible Regular Employee has a Break in Service prior to satisfying the waiting period for participation and later becomes reemployed by the Employer, he shall be required to again satisfy the waiting period in order to be eligible to participate in the Plan. Service rendered prior to said break in Service shall not be taken into account in determining whether the waiting period has been satisfied.

(2) Employed on Effective Date; Waiting Period Satisfied. If an Eligible Regular Employee is employed by the Employer on the Effective Date of the Plan and he has completed a period of continuous, uninterrupted Service as an Eligible Employee immediately prior to the Effective Date equal to or exceeding the length of the required waiting period, then he shall be considered to have satisfied the waiting period and he shall be eligible to commence participation in the Plan on the first day of the month immediately following or coinciding with the Effective Date of the Plan.

(3) Employed on Effective Date; Waiting Period Not Satisfied. If an Eligible Regular Employee is employed by the Employer on the Effective Date of the Plan, but he has not completed a period of continuous, uninterrupted Service as an Eligible Regular Employee immediately prior to the Effective Date equal to or exceeding the length of the required waiting period, then he shall be eligible to commence participation in the Plan on the first day of the month immediately following or coinciding with the date that he completes the minimum period of continuous, uninterrupted Service as an Eligible Regular Employee necessary to satisfy the required waiting period.

(4) Employed After the Effective Date. If an Eligible Regular Employee is initially employed by the Employer after the Effective Date of the Plan, he shall be eligible to commence participation in the Plan on the first day of the month immediately following or coinciding with the date that he completes the minimum period of continuous,

uninterrupted Service as an Eligible Regular Employee necessary to satisfy the required waiting period.

(5) Treatment of Leaves of Absence. For purposes of determining whether the waiting period for participation has been satisfied, Service shall include any period of absence from employment which is required to be taken into account for such purpose under USERRA, the FMLA, or any other applicable federal or state law. Unless otherwise required by law or unless the terms of the leave otherwise specify, an authorized leave of absence granted to an Eligible Regular Employee by the Employer shall be counted as Credited Service for purposes of determining whether the waiting period for participation has been satisfied. However, unless otherwise required by law or unless the terms of the leave otherwise specify, if an Eligible Regular Employee on an authorized leave of absence fails to return to active employment upon expiration of the leave of absence, the Eligible Regular Employee shall be considered to have incurred a break in Service for purposes of meeting the waiting period for participation as of the date preceding the approved leave period.

(6) Treatment of Service as an Ineligible Employee. If an Employee of the Employer who is not an Eligible Employee becomes an Eligible Regular Employee while remaining continuously employed by the Employer, said Eligible Employee shall become eligible to commence participation on the first day of the month immediately following or coinciding with the date he meets the eligibility requirements for participation under this Article. For purposes of satisfying any waiting period imposed by the Employer, the Eligible Regular Employee's prior period of employment as an Ineligible Employee shall be credited in the same manner as Service as an Eligible Regular Employee, provided that during said prior period of service as an Ineligible Employee, he satisfied any minimum service requirement established by the Employer pursuant to Article III, Section 2(a). If an Eligible Regular Employee becomes an Ineligible Employee prior to satisfying the waiting period for participation in the Plan, his service as an Ineligible Employee shall be credited in the same manner as Service as an Eligible Regular Employee for purposes of satisfying said waiting period, provided that the Ineligible Employee satisfies the applicable minimum service requirements established for Eligible Employees pursuant to Article III, Section 2(a). However, in no event will an Ineligible Employee be permitted to become a Participant in the Plan unless and until he has satisfied the waiting period and has again become an Eligible Employee. For purposes of satisfying the waiting period, leaves of absence granted to an Ineligible Employee shall be treated in the same manner as leaves of absence for Eligible Regular Employees under subsection (5) above.

(7) Prior Participation in Another GMEBS Plan. As described under Article II, Section 4, service in other GMEBS plans will be recognized if employed by the Employer prior to January 1, 2004.

### **Section 3. Establishing Participation in the Plan.**

(a) Mandatory vs. Optional Participation. Participation in the Plan shall be considered mandatory for all classes of Eligible Employees.

(b) Mandatory Participation. If participation is mandatory for a class of Eligible Employees, then all Eligible Employees in the class shall become Participants in the

Plan on the first day of the month immediately following or coinciding with the date they satisfy the applicable waiting period and any other eligibility requirements for participation.

(c) Optional Participation. Participation in the Plan shall not give any Eligible Employee the right to be retained in the employ of the Employer nor, upon dismissal, to have any right or interest in the Trust Fund other than as herein provided.

**Section 4. Change in Employment Status. Transfer to Ineligible Status.** If a Participant's employment status changes such that he becomes an Ineligible Employee, he shall cease to accrue benefits under the Plan for any purpose and his interest under the Plan, if any, shall be only such as existed immediately before he became an Ineligible Employee, unless and until he again becomes a Participant. In no event will his service or earnings as an Ineligible Employee be taken into account for purposes of meeting the Plan's minimum service requirements for vesting, retirement eligibility, death benefit eligibility, or for purposes of computing the amount of any benefit payable under the Plan. However, said period of service as an Ineligible Employee shall not be considered a break in Service under Article III, Section 6, provided the Ineligible Employee remains continuously employed by the Employer. If the Ineligible Employee does not again become a Participant prior to Retirement or Termination of Employment, his Vested Benefit, if any, shall be paid as provided in Article VII.

(b) Transfer Back to Eligible Status. If an Ineligible Employee described in subsection (a) above remains continuously employed by the Employer and he has another change in employment status such that he again becomes a Participant, he shall thereafter be entitled to accrue benefits in accordance with the terms of the Plan as in effect as of the date of the subsequent change in employment status.

**Section 5. Participant Leaves of Absence.**

(a) USERRA, FMLA Leave. Notwithstanding any provision of this Plan to the contrary, if any period of absence is required to be counted under USERRA, the FMLA or any other applicable federal or state law as Current Credited Service for the purpose of computing the amount of any benefit payable under the Plan, and for purposes of meeting the Plan's minimum service requirements for vesting, retirement or death benefit eligibility, then said period of absence shall be counted as such in accordance with and subject to the requirements of such law.

(b) Other Leaves of Absence. Unless otherwise required by law or unless the terms of the leave otherwise specify, an authorized leave of absence granted to a Participant by the Employer will be counted as Current Credited Service for the purpose of computing the amount of any benefit payable under the Plan, and for purposes of meeting the Plan's minimum service requirements for vesting and benefit eligibility. However, if the Participant does not return to active employment upon expiration of the authorized leave period, then subsection (c) shall apply.

(c) Failure to Return to Service. Unless otherwise required by law or unless the terms of the leave otherwise specify, if a Participant does not return to active employment with the Employer upon expiration of a leave of absence, his interest under the Plan, if any,

including his Current Credited Service for the purpose of computing the amount of any benefit payable under the Plan, and for purposes of meeting the Plan's minimum service requirements for vesting and any minimum service requirements for retirement or death benefit eligibility, will be limited to that accrued as of the date preceding the approved leave period.

(d) Unused Leave. The Employer does not credit unused leave at termination or retirement as Credited Service.

**Section 6. Non-Vested Participant Breaks in Service.** This Section shall apply only to Participants who are Eligible Regular Employees. If a non-vested Participant experiences a Break in Service; the Participant's Current Credited Service shall not include any Service rendered prior to the break in Service, unless the Participant returns to employment with the Employer within 5 years and performs the lesser of Service equal to the ~~break in~~Break in Service, or Service equal to one (1) year. The following limitations shall apply in administering the break in Service rule:

(a) Absence of Less Than One (1) Year. If a Participant terminates employment with the Employer and returns to employment with the Employer within one (1) year after said termination, the Participant shall not be deemed to have incurred a break in Service. Except as otherwise required under this Section, however, the time he was absent shall not be taken into account for any purpose under the Plan.

(b) Treatment of Leaves of Absence. No leave of absence or other period of absence from employment shall be considered a Break in Service if it is not permitted to be treated as such under USERRA, the FMLA, or any other applicable federal or state law. Unless otherwise required by law or unless the terms of the leave otherwise specify, any other authorized leave of absence granted to a Participant shall not be deemed a break in Service, provided the Participant was regularly employed by the Employer immediately prior to his leave of absence and the Participant is reemployed by the Employer upon expiration of the leave of absence. Unless otherwise required by law or unless the terms of the leave otherwise specify, if a Participant does not return to active employment upon expiration of the approved leave period, he will be considered to have incurred a Break in Service under this Section as of the date immediately preceding the approved leave period.

(c) Transfer to Ineligible Employee Status. If a Participant's employment status changes such that he becomes an Ineligible Employee pursuant to Section 5 above, the period of time spent as an Ineligible Employee shall not be considered a Break in Service under this Section, provided the Participant remains employed by the Employer. Unless otherwise specified by the Employer, leaves of absence granted to an Ineligible Employee will not be considered a Break in Service under this Section, provided the Ineligible Employee returns to active employment with the Employer upon expiration of the approved leave period and the requirements of subsection 6(b) above are otherwise satisfied with respect to such leave of absence.

(d) Repeated Breaks in Service. If a non-vested Participant has a Break in Service, returns to employment with the Employer, and experiences one or more additional Breaks in Service prior to satisfying the one (1) year Service requirement necessary to work off the initial break,

then the Participant's Current Credited Service shall not include any Service rendered prior to the most recent break in Service, unless upon the Participant's return to employment with the Employer following the most recent Break in Service he performs Service for a period equal to one (1) year.

**Section 7. Breaks in Service where a Lump Sum was Paid.**

If Participant is reemployed subsequent to being paid a Lump Sum, the Participant has six months to repay the lump sum, or for Credited Service Purposes, he will be treated as a new hire. The lump sum will include interest from the date of the payment as indicated in the trust records to the date of repayment.

If a Participant is reemployed subsequent to receiving a distribution of Employee Contributions Plus Interest, as described in Article XI, Section 3, the Participant has three months to commence repaying the distribution (plus interest as described in that section) or, for Credited Service purposes, that person will be treated as a new hire.

**Section 8. Section 8. Vested Participant Breaks in Service.** This Section shall apply only to Participants who are Eligible Regular Employees. If a Vested Participant experiences a Break in Service; upon reemployment as and Eligible Regular Employee they will immediately participate in the Plan.

**ARTICLE IV  
RETIREMENT BENEFITS**

**Section 1. Normal Retirement Benefit.**

(a) A Participant, upon Retirement on or after his Normal Retirement Date, shall receive a Monthly Retirement Benefit under which payments shall commence on the last day of the month in which his effective Retirement Date and shall be payable on the last day of each month thereafter during his lifetime. However, if directed by the Employer, Normal Retirement Benefits may be paid retroactively to the last day of the month following the month in which the Participant's Termination occurs (or, if the Participant's Termination occurs on the first of the month, the last day of said month) or if later, the last day of the month in which his Normal Retirement Date occurs. The amount of the Monthly Retirement Benefit shall be determined based upon 2.5% of Final Average Earnings multiplied by years of Total Credited Service divided by 12. For Terminations prior to January 1, 2023 the multiplier was 2%.

(b) The application for the Normal Retirement Benefit must occur within 90 days of the Normal Retirement Date.

(c) No interest shall be paid on the retroactive payment of Normal Retirement Benefits.

(d) Eligibility for Normal Retirement is defined in Article I, Section ~~3332~~.

(e) Participants who retire from Disability are only eligible for a Normal Retirement Benefit; however, the Normal Retirement Benefit will be offset by Disability

payments directly provided by the Employer's other benefit plan, if any, until such time as the Disability payments expire.

**Section 2. Early Retirement Benefit.**

(a) A Participant, upon Retirement from active service on or after his Early Retirement Date and before his Normal Retirement Date, shall receive a Monthly Retirement Benefit under which payments shall commence on the last day of the month in which his effective Retirement Date occurs and shall be payable on the last day of each month thereafter during the lifetime of the Participant. The amount of such Monthly Retirement Benefit shall be computed in the same manner as for a Normal Retirement Benefit, but reduced on an Actuarially Equivalent basis in accordance with the actuarial table contained in Article X, Section 1 for those who do not qualify for an Unreduced Early Retirement Benefit.

(b) The application for Early Retirement must occur within 90 days of Termination of Employment.

(c) Early Retirement benefits begin at the Participant's Early Retirement Date.

(d) Eligibility for Early Retirement/Unreduced Early Retirement is defined in Article I, Sections 15 and ~~53~~52.

(e) No interest shall be paid on the retroactive payment of Early Retirement Benefits.

**Section 3. Late Retirement Benefit.**

(a) A Participant may retire from either 1) the active Service of the Employer, or 2) Terminated Vested Status, on the first day of any month after his Normal Retirement Date, in which case the Participant shall receive a monthly Late Retirement Benefit under which payments shall commence on the last day of the month in which his effective Retirement Date occurs and shall be payable on the last day of each month thereafter during the lifetime of the Participant. The amount of such Monthly Retirement Benefit shall be computed in the same manner as for a Normal Retirement Benefit, but increased on an Actuarially Equivalent basis in accordance with the actuarial table contained in Article X, Section 5.

(b) The application for the Retirement for Late Retirement Benefit must occur within 90 days of the Late Retirement Date.

(c) Retroactive payment of Late Retirement benefits to the Participant's Late Retirement Date is permitted.

(d) No interest shall be paid on the retroactive payment of Late Retirement Benefits.

(e) A Terminated Vested participant may elect to retire at his Normal Retirement Date and elect to receive retroactive payments from that date regardless of when he retires. In this case no interest shall be paid on retroactive payments.

**Section 4. Suspension of Benefits**

(a) General Rule. Unless otherwise provided in this Section, if a Retired Participant returns to Service as an Eligible Employee with the Employer, said Monthly Retirement Benefit shall be suspended as of the date of said return to Service. The Employer may engage on a retainer or fee basis any person receiving benefits hereunder and such engagement will not terminate or suspend such benefits. In such case, said person will not accrue benefits or service credit for any purpose under the Plan during said period of reemployment.

(b) Re-Computation of Benefit in Case of Suspension. In any case where the payment of a Participant's Retirement benefit shall have been suspended, the Retirement benefit payable on his re-retirement (whether before or after his Normal Retirement Date) shall be the benefit computed in accordance with this Article on the basis of his aggregate Total Credited Service at the time of his subsequent re-retirement, but reduced by the Actuarial Equivalent of any Retirement benefits received by him prior to his return to Service as an Eligible Employee, and by any actuarial factors used in calculating the benefit payable at the time of his previous Retirement. For purposes of this subsection, the term "Actuarial Equivalent" shall mean an amount equal to the value of Retirement benefits received, determined as of the date of the Participant's re-retirement and computed on the basis of the actuarial assumptions contained in Article X, Section 6. In no event shall the resulting benefit be less than the benefit payable at the time of his previous Retirement. A Retired Participant who is reemployed as an Eligible Employee shall not be authorized to change his form of benefit payment on his subsequent re-retirement, or to change his Post-Retirement Beneficiary, or to

name a Post-Retirement Beneficiary if one had not been previously named. For the purposes of this Section 5, any such Participant's Credited Service subsequent to his reemployment by the Employer as an Eligible Employee shall commence as of the date of his reemployment as an Eligible Employee.

(c) Death in Service After Reemployment. If a Retired Participant returns to Service with the Employer as an Eligible Employee and he dies during the period of his reemployment and before re-retirement, then his Post-Retirement Beneficiary, if any, shall be entitled to receive the greater of (1) the monthly post-retirement survivor benefit payable, if any; or (2) the monthly in-service death benefit, if any, payable for the class of Eligible Employees to which the Participant belongs as of his date of death, reduced by the Actuarial Equivalent of any Retirement benefits received by the Participant prior to his death. This provision shall not be interpreted to permit payment to a Pre-Retirement Beneficiary in the event of a Retired Participant's death during reemployment.

(d) Return to Employment From Disability. Any Participant who returns to employment directly from disability will retain increased credited service for the period of disability.

**Section 5. Special Retirement Benefits.** The Board may, from time to time, offer benefit enhancements, or the opportunity to retire under specified terms and conditions to an Employee or group of Employees. In the event the enhancement has a financial cost to the city, the enhancement will require council approval.

**Section 6. Retirement from Terminated Vested Benefit.**

(a) A Terminated Vested Participant, upon Retirement on or after his Early Retirement Date and before his Normal Retirement Date, shall receive a Monthly Retirement Benefit under which payments shall commence on the last day of the month in which his effective Retirement Date occurs and shall be payable on the last day of each month thereafter during the lifetime of the Participant. The amount of such Monthly Retirement Benefit shall be computed in the same manner as for a Normal Retirement Benefit, but reduced on an Actuarially Equivalent basis in accordance with the actuarial table contained in Article X, Section 9.

(b) The application for the Retirement for Terminated Vested Benefit must occur within 90 days of the Retirement for Terminated Vested Date.

(c) Retroactive payment of Terminated Vested benefits to the Participant's Terminated Vested Retirement Date is permitted.

(d) No interest shall be paid on the retroactive payment of Terminated Vested Retirement Benefits.

(e) Eligibility for Early Retirement is covered in Article I, Section 15.

**ARTICLE V  
OPTIONAL FORMS OF RETIREMENT INCOME**

**Section 1. Election of Optional Benefits.** A Participant may elect, or may revoke a previous election and make a new election, at any time prior to his effective Retirement Date, to have his Retirement benefit payable under one of the options hereinafter set forth in lieu of the lifetime monthly Retirement benefit he is otherwise entitled to receive under Article IV. The benefit shall be paid in accordance with and subject to the terms of such option elected. Election of any option shall be made by the Participant in writing on the Retirement Application and shall be subject to approval by the Administrator.

**Section 2. Designation of Post-Retirement Beneficiary.** If the Participant elects Joint and Survivor Options or Period Certain and Life Options, he shall designate a Post-Retirement Beneficiary to receive a survivor benefit in accordance with and subject to the terms of such Option. Designation of a Post-Retirement Beneficiary may be revoked or changed by the Participant by submitting a new completed Retirement Application at any time prior to the Participant's effective Retirement date. Only the last such designation of a Post-Retirement Beneficiary shall have effect, and any new designation of a Post-Retirement Beneficiary shall invalidate, supersede, and revoke any prior designation.

**Section 3. Description of Options.** The amount of any optional benefit set forth below shall be the Actuarial Equivalent of the amount of benefit that would otherwise be payable to the participant under Article IV, Sections 1-3.

(a) **Joint and Survivor Option.** A decreased retirement benefit which shall be payable during the lifetime of the Participant and, if his designated Post-Retirement Beneficiary should survive him, shall continue after his death during the lifetime of his Beneficiary in the same amount (100%) or in such smaller amount (75%, 50%) as the Participant may designate. The Participant's retirement benefit shall be calculated in accordance with Article X, Section 2.

(b) **Period Certain and Life Option.** A decreased benefit payable monthly to the Participant during his lifetime and, in the event of his death within a period of specified years, either ten (10), or twenty (20) years after his benefit commencement, the same monthly amount shall be payable for the balance of such period to the Post-Retirement Beneficiary designated by him. If the Post-Retirement Beneficiary does not survive the Participant, all payments shall cease at the death of the Participant and no further benefits will accrue to his estate or to other persons except as provided in Article V. The Retirement benefit shall be calculated in accordance with Article X, Section 3.

**Section 4. Cancellation of Election.** The election by a Participant of any option in Section 1-3 of this Article V shall be null and void if either the Participant or his designated Post Retirement Beneficiary dies before the Participant's effective Retirement date.

**Section 5. Rule for Small Benefits.** The present value of a Plan benefit shall be distributed to the Participant, Terminated Participant, or Pre-Retirement Beneficiary, as applicable, if the benefit payable to the recipient does not exceed \$7,000 (\$5,000 prior to January 1, 2025) on the date of distribution. The present value of such an Accrued Benefit under the Plan shall be determined in accordance with Article X, Section 7.

(a) **Present Value \$1,000 or Less:** The present value of an Accrued Benefit of a Participant, Terminated Participant, or Pre-Retirement Beneficiary which is \$1,000 or less shall be distributed in a cash lump sum to the recipient as soon as administratively feasible following the termination event, unless the recipient elects to have the distribution paid directly to an eligible retirement plan specified by the recipient in a direct rollover.

(b) **Present Value Greater than \$1,000 and Less Than \$7,000 (\$5,000 prior to January 1, 2025):** The present value of an Accrued Benefit of a Participant, Terminated Participant, or Pre-Retirement Beneficiary which exceeds \$1,000 but is \$7,000 (\$5,000 prior to January 1, 2025) or less will be paid in a direct rollover to an individual retirement account established by the Administrator in the name of the recipient as soon as administratively feasible following the termination event, unless the recipient elects to have the distribution paid in lump sum or paid directly to an eligible retirement plan specified by the recipient in a direct rollover.

**Section 6. Distributions.** Distributions payable as of any date shall be made on or as soon as administratively feasible after that date.

**Section 7. Compliance with Internal Revenue Section 401(a)(9).** All distributions shall be made in compliance with Article VIII.

**Section 8. Compliance with Code Section 415.** All benefit options must comply with the limitations of Code Section 415, pursuant to Article IX and as applicable to governmental plans.

## ARTICLE VI DEATH BENEFITS

**Section 1. Death in Service Prior to Retirement.** In the event a Participant's employment or term of office is Terminated by reason of his death prior to his Retirement, there shall be paid to his Pre-Retirement Beneficiary (Primary, Secondary, or Default Beneficiary, as applicable), the actuarial reserve In-Service Death Benefit, provided the requirements of this Article are satisfied.

**Section 2. Actuarial Reserve In-Service Death Benefit.** The Employer elects to provide the Actuarial Reserve In Service Death Benefit for the Eligible Employees. In such case, the Employer requires the Participant to have 5 years of Vesting Service in order to be entitled to receive such benefit. Provided a Participant satisfies such requirements, then in the event the Participant's employment with the Employer is terminated by reason of his death prior to his Retirement, there shall be paid to his Pre-Retirement Beneficiary a lifetime monthly death benefit actuarially equivalent to the reserve required for the Participant's anticipated Normal Retirement benefit. In calculating the Normal Retirement benefit. under the provisions of this Section, the following assumptions shall be used:

(1) The Participant's age at the time of his death is equal to the Normal Retirement Age or his attained age if his attained age is greater than the Normal Retirement Age; and,

(2) The Participant's Total Credited Service shall include the amount of Total Credited Service accrued prior to the date of the Participant's death. The death benefit under this Section shall be calculated using the factors contained in Article X, Section 4.

**Section 3. Designation of Primary and Secondary Pre-Retirement Beneficiary.**

A Participant may designate, on an Applicable Form provided for that purpose, one person as his Primary Pre-Retirement Beneficiary. The Primary Pre-Retirement Beneficiary shall receive the monthly pre-retirement death benefit elected by the Employer in the Plan in the event that the Participant's employment with the Employer is terminated by reason of the Participant's death prior to his Retirement, provided the Primary Beneficiary survives the Participant by at least 32 days in accordance with O.C.G.A. § 47-1-15. The Participant may additionally designate, on an Applicable Form provided for that purpose, one person as his Secondary Pre-Retirement Beneficiary. The monthly death benefit otherwise payable to the Primary Pre-Retirement Beneficiary hereunder shall be payable to the Participant's designated Secondary Pre-Retirement Beneficiary in the event that: (1) the Participant's employment with the Employer is terminated by reason of the Participant's death prior to his Retirement; (2) the Primary Pre-Retirement Beneficiary does not survive the Participant by at least thirty-two (32) days; and (3) the Secondary Pre-Retirement Beneficiary survives the Participant by at least thirty-two (32) days. . The one exception of the limitation to a single beneficiary is the Participant may designate Dependent Child(ren) as their beneficiary. For the purposes of this section a Dependent Child is an individual under age 22 or a disabled child of any age, who either is claimed as a dependent ~~dependent~~ on the most recent tax return, or whose guardian receives court ordered child support payments. Benefits for Dependent Children will be the Actuarial Equivalent as Defined in Article X Section 10.

**Section 4. Change of Beneficiary.** Designation of a Primary or Secondary Pre-Retirement Beneficiary may be changed by the Participant in writing on an Applicable Form provided for that purpose at any time prior to Retirement. Only the last such designation prior to Retirement shall have effect and any new designation of a Primary or Secondary Pre-Retirement Beneficiary invalidates, supersedes, and revokes any prior designation.

**Section 5. Default Beneficiary.**

In the absence of a designation by the Participant, or if there is no Primary or Secondary Pre-Retirement Beneficiary to whom a pre-retirement death benefit is payable under this Article, then the pre-retirement death benefit shall be paid to the Participant's surviving Default Beneficiary in accordance with this Section. For purposes of this Section, the Participant's Default Beneficiary(ies) shall be as follows: (a) the Participant's surviving Spouse; or (b) if there is no surviving Spouse, the Participant's surviving Children; or (c) if there is no surviving Spouse or Children, the Participant's surviving Parent(s). For purposes of this Section, the term "surviving" shall mean surviving the Participant by at least thirty-two (32) days. For purposes of this Section, the term "Spouse" shall be as defined in Article I, Section ~~48~~47. The term "Child" or "Children" shall be as defined in Article I, Section 7. The term "Parent" shall be as defined in O.C.G.A. § 19-113(7), determined as of the date of the Participant's death. Notwithstanding any other provision to the contrary, if a death benefit becomes payable to more than one Child of the Participant under this Section 5, then such benefit shall be paid to each such Child and calculated

in a manner to provide each Child with an equal monthly benefit which ceases on the date such child reaches age twenty-two (22). Such benefit shall be calculated using the factors contained in Article X, Section 6. If a death benefit is payable to more than one surviving Parent of the Participant under this Section, then such benefit shall be calculated in a manner to provide each such Parent with the same monthly benefit amount for his or her lifetime. If a child who is receiving a monthly benefit hereunder reaches age twenty-two (22) or if a child or Parent receiving a monthly benefit hereunder dies, this shall not affect the monthly benefit amount any other child or Parent is receiving.

**Section 6. Terminated Vested Death Benefits.** The Employer provides a death benefit for Terminated Participants. In the event such a Terminated Vested Participant dies before his effective Retirement Date, there shall be paid to his Pre-Retirement Beneficiary (Primary, Secondary, or Default Pre-Retirement Beneficiary, as applicable) the Terminated Vested Death Benefit provided the requirements of this Article are satisfied.

**Section 7. Terminated Vested Death Benefit.** The Employer elects to provide a death benefit for Terminated Participants. In the event that the Terminated Participant dies prior to his effective Retirement date, his Pre-Retirement Beneficiary may apply to receive a lifetime monthly death benefit subject to the provisions of this Section. If the Terminated Participant's Pre-Retirement Beneficiary is the Terminated Participant's Spouse, then the lifetime monthly death benefit payable to the Spouse Beneficiary under this Section shall commence on the last day of the month coinciding with or immediately following the date of the Terminated Participant's death. Alternatively, the Spouse Beneficiary may elect to defer benefit payment commencement until the last day of any month up to and including the date the Participant would have attained Normal Retirement Age. For purposes of this Section, the term "Spouse" or "Spouse Beneficiary" shall be as defined in Article I, Section ~~48~~47. A Spouse Beneficiary shall be considered to have deferred benefit payment commencement until the last day of the month following the date the Spouse makes application for payment of death benefits. If the designated and surviving Pre-Retirement Beneficiary is not the Spouse of the Terminated Participant, then the lifetime monthly death benefit payable to the Beneficiary under this Section shall commence on the last day of the month coinciding with or immediately following the date of the Terminated Participant's death. Benefits under this Section shall be computed as follows:

(a) **Terminated Participant Death Before Early Retirement Age: Payment Before Early Retirement Age.** If a Terminated Participant dies before attaining Early Retirement Age and if benefit payments commence to a Spouse Beneficiary or non-spouse Beneficiary before the Terminated Participant would have attained Early Retirement Age, then the monthly death benefit payable to the Beneficiary shall be the Actuarial Equivalent of the monthly Retirement benefit amount that would have otherwise been. payable to the Terminated Participant, assuming: (i) the Terminated Participant survived until Normal Retirement Age; and (ii) the Terminated Participant elected the optional form of Retirement payment designated herein as Option A at one hundred percent (100%), and then died. Said benefit shall be calculated in accordance with the actuarial assumptions specified in Article X, Section 6.

(b) **Terminated Participant Death Before Early Retirement Age: Deferred Payment by Spouse Until After Early Retirement Age.** If the Terminated Participant dies before attaining Early Retirement Age and a Spouse Beneficiary defers payment until a date which is on

or after the date the Terminated Participant would have attained Early Retirement Age, then the monthly death benefit payable to the Spouse Beneficiary shall be the monthly Retirement benefit that would have otherwise been payable to the Terminated Participant, assuming that: (i) the Terminated Participant survived until the date upon which the deferred benefit payments commence in accordance with the Spouse Beneficiary's selected benefit commencement date; and, (ii) the Terminated Participant elected on such date to retire with the optional form of Retirement payment designated at one hundred percent (100%) joint and survivor, and then died.

(c) Terminated Participant Death After Early Retirement Age: Payment Upon Death. If the Terminated Participant dies after attaining Early Retirement Age, and if benefit payments commence to a Spouse Beneficiary or non-spouse Beneficiary on the last day of the month coinciding with or immediately following the date of the Terminated Participant's death, then the monthly death benefit payable to the Beneficiary shall be the monthly benefit that would have otherwise been payable to the Terminated Participant, assuming: (i) the Terminated Participant retired on the date of death, and (ii) the Terminated Participant elected the one hundred percent (100%) joint and survivor; and then died.

(d) Terminated Participant Death After Early Retirement Age; Deferred Payment by Spouse. If the Terminated Participant dies after attaining Early Retirement Age, and if a Spouse Beneficiary defers payment in accordance with this Section, then the monthly benefit payable to the Spouse Beneficiary shall be the monthly Retirement benefit that would have otherwise been payable to the Terminated Participant, assuming that: (i) the Terminated Participant survived until the date upon which the deferred benefit payments commence in accordance with the Spouse Beneficiary's selected commencement date, and (ii) the Terminated Participant elected to retire on such date at one hundred percent (100%) joint and survivor, and then died.

(e) Calculation of Benefits. Benefits under this Section shall be calculated taking into account only the Participant's Total Credited Service and Final Average Earnings (where applicable) as of the date of his Termination of Employment with Employer, and the applicable benefit formula in effect on the date of said Termination.

**Section 8. Designation of Terminated Vested Pre-Retirement Beneficiary.** The Primary and Secondary Pre-Retirement Beneficiary designated by the Participant to receive in-service death benefits under this Article VI, Section 3 shall automatically be considered the Participant's Primary and Secondary Pre-Retirement Beneficiary for purposes of payment of terminated vested pre-retirement death benefits, if any, under the Employer's Plan. If the Participant changes his beneficiary designation in accordance with Section 4, his designation under this Section shall be considered changed as well to reflect the new designation. In the absence of a designation by the Participant, or if there is no Primary or Secondary Pre-Retirement Beneficiary to whom a terminated vested pre-retirement death benefit is payable upon the Participant's death, then the terminated vested pre-retirement death benefit otherwise payable, if any, shall be paid to the Participant's Default Beneficiary in accordance with Article VI, Section 5.

**Section 9. Participant Death After Retirement Benefit Commencement.** Upon the death of a Retired Participant subsequent to his Retirement, there shall be payable to the Participant's designated Post-Retirement Beneficiary, a benefit to be determined as follows:

(a) If the Participant has not elected an optional form of payment, as provided in Article V, or if he has elected an optional form of payment and his designated Post-Retirement Beneficiary does not survive him, no further payment of any kind whatsoever shall be made at the death of the Participant.

(b) If the Participant has elected an optional form of payment, as provided in Article V, and his designated Post-Retirement Beneficiary survives him, benefits shall be payable to the Post-Retirement Beneficiary as provided by the option elected, commencing the month following the Participant's last benefit payment month.

## **ARTICLE VII TERMINATION BEFORE RETIREMENT; VESTING**

**Section 1. Vesting Requirement for Deferred Retirement Benefit.** A Participant whose employment is terminated for any reason other than death or Retirement shall be entitled to a Vested right in his Accrued Benefit if he accrues a minimum of 5 years of Vesting Service. Payment of such Vested Retirement Benefit shall commence on the last day of the month in which his effective Retirement Date occurs and shall be payable on the last day of each month thereafter during the lifetime of the Participant, unless the Participant elects an optional form of benefit payment under Article V. The amount of such Monthly Retirement Benefit shall be computed in the manner prescribed for Normal or Early Retirement in Article IV, as applicable, but based upon the Participant's Final Average Earnings (if applicable) and Total Credited Service up to the Participant's date of Termination of Employment with the Employer. Notwithstanding any other provision of the Plan to the contrary, if a Participant has satisfied the requirements for Normal Retirement, the Participant shall be 100% Vested in his Normal Retirement benefit.

**Section 2. Involuntary Termination Without Cause.** A Participant whose employment is terminated involuntarily and without cause shall be entitled to a Vested Benefit if he has completed five (5) years of Vesting Service. For the purpose of this condition, "cause" for dismissal shall mean negligence or inefficiency in performing the duties of the position held, unfitness to perform assigned duties, insubordination, or misconduct reflecting discredit on the Employer.

**Section 3. Fraud, Embezzlement, Theft, and Dismissal for Cause.**

(a) In the event the Employer shall receive, prior to a Participant's actual Retirement date, written confession by such Participant, or proof satisfactory to the Governing Authority that such Participant has committed or has been convicted of having committed an act of fraud, embezzlement, or theft in connection with his duties or in the course of his employment with the Employer, or in connection with the Plan, his participation in the Plan shall be forthwith terminated, and the applicable provisions of O.C.G.A. § 47-1-20 et seq. set forth in paragraph (b) shall govern.

(b) As required by Georgia State Law, if a public employee first or again becoming a public employee after July 1, 1985 commits a public employment related crime in the capacity of a public employee and is convicted for the commission of such crime, such employee shall forfeit all rights and benefits under and membership in any public retirement system in which the employee is a member, effective on the date of final conviction. Any such public employee shall not at any time after such final conviction be eligible for membership in any public retirement system.

(c) For purposes of this Section, the following definitions shall apply:

(1) "Final conviction" means a conviction which has been upheld after the convicted person has exhausted all appeals of the conviction.

(2) "Political subdivision" means any county, municipality, or local school district.

(3) "Public employee" means any elected and appointed officials and employees of the state or any branch, department, board, bureau, commission, authority, or other agency of the state and elected and appointed officials and employees of any political subdivision or authority or other agency of a political subdivision.

(4) "Public employment related crime" generally means any one or more of the following crimes:

(i) theft by an officer or employee of a government in breach of duties as such officer or employee;

(ii) any felony related to abuse of governmental office;

(iii) making false statements or concealing facts in matters within the jurisdiction of the state or a political subdivision;

(iv) conspiracy to defraud the state or a political subdivision;

(v) stealing, altering, or concealing public records; and

(vi) selling offices or dividing fees.

(5) "Public retirement system" means any retirement or pension system created by or pursuant to the authority of Georgia law or the Constitution of Georgia which has public employees as members of the retirement or pension system, including this Plan.

**Section 4. Forfeitures.** Forfeitures arising from Termination of Employment, withdrawal or any other reason may not be applied to increase the benefits any individual would otherwise receive under the Plan. However, forfeitures will remain Trust assets, and as such, may be used to reduce an Employer's contribution.

**ARTICLE VIII  
DISTRIBUTION AND ROLLOVER RULES**

**Section 1. Distribution Rules Imposed by Federal Law.** Notwithstanding any provision of this Plan to the contrary, any distribution under the Plan shall be made in accordance with a reasonable, good faith interpretation Code Section 401(a)(9) and the regulations promulgated thereunder as applicable to governmental plans and shall comply with the following rules:

In any event, where distributions have not yet begun, the entire interest, if any, of a Participant under the Plan shall be distributed within five (5) years after the death of the Participant, unless the Participant's benefits are payable to the beneficiary or joint beneficiaries designated by the Participant over a period not to exceed the life expectancy or joint life expectancies of such beneficiary or beneficiaries. In such case, the distribution of benefits under this Section shall begin (i) in the case of a non-Spouse beneficiary, no later than one (1) year following the date of death of the Participant, or (ii) in the case of a surviving Spouse, no later than the date on which the Participant would have attained age 70 ½ if the Participant attained that age before January 1, 2020, age 72 if the Participant attained that age before January 1, 2023, age 73 if the Participant attained that age after December 31, 2022, or age 75 if the Participant attained that age after December 31, 2032.

To the extent required by Code Section 401(a)(9) and the regulations promulgated thereunder, payment of the accounts of a Participant shall begin not later than the "required beginning date." For purposes of this Section, "required beginning date" means April 1 of the calendar year following the later of (i) the calendar year in which the Participant reaches age 70 ½ if the Participant attained that age before January 1, 2020, age 72 if the Participant attained that age before January 1, 2023, age 73 if the Participant attained that age after December 31, 2022, or age 75 if the Participant attained that age after December 31, 2032, or (ii) the calendar year in which the Participant Retires.

A Participant's election of the form of benefit payment shall be restricted to assure compliance with the minimum distribution and incidental death benefit requirements of Code Section 401(a)(9). As part of that compliance, a distribution shall not be made over a period extending beyond: (i) the life of the Participant; (ii) the life of the Participant and his designated beneficiary; (iii) a period certain not extending beyond the life expectancy of the Participant; or (iv) a period certain not extending beyond the joint life and last survivor expectancy of the Participant and his designated beneficiary. If distribution of the Participant's benefit has commenced before the Participant's death, the remaining interest shall be distributed at least as rapidly as under the method of distribution being used as of the date of the Participant's death.

**Section 2. Rollover of Distributions.** Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Section, a Distributee may elect, at the time and in the manner prescribed by the Administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover. The following definitions shall apply to this Section:

An “Eligible Rollover Distribution” is any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: (i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee’s designated beneficiary, or for a specified period of ten (10) years or more; (ii) any distribution to the extent such distribution is required under Code Section 401(a)(9); (iii) the portion of any distribution that is not includible in gross income; or (iv) any other distributions which the Internal Revenue Service does not consider eligible for rollover treatment, such as certain corrective distributions necessary to comply with the provisions of Code Section 402(g) or 415. An Eligible Rollover Distribution also includes a distribution to a surviving Spouse.

An “Eligible Retirement Plan” is an individual retirement account described in Code Section 408(a); an individual retirement annuity described in Code Section 408(b) (other than an endowment contract); an annuity plan described in Code Section 403(a) or an annuity contract described in Code Section 403(b); a qualified trust described in Code Section 401(a), an eligible plan under Code Section 457(b) which is maintained by a state or political subdivision of a state, or any agency or instrumentality of a state or political subdivision, and which agrees to separately account for amounts transferred into such plan from this Plan; or, effective January 1, 2008, to the extent permitted and in accordance with the rules applicable under Code Section 408A, a Roth individual retirement account described in Section 408A of the Code; that accepts the Distributee’s Eligible Rollover Distribution; provided, however, in the case of an Eligible Rollover Distribution to a Distributee who is a non-spouse Beneficiary of a deceased Participant, an Eligible Retirement Plan shall be limited to an individual retirement account or annuity described in Code Section 408(a) or (b), as contemplated under Code Section 402(c)(11).

A “Distributee” includes an employee or former employee. A Distributee also includes the employee’s or former employee’s surviving spouse. A Distributee also includes a non-spouse beneficiary who is a designated beneficiary as defined by Code Section 401(a)(9)(E). However, a non-spouse beneficiary may only make a direct rollover of the distribution to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution, and the account or annuity will be treated as an “inherited” individual retirement account or annuity.

A “Direct Rollover” is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

Notwithstanding subsection (a), if an Eligible Rollover Distribution is expected to total less than Two Hundred Dollars (\$200) during a year, such payment may not be directly rolled over.

## **ARTICLE IX LIMITATIONS ON BENEFITS**

**Section 1. General 415 Limits.** The Plan shall be administered so as to comply with the limitations of Code Section 415, as applicable to governmental plans.

**Section 2.      Limitation on Annual Benefit.**

(a) In no event shall the aggregate annual benefit for a calendar year (the “limitation year”) provided under this Plan and all other defined benefit plans (without regard to whether the plan has terminated) of the Employer for any Participant exceed an amount equal to One Hundred Sixty Thousand Dollars (\$160,000) as adjusted pursuant to Code Section 415(d)(1)(A) (\$280,000 for 2025).

(b) Adjustments for Benefits Commencing Before Age 62.

(1) If the retirement income benefit under the Plan begins before age sixty-two (62) and the Plan does not have an immediately commencing straight life annuity payable at both age sixty-two (62) and the age of benefit commencement, the One Hundred Sixty Thousand Dollar (\$160,000) limitation for the Participant’s retirement income benefit commencement date is the annual amount of a benefit payable in the form of a straight life annuity commencing at the Participant’s retirement income benefit commencement date that is the actuarial equivalent of the One Hundred Sixty Thousand Dollar (\$160,000) limitation (adjusted under subsection (h) for years of participation less than ten (10), if required) with actuarial equivalence computed using a five percent (5%) interest rate assumption and the applicable mortality table for the retirement income benefit commencement date (expressing the Participant’s age based on completed calendar months as of the retirement income benefit commencement date).

(2) If the retirement income benefit under the Plan begins before age sixty-two (62) and the Plan has an immediately commencing straight life annuity payable at both age sixty-two (62) and the age of benefit commencement, the One Hundred Sixty Thousand Dollar (\$160,000) limitation for the Participant’s retirement income benefit commencement date is the lesser of the limitation determined under paragraph (1) and the One Hundred Sixty Thousand Dollar (\$160,000) limitation (adjusted under subsection (h) for years of participation less than ten (10), if required) multiplied by the ratio to the annual amount of the immediately commencing straight life annuity under the Plan at the Participant’s retirement income benefit commencement date to the annual amount of the immediately commencing straight life annuity under the Plan at age sixty-two (62), both determined without applying the limitations of this Article.

(c) Adjustment for Benefits Commencing After Age 65.

(1) If the retirement income benefit under the Plan begins after age sixty-five (65) and the Plan does not have an immediately commencing straight life annuity payable at both age sixty-five (65) and the age of benefit commencement, the One Hundred Sixty Thousand Dollar (\$160,000) limitation at the Participant’s retirement income benefit commencement date is the annual amount of a benefit payable in the form of a straight life annuity commencing at the Participant’s retirement income benefit commencement date that is the actuarial equivalent of the One Hundred Sixty Thousand Dollar (\$160,000) limitation (adjusted under subsection (h) for years of participation less than ten (10), if required), with actuarial equivalence computed using a five percent (5%) interest rate assumption and the applicable mortality table for that retirement income benefit commencement date as specified in

Article IX, Section 2(e)(1)(ii) of the Plan (expressing the Participant's age based on completed calendar months as of the retirement income benefit commencement date).

(2) If the retirement income benefit under the Plan begins after age sixty-five (65) and the Plan has an immediately commencing straight life annuity payable at both age sixty-five (65) and the age of benefit commencement, the One Hundred Sixty Thousand Dollar (\$160,000) limitation at the Participant's retirement income benefit commencement date is the lesser of the limitation determined under paragraph (1) and the One Hundred Sixty Thousand Dollar (\$160,000) limitation (adjusted under subsection (h) for years of participation less than ten (10), if required) multiplied by the ratio of the annual amount of the adjusted immediately commencing straight life annuity under the Plan at the Participant's retirement income benefit commencement date to the annual amount of the adjusted immediately commencing straight life annuity under the Plan at age sixty-five (65), both determined without applying the limitations of this Article. For this purpose, the adjusted immediately commencing straight life annuity under the Plan at the Participant's retirement income benefit commencement date is the annual amount of such annuity payable to the Participant, computed disregarding the Participant's accruals after age sixty-five (65) but including actuarial adjustments even if those actuarial adjustments are used to offset accruals; and the adjusted immediately commencing straight life annuity under the Plan at age sixty-five (65) is the annual amount of such annuity that would be payable under the Plan to a hypothetical Participant who is age sixty-five (65) and has the same accrued benefit as the Participant.

(d) Notwithstanding the other requirements of this section, in adjusting the dollar limitation for the Participant's retirement income benefit commencement date under subsection (b) or (c), as applicable, no adjustment shall be made to the One Hundred Sixty Thousand Dollar (\$160,000) limitation to reflect the portability of a Participant's death between the retirement income benefit commencement date and age sixty-two (62), or between age sixty-five (65) and the retirement income benefit commencement date, as applicable, if benefits are not forfeited upon the death of the Participant prior to the retirement income benefit commencement. To the extent benefits are forfeited upon death before the retirement income benefit commencement date, such an adjustment shall be made. Furthermore, notwithstanding the requirements of this section, the adjustments provided for in subsections (b) and (c) shall not apply (i) in the event the Participant's benefit is based on at least fifteen (15) years of service as a full-time employee of any police or fire department or on fifteen (15) years of military service, or (ii) in the case of pre-retirement disability benefits or pre-retirement death benefits.

(e) Adjustment for Form Not Subject to Code Section 417(e)(3). For distributions made in any form other than a straight life annuity or a qualified joint and survivor annuity to which Code Section 417(e)(3) does not apply, such benefit shall be adjusted to a straight life annuity, beginning at the same age, which is the actuarial equivalent of such benefit.

(1) For limitation years beginning on or after July 1, 2007, the actuarially equivalent straight life annuity is equal to the greater of (or the reduced limitation applicable at the retirement income benefit commencement date which is the "lessor of" when adjusted in accordance with the following assumptions):

(i) the annual amount of the straight life annuity (if any) payable to the participant under the Plan commencing at the same retirement income benefit commencement date as the Participant's form of benefit; or

(ii) the annual amount of the straight life annuity commencing at the same retirement income benefit commencement date that has the same actuarial present value as the Participant's form of benefit, computed using a five percent (5%) interest rate assumption and the applicable mortality table described in Internal Revenue Service guidance (the mortality table specified in Revenue Ruling 2001-62 on or after January 1, 2003) and, for years after December 31, 2008, the applicable mortality tables described in Code Section 417(e)(3)(B) (Internal Revenue Service Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Code Section 417(e)(3)(B)).

(f) Adjustment for Form Subject to Code Section 417(e)(3). As required by final Treasury Regulations, for distributions made in any form to which Code Section 417(e)(3) applies, such benefit shall be adjusted to a straight life annuity, beginning at the same age, which is the actuarially equivalent straight life annuity benefit which is the greatest of (or the reduced limitation applicable at the retirement income benefit commencement date which is the "least of" when adjusted in accordance with the following assumptions):

(1) the annual amount of the straight life annuity commencing at the retirement income benefit commencement date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in Article X of the Plan for actuarial experience;

(2) the annual amount of the straight life annuity commencing at the retirement income benefit commencement date that has the same actuarial present value as the particular form of benefit payable, computed using a five and five-tenths percent (5.5%) interest assumption (or the applicable statutory interest assumption) and the applicable mortality tables described in Code Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Code Section 417(e)(3)(B)); or

(3) the annual amount of the straight life annuity commencing at the retirement income benefit commencement date that has the same actuarial present value as the particular form of benefit payable computed using the applicable interest rate for the distribution under Internal Revenue Service guidance, the applicable mortality tables described in Code Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service Guidance implementing Code Section 417(e)(3)(B)), divided by one and five-one-hundredths (1.05)

(g) Limitation on benefits under this Article shall not apply where the total annual benefits payable to a Participant under this Plan and all other qualified defined benefit plans (whether or not terminated) of the Employer do not exceed Ten Thousand Dollars (\$10,000) in the aggregate. This minimum limitation is not applicable for a Participant whose Employer maintains or has maintained a defined contribution plan in which such Participant participated.

(h) The Ten Thousand Dollars (\$10,000) minimum limitation, if provided, must be reduced where a Participant has less than ten (10) years of service with the Employer at the time the Participant begins to receive retirement benefits under the Plan, and the maximum dollar limitation must be reduced where a Participant has less than ten (10) years of participation when retirement benefits under the Plan commence. These adjustments are made by multiplying the applicable limitations by the appropriate fraction:

(i) for the Ten Thousand Dollars (\$10,000) minimum limitation – years of service with the employer as of and including, the current limitation year divided by ten (10); or

(ii) for the maximum dollar limitation – years of participation with the employer as of and including, the current limitation year divided by ten (10).

**ARTICLE X  
ACTUARIAL EQUIVALENT CONVERSION TABLES**

**Section 1. Early Retirement Reduction Table**

Number of Years Before Normal Retirement*	Factor Reducing Normal Retirement Benefit
0	1.0000
1	.9333
2	.8667
3	.8000
4	.7333
5	.6667
6	.6333
7	.6000
8	.5667
9	.5333
10	.5000

\*Interpolate for whole months.

**Section 2. Standard Joint & Survivor Factors.** Factors for Joint & Survivor Annuities shall be computed on an actuarially equivalent basis at the Participant's retirement age using the UP-1984 Mortality Table without age setback with interest at 8%. These factors will vary by the difference between the Participant's age and the Beneficiary's age at Retirement.

**Section 3. Period Certain and Life Factors.** Factors for Certain & Life Annuities shall be computed on an actuarially equivalent basis at the Participant's retirement age using the UP-1984 Mortality Table without age setback with interest at 8%.

**Section 4. Life Annuity Factors to be Used in Computing Actuarial Reserve Death Benefit.** Factors for Actuarial Reserve Death Benefits shall be computed on an actuarially equivalent basis at the Participant's age at Death using the UP-1984 Mortality Table without age setback with interest at 8%.

**Section 5. Late Retirement Actuarial Equivalence Factors.**

<u>Current</u>	<u>Factor</u>
6	1.0000
6	1.1317
6	1.2850
6	1.4645
6	1.6755
7	1.9246
7	2.2204
7	2.6486
7	2.9967
7	3.5073
7	4.1274

Figure factor using years and months. Divide difference between next highest age factor and age factor lower, by 12, then multiply by number of months. Add this onto age for years factor to arrive at correct factor. (Round off to 4 decimals).

**Section 6. Other Annuity Forms.** Conversion factors for other annuity forms shall be computed by an enrolled Actuary on an actuarially equivalent basis at the Participant's retirement age using the UP-1984 Mortality Table without age setback with interest at 8%. If appropriate, such factors may vary by the difference between the Participant's age and the Beneficiary's age. The value of Retirement benefits received by a Participant for purposes of Article V, Section 6 shall be determined using the UP-1984 Mortality Table without age setback with interest at 8%.

**Section 7. Lump Sum Payments.** Effective January 1, 2001, a single sum distribution of benefits payable under Article V, Section 5, or upon plan termination, or if required for compliance with Section 401(a)(9) of the Internal Revenue Code, shall be computed on the basis of the actual age of the Participant and/or Beneficiary at the time of distribution and under the following actuarial assumptions:

(a) **Interest:** The applicable interest rate established by the Internal Revenue Service under Code Section 417(e)(3) and accompanying regulations, as in effect for the month of September preceding the calendar year during which the distribution is paid.

(b) **Mortality:** The applicable mortality table established by the Internal Revenue Service pursuant to IRC Section 417(e)(3) and accompanying regulations.

(c) **Age at Which Payments Begin:** The greater of the Normal Retirement Date or the age at the time of distribution of the Participant and/or Beneficiary.

**Section 8. Transition.** These factors are effective 12/31/2004. Participants are entitled to the greater of their frozen accrued benefit as of 12/31/2004 using the previous actuarial equivalent factors, or their benefit at Termination or Retirement using these factors.

**Section 9. Retirement from Terminated Vested Actuarial Equivalence Factors**

Number of Years Before Normal Retirement*	Factor Reducing Normal Retirement Benefit
0	1.0000
1	.8944
2	.8022
3	.7213
4	.6502
5	.5875
6	.5319
7	.4826
8	.4387
9	.3995
10	.3644

\*Interpolate for whole months.

**Section 10. Calculation of Actuarial Equivalence for Dependent Children Beneficiaries.** If the Beneficiary(ies) is a Dependent Child(ren), then the monthly benefits will be the same for all the Beneficiaries and will be allocated based on Annuity Factors calculated at an 8% interest rate without any consideration for Mortality. The last payment for each Beneficiary will be the first of the month coincident with or following their 22<sup>nd</sup> birthday. In the event of disabled children, the annuity amount will be computed using the same method described in Section 2 of this Article.

**ARTICLE XI  
CONTRIBUTIONS**

**Section 1. Employer Contributions:** The Employer shall make the necessary Contributions to fund the Plan. The amount of these Contributions shall be based upon the actuarial assumptions adopted by the Board of Trustees, the benefits provided in the Plan, and the number of Participants and their respective ages, Earnings, and lengths of Creditable Service and such other factors as the Board of Trustees shall deem appropriate to assure proper funding

of the Plan. Contributions by the Employer shall be applied as necessary to assure the payment of Accrued Benefits to Participants and Beneficiaries.

**Section 2. Employee Contributions:** Starting with the first payroll subsequent to April 23, 2023, Employees participating in the Plan will have 3% of Earnings “picked up” and contributed to the Plan. This is an increase from 2.25% which was effective for payrolls subsequent to payrolls December 31, 2016. Contributions will not be “picked up” from compensation that is not included in Earnings as defined in Article I Section 16.

**Section 3. Refund and Repayment of Employee Contributions:** A Participant who terminates employment prior to attaining to a Vested right in his Accrued Benefit shall receive a distribution of their Employee Contributions Plus Interest. If such individual again becomes a Participating Employee, such Participant may repay this distribution plus interest with the interest calculated at 1%. Interest, for this purpose, shall be determined using the methodology set forth in Article I, Section 21, but shall not include any interest for the period between the date of rehire and the date repayment is actually made. A Participant must elect to make a repayment within three months after the individual once again becomes a Participating Employee and must complete repayment by (i) the first anniversary of such date or (ii) such reasonable date as the Pension Committee may determine.

If a Participant makes the repayment described in this Section, the period of covered employment before the termination of employment shall be taken into account for determining the Participant’s Credited Service and Final Average Earnings.

## ARTICLE XII PENSION COMMITTEE

**Section 1. Creation and Composition.** There shall be a Pension Committee for the Employer. The Pension Committee shall be defined in Article I, Section ~~35~~34.

**Section 2. Responsibilities.** The Pension Committee shall have the following responsibilities:

(a) In its dealings with the Actuary and the Trust Administrator or its duly appointed representatives, the Pension Committee shall:

(1) Furnish all information with respect to enrollment of Eligible Employees.

(2) Assure the collection and remittance to the Trust Administrator of all required Contributions.

(3) Furnish the Actuary and the Trust Administrator, in accordance with its rules and regulations, all reports and other records required to administer the Plan.

(4) Notify the Trust Administrator, in accordance with its rules and regulations, of all benefit elections made by Participants under the Plan and all matters regarding payment of benefits.

(5) Notify the actuary of the termination of Participating Employees.

(b) In dealing with those persons participating or eligible to participate in the Plan, the Pension Committee shall:

(1) Be responsible for the enrollment of Eligible Employees.

(2) Handle distribution of all reports to Participants.

(3) Handle arbitration between the Employer and Participants in all matters regarding the Plan.

(4) Handle any notices of eligibility, benefits, available options, and any other notices required by this Plan.

**Section 3. Secretary.** The Pension Committee shall designate, in writing, a secretary or other representative who shall have full authority to represent the Committee in all communications with the state and the Employer's Employees.

**Section 4. Legal Assistance.** The City Attorney or other attorney appointed by the Governing Authority shall furnish legal advice to the Pension Committee with respect to the Plan and the Committee's assigned responsibilities hereunder.

### **ARTICLE XIII BOARD OF TRUSTEES**

**Section 1. Composition and Election.** The composition of the Board of Trustees is specified in Article 1, Section 6.

**Section 2. Qualified Public Accountant.** The Administrator may engage on behalf of all Participants an independent qualified public accountant to conduct such an examination of any financial statements of the Plan, and of other books and records of the Plan, as the qualified public accountant may deem necessary to enable him to form an opinion as to whether the financial statements and schedules required to be included in the annual report of the Plan are presented fairly in conformity with generally accepted accounting principles as applicable to a governmental plan, applied on a basis consistent with that of the preceding Plan Year and who shall perform such other services for the Plan as the Administrator may require.

**Section 3. Fiduciary Insurance.** The Board of Trustees may purchase fiduciary liability insurance for any of its fiduciaries, or for itself, to cover liability or losses occurring by reason of the act or omission of a fiduciary.

**Section 4.** **Appointment of Investment Managers.** The Board of Trustees may appoint and terminate investment manager(s) for the plan.

**Section 5.** **Investment Performance.** The Board of Trustees is responsible to monitor investment performance, and hire/change new managers as performance dictates.

**Section 6.** **Appointment of Trustee.** The Board of Trustees may hire/change the Trust Administrator as cost or performance dictates. This includes the execution of the trust agreement.

#### **ARTICLE XIV TRUST AGREEMENT**

The representative of the Employer who is authorized to enter into and execute on behalf of the Employer the Trust Agreement is the Board of Trustees. All contributions under the Plan shall be transferred to the Trust to be held, managed, invested, and distributed as part of the Trust Fund by the Board in accordance with the provisions of the Plan. All benefits under the Plan shall be distributed solely from the Trust Fund.

The Board shall distribute the corpus and income of the Trust Fund to the Participants and their Beneficiaries in accordance with applicable state and federal law and the Plan. At no time prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries shall any part of the corpus or income be used for, or diverted to, purposes other than the exclusive benefit of the Participants and their beneficiaries.

#### **ARTICLE XV CLAIMS AND LITIGATION**

**Section 1.** **Disputes.** In the event of disagreement between a Participant and the Employer with respect to any rights, claims, or responsibilities under the Plan which cannot be resolved by the Pension Committee as provided under Article XII, the Participant may make an appeal regarding such rights, claims, or responsibilities to the Governing Authority. In the event that any such rights, claims, or responsibilities result in a suit or other legal action by a Participant or Beneficiary, such action shall be defended in the same manner as other suits against the Employer.

**ARTICLE XVI  
AMENDMENT, MERGER, AND TERMINATION**

**Section 1. Right to Amend or Terminate the Plan.** The Employer reserves the right to amend the Plan at any time, retroactively or otherwise, by action of the Board. The Employer expects and intends to continue the Plan indefinitely, but reserves the right to terminate the Plan at any time by action of the Board. However, no amendment or terminate of the Plan shall:

(a) Authorize any part of the Fund to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries;

**Section 2. Merger, Consolidation or Transfer.**

(a) Subject to Subparagraph (b) below, the Employer, by action of the Board, may direct that the Plan be merged or consolidated with, or transfer all or a portion of its assets and liabilities to, another plan or receive assets and liabilities from another plan.

(b) The merger or consolidation with, or transfer of assets and liabilities to, any other qualified plan shall be permitted only if the benefit each Participant would receive if the Plan were terminated immediately after such merger or consolidation or transfer of assets and liabilities would be at least as great as the benefit he would have received had the Plan been terminated immediately before any such transaction.

**Section 3. Termination or Partial Termination.** In the event of a complete or partial termination of the Plan, the Fund shall be allocated in accordance with Section 4044 of ERISA and the Retirement Income of each affected Employee shall become fully vested and nonforfeitable to the extent funded. In the event of a complete termination of the Plan, Retirement Income shall be distributed as soon as practicable after termination through the purchase of a non-transferable annuity contract or contracts from a life insurance company and lump sum distributions in accordance with the terms of the Plan. After all liabilities for Plan benefits have been satisfied, the Employer shall be entitled to any balance of the Fund which shall remain. In the event of a complete termination or a complete discontinuance of contributions under the Plan, each affected Participant shall become 100% vested in his accrued benefit.

**ARTICLE XVII  
NON-ALIENATION OF BENEFITS**

None of the benefits, payments, proceeds or distributions payable under the Plan shall be subject to the claim of any creditor of any Participant or to the claim of any creditor of any Beneficiary hereunder, or to any legal process of levy or attachment by any creditor of any such Participant or Beneficiary; and no such benefits shall be in any manner liable for or subject to the debts, liabilities, engagements, or torts of any Participant or Beneficiary; and neither any such Participant or Beneficiary shall have any right to alienate, commute, anticipate, transfer, encumber, pledge, or assign any of the benefits, payments, proceeds, or distributions under the Plan.

**ARTICLE XVIII  
MISCELLANEOUS**

**Section 1. Construction.**

(a) Words used in this Plan in the masculine gender shall be construed to include the feminine gender where appropriate, and words used in this Plan in the singular or plural shall be construed as being in the plural or singular where appropriate.

(b) The Plan shall be construed, enforced, and administered and the validity thereof determined in accordance with the Code, and, when not inconsistent with the Code, the laws of the State of Georgia, including the conformity to Federal law provisions in Article 6 of Title 47 of the Official Code of Georgia, O.C.G.A. § 47-1-80 et seq. (where are hereby incorporated by reference), and the Public Retirement System Standards Laws, O.C.G.A. § 47-20-1 et seq.

(c) In resolving any conflict between provisions of the Plan and in resolving any other uncertainty as to the meaning or intention of any provision of the Plan, the interpretation that (i) causes the Plan to constitute a qualified governmental retirement plan under the provisions of Code Sections 401 and 414(d) and the Trust as exempt from tax under Code Sections 501 and 115, and (ii) causes the Plan to comply with all applicable requirements of the Code and federal law shall prevail over any different interpretation.

(d) In resolving any conflict between the Plan and any policy or contract issued under the Plan, the provisions of the Plan shall prevail.

(e) The headings and subheadings in the Plan are inserted for convenience of reference only and are not to be considered in the construction of any provision of the Plan.

(f) Neither the establishment nor maintenance of the Plan nor any amendment thereof, nor any act or omission under the Plan or resulting from the operation of the Plan shall be construed:

(1) as conferring upon any Participant, beneficiary, or any other person a right or claim against the Trust Fund, the Trustees, the Employer, or the Administrator, except to the extent that such right or claim shall be specifically expressed and provided in the Plan;

(2) as a contract or Agreement between the Employer and any Participant or other person;

(3) as being consideration for, or an inducement or condition of, employment of any Participant or other person, or as affecting or restricting in any manner or to any extent whatsoever the rights or obligations of the Employer or any Participant or other person to continue or terminate the employment relationship at any time; or

(4) as giving any Participant the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or other person at any time.

**Section 2. Non-Diversion.**

(a) The assets of the Plan shall never inure to the benefit of an Employer and shall be held for the exclusive purposes of providing benefits to Participants in the Plan and their beneficiaries and defraying reasonable expenses of administering the Plan, except in the case of a contribution which is made by an Employer under a mistake of fact as determined solely by the Administrator. Such contribution shall be returned to the Employer, upon demand, and shall be reduced for any loss incurred but unadjusted for any gains earned during the time the mistaken contribution was part of the Trust Fund.

(b) Trust assets shall be managed in compliance with Code Section 503(b).

**Section 3. Legally Incompetent.** Any Participant or Beneficiary receiving or claiming benefits under the Plan shall be conclusively presumed to be mentally competent and of age until the Plan Representative receives a written notice, in a form and manner acceptable to it, that such person is incompetent or a minor, and that a guardian or other person legally vested with the care of his estate has been appointed. In the event a guardian of the estate of any person receiving or claiming benefits under the Plan shall be appointed by a court of competent jurisdiction, payments shall be made to such guardian provided that proper proof of appointment is furnished in a form and manner suitable to the Plan Representative. Any payment so made shall be a complete discharge of liability therefore under the Plan.

**Section 4. Benefits Supported Only by Trust Fund.** Any person having any claim under the Plan shall look solely to the assets of the Trust Fund for satisfaction. In no event shall the Employer, or any of its employees or agents, be liable in their individual capacities to any person whomsoever, under the provisions of the Plan.

**Section 5. Non-Discrimination.** The Employer, through the Pension Committee, shall administer the Plan in a uniform and consistent manner with respect to all Participants.

**Section 6. Limitation of Liability; Legal Actions.**

(a) It is expressly understood and agreed by each Employee who becomes a Participant hereunder that, except for willful neglect or fraud, neither the Employer, the Plan Representative, nor the Board of Trustees shall be in any way subject to any suit or litigation, or to any legal liability, for any cause or reason or thing whatsoever, in connection with the Plan or its operation, and each such Participant hereby releases the Employer, all its employees and agents, the Plan Representative, and the Board of Trustees from any and all liability or obligation.

(b) The Employer and the Plan Representative shall be the only necessary parties to any action or proceeding involving any rights under the Plan or the proper administration thereof, and no Participant, Beneficiary, or other persons having or claiming to have an interest in the Plan shall be entitled to any notice of process. Any final judgment which

is not appealed or appealable that may be entered in any such action or proceeding shall be binding and conclusive on the parties hereto and all persons having or claiming to have an interest in the Plan.

Each fiduciary under the Plan shall be responsible only for the specific duties assigned under the Plan and shall not be directly or indirectly responsible for the duties assigned to another fiduciary. Any person or a group of persons may serve in more than one (1) fiduciary capacity with respect to the Plan.

**Section 7. Claims.** Any payment to a Participant or Beneficiary, or to their legal representatives, in accordance with the provisions of the Plan, shall to the extent thereof be in full satisfaction of all claims hereunder against the Plan Representative or the Employer, either of which may require such Participant, Beneficiary, or legal representative, as a condition precedent to such payment, to execute a receipt and release therefore in such form as shall be determined by the Plan Representative or the Employer.

**Section 8. Errors in Benefits.** The Administrator may correct errors and, so far as practicable, may adjust any benefit or credit or payment accordingly or take any other remedial action required or permitted to comply with any remedial or correction program promulgated by the Internal Revenue Service, including without limitation the Employee Plans Compliance Resolution System (EPCRS) or any successor guidance, or otherwise provided pursuant to applicable law. If the benefit paid to a Participant or Beneficiary under the Plan is determined by the Administrator to be in excess of the amount of the benefit to which the Participant or Beneficiary may receive under the Code and/or the terms of the Plan (the "Overpayment"), the Administrator may take reasonable actions as it may consider necessary in order to recoup the Overpayment from the Participant or Beneficiary to whom the Overpayment was erroneously paid, including (i) requiring the Overpayment to be repaid to the Plan, (ii) reducing future benefits that are (or may be) payable to the Participant or Beneficiary under the Plan, (iii) using any combination of the methods described in (i) or (ii) above, and/or (iv) taking any other steps that the Administrator considers necessary and appropriate to recoup the Overpayment to the extent permitted by applicable law applicable law, including The SECURE 2.0 Act of 2022 (as applicable to governmental plans), and IRS guidance.

**Section 9. Notice.** Any notice given under the Plan shall be sufficient if given to: (1) the Board if addressed to the Administrator at its office; (2) the Employer if addressed to the address of the Governing Authority; or (3) a Participant or Beneficiary, when addressed to the Participant at his or her address as it appears in the records of the Administrator or the Employer.

**Section 10. Right of Recovery.** If the Administrator makes any payment that according to the terms of the Plan and the benefits provided hereunder should not have been made, the Administrator may recover that incorrect payment, whether or not it was made due to the error of the Administrator, from the person to whom it was made, or from any other appropriate party. If any such incorrect payment is made directly to a Participant, the provisions of Section 8 apply.

**Section 11. Evidence of Action.** Any action by any Employer pursuant to any of the provisions of the Plan shall be evidenced by ordinance or resolution of its governing body, and

the Administrator and the Board shall be fully protected in acting in accordance with such resolution or ordinance so certified to it. All orders, requests, and instructions to the Administrator by an Employer or by any duly authorized representative, shall be in writing and the Administrator shall act and shall be fully protected in acting in accordance with such orders, requests, and instructions.

**Section 12. Reliance.** The Administrator or Board shall not incur any liability in acting upon any notice, request, signed letter, telegram, or other paper or document believed by the Administrator or Board to be genuine or to be executed or sent by an authorized person.

**Section 13. Entire Plan.** The Plan document and the documents incorporated by reference herein shall constitute the only legally governing documents for the Plan. No statement by the Trustees, the Employer, or Administrator shall be used in any claim unless in writing, signed by the party against whom the claim is being made. Except as otherwise specifically required by law, the rights and obligations under the Plan with respect to persons whose employment with the Employer terminated or who vacated office with the Employer for any reason whatsoever prior to January 1, 2025, shall be governed by such Plan, if any, as it existed and was in effect at the time of such termination.

[\[Signature Page Follows\]](#)

IN WITNESS WHEREOF, the Board of Trustees of the Plan has caused this Plan to be adopted and executed this \_\_\_\_ day of December, 2024.

\_\_\_\_\_  
City Manager, Trustee

\_\_\_\_\_  
Financial and Administrative Services Director,  
Trustee

\_\_\_\_\_  
~~HR & Risk Management~~ Human Resources  
Director, Trustee

## Appendix A

### Grandfathered Part-Time Employees

Constance Berger — not eligible/not vested

Karen Cavanaugh — became full-time employee

Susan Garcia — became full-time employee

Stephanie A. Hodge — vested

Joyce Horace — deceased — spouse drawing benefit

Michael Johnson — not eligible/not vested

Nancy M. Jurchenko — drawing pension benefit

Carol M. Lavin — continues to work part-time in Library

Cinnamon M. Mack — became full-time employee

Sidney J. McKinney — drawing pension benefit

Nancy J. Moll — became full-time employee

Linda Morton — became full-time employee

Jared A. Reichard — received lump sum payout

Elaine Sheridan — not eligible/not vested

Nick T. Vlachos

## Appendix B

### Special Retirement Benefits Agreements

As allowed in ARTICLE IV Section 5, special retirement benefits can be approved by the Board and City Council for specific employees or a specific group of employees.

A. Effective October 1, 2016, the following special retirement benefits, terms, and conditions were granted to Jonathan N. Rorie, City Manager of the City of Peachtree City:

1. In the event that employee remains with the employer and has ten (10) years of service and is the age of fifty-five (55), employee may retire and receive seventy-five percent (75%) of the monthly benefit that employee would receive as provided in Article IV Section 1 of the Plan in effect on the employee's retirement date.

2. In the event that employee is voluntarily or involuntarily terminated prior to his reaching ten (10) years of service and age fifty-five (55), the employee at his sole discretion may choose to elect a lump sum payment in lieu of his benefit under the plan, of an amount equal to eight percent (8%) of employee's base salary for his cumulative period of employment.

B. Effective May 16, 2023, the following special retirement benefits, terms, and conditions were granted to Robert Hawkins, disabled Firefighter of the City of Peachtree City:

1. For this employee, "Final Average Earnings" shall mean the highest three of the last fifteen calendar years of Earnings.

C. Effective August 15, 2024, the following special retirement benefits, terms, and conditions were granted to Justin Strickland, City Manager of the City of Peachtree City:

1. This employee is immediately 100% Vested under the Plan.

D. Effective December 31, 2024, the following special retirement benefits, terms, and conditions were granted to Paul Salvatore, Financial & Administrative Services Director of the City of Peachtree City:

1. This employee is credited with an additional year of Credited Service under the Plan and an additional year of age for purposes of applying the Late Retirement actuarial equivalence factor under the Plan.

2. For this employee, "Final Average Earnings" under the Plan shall be \$192,424.26.

3. For this employee, the City will contribute the employee's accrued sick and vacation leave to the Plan to be paid to the employee upon retirement.



<b>Summary report:</b>	
<b>Litera Compare for Word 11.3.1.3 Document comparison done on 12/18/2024 3:45:30 PM</b>	
<b>Style name:</b> Default Style	
<b>Intelligent Table Comparison:</b> Active	
<b>Original DMS:</b> iw://mmmlaw.cloudimanager.com/MMMDMS1/17607370/2	
<b>Modified DMS:</b> iw://mmmlaw.cloudimanager.com/MMMDMS1/17607370/3	
<b>Changes:</b>	
Add	151
Delete	120
<del>Move From</del>	0
Move To	0
Table Insert	0
<del>Table Delete</del>	0
Table moves to	0
<del>Table moves from</del>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
<b>Total Changes:</b>	<b>271</b>

**THE CITY OF PEACHTREE CITY DEFINED BENEFIT PLAN**

**PLAN DOCUMENT**

**(As Amended and Restated Effective as of January 1, 2025)**

**~~AS AMENDED AND RESTATED APRIL 10, 2023~~**

Table of Contents

TABLE OF CONTENTS

	<u>Page</u>
<b>ARTICLE I – DEFINITIONS</b>	<b>1</b>
Section 1. "Accrued Benefit" .....	1
Section 2. "Actuarial Equivalent" .....	1
Section 3. "Actuary" .....	1
Section 4. "Administrator" .....	1
Section 5. "Applicable Form" .....	1
Section 6. "Board of Trustees" or "Board" .....	1
Section 7. "Child" or "Children" .....	<del>21</del>
Section 8. "Code" .....	<del>21</del>
Section 9. "Code Section 415(d) Cost of Living Adjustment" .....	<del>21</del>
Section 10. "Contract" .....	2
Section 11. "Contributions" .....	2
Section 12. "Default Beneficiary" .....	2
Section 13. "Disability" .....	<del>32</del>
Section 14. "Disability Date" .....	<del>32</del>
Section 15. "Early Retirement Date/Early Retirement" .....	<del>43</del>
Section 16. "Earnings" .....	<del>43</del>
Section 17. "Effective Date" .....	<del>53</del>
Section 18. "Eligible Employee" .....	<del>53</del>
Section 19. "Eligible Regular Employee" .....	<del>53</del>
Section 20. "Employee" .....	<del>53</del>
Section 21. "Employee Contributions" .....	<del>64</del>
Section 22. "Employee Contributions with Interest" .....	<del>64</del>
Section 23. "Employer" .....	<del>64</del>
Section 24. "Enrollment Date" .....	<del>64</del>
Section 25. "FMLA" .....	<del>64</del>
Section 26. "Firefighter" .....	<del>64</del>
Section 27. "Final Average Earnings" .....	<del>64</del>
Section 28. "Governing Authority" .....	<del>75</del>
Section 29. "Ineligible Employee" .....	<del>75</del>
Section 30. "Late Retirement Date" .....	<del>75</del>
<del>Section 31. "Military Service" .....</del>	<del>7</del>
Section <del>32</del> <u>31</u> . "Monthly Retirement Benefit" .....	<del>85</del>
Section <del>33</del> <u>32</u> . "Normal Retirement Date" .....	<del>85</del>
Section <del>34</del> <u>33</u> . "Participant" or "Participating Employee" .....	<del>85</del>
Section <del>35</del> <u>34</u> . "Pension Committee" .....	<del>85</del>
Section <del>36</del> <u>35</u> . "Plan" .....	<del>85</del>
Section <del>37</del> <u>36</u> . "Plan Representative" .....	<del>85</del>
Section <del>38</del> <u>37</u> . "Plan Year" .....	<del>85</del>
Section <del>39</del> <u>38</u> . "Police Officer" .....	<del>95</del>

[Link-to-previous setting changed from off in original to on in modified.]

Section <del>40</del> <u>39</u> .	"Post-Retirement Beneficiary"	<u>96</u>
Section <del>41</del> <u>40</u> .	"Primary Pre-Retirement Beneficiary"	<u>96</u>
Section <del>42</del> <u>41</u> .	"Regular Employee"	<u>96</u>
Section <del>43</del> <u>42</u> .	"Resolution"	<u>96</u>
Section <del>44</del> <u>43</u> .	"Retired Participant"	<u>96</u>
Section <del>45</del> <u>44</u> .	"Retirement" or "Retires"	<u>96</u>
Section <del>46</del> <u>45</u> .	"Secondary Pre-Retirement Beneficiary"	<u>96</u>
Section <del>47</del> <u>46</u> .	"Section"	<u>106</u>
Section <del>48</del> <u>47</u> .	"Spouse"	<u>106</u>
Section <del>49</del> <u>48</u> .	"Terminated Participant"	<u>106</u>
Section <del>50</del> <u>49</u> .	"Termination," "Terminate Employment," "Termination of Employment," or "Terminated"	<u>106</u>
Section <del>51</del> <u>50</u> .	"Trust Administrator"	<u>117</u>
Section <del>52</del> <u>51</u> .	"Trust Fund"	<u>117</u>
Section <del>53</del> <u>52</u> .	"Unreduced Early Retirement Date/Unreduced Early Retirement"	<u>117</u>
Section <del>54</del> <u>53</u> .	"Vested," "Vesting," "Vested Right," or "Vested Benefit"	<u>117</u>
<b>ARTICLE</b>	<b>ARTICLE II ÷ SERVICE</b>	<b><u>117</u></b>
Section 1.	"Current Credited Service"	<u>117</u>
Section 2.	"USERRA Military Service Credit."	<u>117</u>
Section 3.	"Credited Past Service"	<u>127</u>
Section 4.	"Prior Governmental Service"	<u>128</u>
Section 5.	" <del>Prior Military Service</del> "	<u>128</u>
<del>Section 6.</del>	<del>"Service"</del>	<u>12</u>
Section <del>7</del> <u>6</u> .	"Sick and Vacation Leave Service"	<u>128</u>
Section <del>8</del> <u>7</u> .	"Catastrophic Sick Leave Service"	<u>138</u>
Section <del>9</del> <u>8</u> .	"Total Credited Service"	<u>138</u>
Section <del>10</del> <u>9</u> .	"Vesting Service"	<u>138</u>
Section <del>11</del> <u>10</u> .	"Management Service"	<u>148</u>
<b>ARTICLE</b>	<b>ARTICLE III ÷ ELIGIBILITY, QUALIFICATION, AND PARTICIPATION</b>	<b><u>149</u></b>
Section 1.	Classes of Eligible Employees.	<u>149</u>
Section 2.	Qualifications for Participation.	<u>149</u>
Section 3.	Establishing Participation in the Plan.	<u>1711</u>
Section 4.	Change in Employment Status.	<u>1711</u>
Section 5.	Participant Leaves of Absence.	<u>1811</u>
Section 6.	Non-Vested Participant Breaks in Service.	<u>1912</u>
Section 7.	Breaks in Service where a Lump Sum was Paid.	<u>2013</u>
<u>Section 8.</u>	Section 8. Vested Participant Breaks in Service.	<u>2013</u>
<b>ARTICLE</b>	<b>ARTICLE IV ÷ RETIREMENT BENEFITS</b>	<b><u>2113</u></b>
Section 1.	Normal Retirement Benefit.	<u>2113</u>
Section 2.	Early Retirement Benefit.	<u>2114</u>
Section 3.	Late Retirement Benefit.	<u>2214</u>
Section 4.	Suspension of Benefits	<u>2215</u>
Section 5.	Special Retirement Benefits.	<u>2416</u>
Section 6.	Retirement from Terminated Vested Benefit.	<u>2416</u>

<b>ARTICLE</b>	<b>ARTICLE V</b>	<b>OPTIONAL FORMS OF RETIREMENT INCOME</b>	<b>2416</b>
Section 1.	Election of Optional Benefits.		2416
Section 2.	Designation of Post-Retirement Beneficiary.		2516
Section 3.	Description of Options.		2517
Section 4.	Cancellation of Election.		2517
Section 5.	Rule for Small Benefits.		2617
Section 6.	Distributions.		2617
Section 7.	Compliance with Internal Revenue Section 401(a)(9).—All distributions shall be made in compliance with Article VIII.		2617
<u>Section 8.</u>	<u>Compliance with Code Section 415.</u>		<u>18</u>
<b>ARTICLE</b>	<b>ARTICLE VI</b>	<b>DEATH BENEFITS</b>	<b>2618</b>
Section 1.	Death in Service Prior to Retirement.		2618
Section 2.	Actuarial Reserve In-Service Death Benefit.		2718
Section 3.	Designation of Primary and Secondary Pre-Retirement Beneficiary.		2718
Section 4.	Change of Beneficiary.		2819
Section 5.	Default Beneficiary.		2819
Section 6.	Terminated Vested Death Benefits.		2919
Section 7.	Terminated Vested Death Benefit.		2919
Section 8.	Designation of Terminated Vested Pre-Retirement Beneficiary.		3421
Section 9.	Participant Death After Retirement Benefit Commencement.		3421
<b>ARTICLE</b>	<b>ARTICLE VII</b>	<b>TERMINATION BEFORE RETIREMENT; VESTING</b>	<b>3221</b>
Section 1.	Vesting Requirement for Deferred Retirement Benefit.		3221
Section 2.	Involuntary Termination Without Cause.		3222
Section 3.	Fraud, Embezzlement, Theft, and Dismissal for Cause.		3222
Section 4.	Forfeitures.		3423
<b>ARTICLE</b>	<b>ARTICLE VIII</b>	<b>DISTRIBUTION AND ROLLOVER RULES</b>	<b>3423</b>
Section 1.	Distribution Rules Imposed by Federal Law.		3423
Section 2.	Rollover of Distributions.		3524
<b>ARTICLE</b>	<b>ARTICLE IX</b>	<b>LIMITATIONS ON BENEFITS</b>	<b>3625</b>
Section 1.	General 415 Limits.		3625
Section 2.	Limitation on Annual Benefit.		3725
	Section 3. Interpretation of this Article.		39
<b>ARTICLE</b>	<b>ARTICLE X</b>	<b>ACTUARIAL EQUIVALENT CONVERSION TABLES</b>	<b>3929</b>
Section 1.	Early Retirement Reduction Table		3929
Section 2.	Standard Joint & Survivor Factors.		4029
Section 3.	Period Certain and Life Factors.		4029
Section 4.	Life Annuity Factors to be Used in Computing Actuarial Reserve Death Benefit.		4029
<u>Section 5.</u>	<u>Late Retirement Actuarial Equivalence Factors.</u>		<u>30</u>
Section 6.	Other Annuity Forms.		4130
Section 7.	Lump Sum Payments.		4130

[Link-to-previous setting changed from off in original to on in modified].

Section 8.	Transition.....	<u>4131</u>
Section 9.	Retirement from Terminated Vested Actuarial Equivalence Factors.....	<u>4131</u>
Section 10.	Calculation of Actuarial Equivalence for Dependent Children Beneficiaries.....	<u>4231</u>
<del>ARTICLE</del> <u>ARTICLE</u>	<del>XI</del> ÷ <b>CONTRIBUTIONS</b> .....	<u>4231</u>
Section 1.	Employer Contributions:.....	<u>4231</u>
Section 2.	Employee Contributions:.....	<u>4332</u>
Section 3.	Refund and Repayment of Employee Contributions:.....	<u>4332</u>
<del>ARTICLE</del> <u>ARTICLE</u>	<del>XII</del> ÷ <b>PENSION COMMITTEE</b> .....	<u>4332</u>
Section 1.	Creation and Composition.....	<u>4332</u>
Section 2.	Responsibilities.....	<u>4332</u>
Section 3.	Secretary.....	<u>4433</u>
Section 4.	Legal Assistance.....	<u>4433</u>
<del>ARTICLE</del> <u>ARTICLE</u>	<del>XIII</del> ÷ <b>BOARD OF TRUSTEES</b> .....	<u>4433</u>
Section 1.	Composition and Election.....	<u>4433</u>
Section 2.	Qualified Public Accountant.....	<u>4533</u>
Section 3.	Fiduciary Insurance.....	<u>4533</u>
Section 4.	Appointment of Investment Managers.....	<u>4533</u>
Section 5.	Investment Performance.....	<u>4533</u>
Section 6.	Appointment of Trustee.....	<u>4534</u>
<del>ARTICLE</del> <u>ARTICLE</u>	<del>XIV</del> ÷ <b>TRUST AGREEMENT</b> .....	<u>4534</u>
<del>ARTICLE</del> <u>ARTICLE</u>	<del>XV</del> ÷ <b>CLAIMS AND LITIGATION</b> .....	<u>4634</u>
Section 1.	Disputes.....	<u>4734</u>
<del>ARTICLE</del> <u>ARTICLE</u>	<del>XVI</del> ÷ <b>AMENDMENT, MERGER, AND TERMINATION</b> .....	<u>4734</u>
Section 1.	Right to Amend or Terminate the Plan.....	<u>4734</u>
Section 2.	Merger, Consolidation or Transfer.....	<u>4734</u>
Section 3.	Termination or Partial Termination.....	<u>4735</u>
<del>ARTICLE</del> <u>ARTICLE</u>	<del>XVII</del> ÷ <b>NON-ALIENATION OF BENEFITS</b> .....	<u>4835</u>
<del>ARTICLE</del> <u>ARTICLE</u>	<del>XVIII</del> ÷ <b>MISCELLANEOUS</b> .....	<u>4835</u>
Section 1.	Construction.....	<u>4835</u>
Section 2.	Non-Diversion.....	<u>4936</u>
Section 3.	Legally Incompetent.....	<u>4936</u>
Section 4.	Benefits Supported Only by Trust Fund.....	<u>5037</u>
Section 5.	Non-Discrimination.....	<u>5037</u>
Section 6.	Limitation of Liability; Legal Actions.....	<u>5037</u>
Section 7.	Claims.....	<u>5137</u>
Section 8.	Errors in Benefits.....	<u>5137</u>
Section 9.	Notice.....	<u>5138</u>
Section 10.	Right of Recovery.....	<u>5138</u>
Section 11.	Evidence of Action.....	<u>5238</u>
Section 12.	Reliance.....	<u>5238</u>

*[Link-to-previous setting changed from off in original to on in modified.]*

**Section 13. Entire Plan.**.....~~52~~38

~~ARTICLE I~~ **ARTICLE I:**  
**DEFINITIONS**

This Article covers all generally applicable definitions used in this Plan, except for definitions related to service, which are in Article II. When the initial letter of a word or phrase is capitalized herein, the meaning of such word or phrase shall be as follows, unless a different meaning is plainly required by the content. This amended and restated document includes amendments made on or before ~~April 10~~January 1, 2023~~2025~~.

**Section 1.** ~~Section 1. "Accrued Benefit"~~~~"Accrued Benefit"~~ shall mean, as of any date, the Normal Retirement benefit payable to a Participant at his Normal Retirement Date computed in accordance with the provisions of Article IV, based upon the Participant's Total Credited Service and his Final Average Earnings (if applicable) as of the date that the Participant's Accrued Benefit is being determined.

**Section 2.** ~~Section 2. "Actuarial Equivalent"~~~~"Actuarial Equivalent"~~ shall mean a benefit of approximately equal value when

computed on the basis of the actuarial assumptions contained in Article X.

**Section 3.** ~~Section 3. "Actuary"~~~~"Actuary"~~ shall mean an individual, or firm, appointed or approved by the Board of

Trustees to perform actuarial calculations necessary in the funding of the Plan.

**Section 4.** ~~Section 4. "Administrator"~~~~"Administrator"~~ shall mean the ~~Human Resource Administrator, Financial Services~~

shall mean the Human Resources Director, Financial and Administrative Services Director~~of the Employer, and any member(s) appointed by the City Manager.~~

**Section 5.** ~~Section 5. "Applicable Form"~~~~"Applicable Form"~~ shall mean the appropriate form as designated and furnished by the Administrator to make the election or provide the notice required by the Plan. In those circumstances where a written election or consent is not required by the Plan or the Code, the Administrator may prescribe an oral, electronic, or telephonic form in lieu of or in addition to a written form.

**Section 6.** ~~Section 6. "Board of Trustees" or "Board"~~~~"Board of Trustees" or "Board"~~ shall mean the City Manager, Financial and Administrative Services Director, and ~~members~~any member(s) appointed by the City Manager ~~due to changes in titles or responsibilities~~. The Board shall be comprised of at least three members in total.

**Section 7.** ~~Section 7. "Child" or "Children"~~~~"Child" or "Children"~~ shall mean any natural or adopted child of the Participant or Terminated Participant, as applicable, who is younger than age twenty-two (22) as of the date of the Participant's or Terminated Participant's death. The term "adopted child" shall include any child who is legally adopted by the Participant and any child who is a member of the Participant's household if placed with the Participant by an

authorized placement agency for legal adoption by the Participant. The term "child" does not include a foster child.

**Section 8.** ~~Section 8. "Code"~~~~"Code"~~ shall mean the Internal Revenue Code of 1986, as applicable to governmental plans, as amended from time to time, and the Internal Revenue Code of 1954, as applicable to governmental plans.

**Section 9.** ~~Section 9. "Code Section 415(d) Cost of Living Adjustment"~~~~"Code Section 415(d) Cost of Living Adjustment"~~ shall mean the cost of living adjustment prescribed by the Secretary of the Treasury under Code Section 415(d) for any applicable year.

**Section 10.** ~~Section 10. "Contract"~~~~"Contract"~~ shall mean the entire contents of the Ordinance or Resolution adopting the

Plan and any future amendments.

**Section 11.** ~~Section 11. "Contributions"~~~~"Contributions"~~ shall mean payments made by the Employer to provide the benefits

specified in the Plan.

**Section 12.** ~~Section 12. "Default Beneficiary"~~~~"Default Beneficiary"~~ shall mean the person(s) to whom a pre-retirement death benefit

is payable in the absence of a beneficiary designation by the Participant or in the event there is

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no Primary or Secondary Pre-Retirement Beneficiary to whom a pre-retirement death benefit is payable, determined in accordance with and subject to Article VI, Section 5.

**Section 13.** ~~Section 13. "Disability"~~**"Disability"** shall mean the following:

(a) ~~(a)~~ A physical or mental disability of a Participant who because of such disability becomes entitled to receive disability insurance benefits under the Federal Social Security Act, as amended, provided that the following conditions are satisfied:

(1) ~~Such~~Such disability commenced on a specified date during the period of the Participant's employment with the Employer; and,

(2) Such disability was not self-inflicted, incurred in military service, incurred in the commission of a felonious enterprise; or the result of the use of narcotics or drugs or habitual use of alcohol; or

(b) ~~(b)~~ A Participant who is not disabled in accordance with the definition under subsection (a) above solely because he lacks the quarters of Social Security coverage required under the Federal Social Security Act, as amended, shall qualify for Disability if the Pension Committee determines that the Participant is permanently disabled on the basis of a certificate signed by at least two (2) physicians, (one physician selected and paid by the disabled Participant and one selected and paid by the Employer) stating that:

(1) The Participant is permanently disabled as defined in Internal Revenue Code Section 72(m); and

(2) Such disability commenced on a specified date during the period of the Participant's employment with the Employer; and

(3) Such disability was not self-inflicted, incurred in military service, incurred in the commission of a felonious enterprise, or the result of the use of narcotics or drugs or habitual use of alcohol.

**Section 14.** ~~Section 14. "Disability Date"~~**"Disability Date"** shall mean the first day of the first calendar month in which: (a) a Participant becomes entitled to receive a disability insurance benefit under the Federal Social Security Act, as amended; or (b) the Participant's Disability is determined by the Pension Committee to have commenced. However, in no event will the Disability Date be earlier than one (1) calendar month following the date of the Participant's Termination of Employment as a result of Disability. Credited Service continues to accrue as long as the participant retires as Disabled or directly returns to employment by the Employer upon recovery, otherwise Credited Service is frozen at the date of Disability. Credited Service under the Retirement provision ends at the later of Normal Retirement and April 1, 2009.

**Section 15.** ~~Section 15. "Early Retirement Date/Early Retirement"~~**"Early Retirement Date/Early Retirement"** shall mean the first day of the month coinciding with or

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next following the day a Participant qualifies for Early Retirement (a minimum of age 55 and 10 years of Vesting Service) when the Participant actually retires.

**Section 16.** ~~Section 16. "Earnings"~~**"Earnings"** shall mean the total taxable compensation paid to a Participant by the Employer, as reflected in the Employer's W-2 payroll records. Earnings shall also include compensation deferred pursuant to Sections 401(k), 403(b) or 457 of the Internal Revenue Code, compensation redirected pursuant to Section 125 or 132(f)(4) of the Internal Revenue Code, and contributions picked-up under Section 414(h) of the Internal Revenue Code. Earnings exclude expense allowances including, but not limited to, automobile allowances and clothing allowances and any imputed income. Likewise, post employment payments including but not limited to severance are excluded. Only the following will not be considered post employment payments: up to 80 hours of comp time, up to 480 hours of sick leave time, and up to 160 vacation hours (or the corresponding amounts defined in the employee benefit manual as of December 31, 2003 if different for Police and Firefighters).

The earnings of a Participant for any year taken into account under the Plan for any Plan Year beginning prior to January 1, 2002 shall not exceed Two Hundred Thousand Dollars (\$200,000) or for any Plan Year beginning on or after January 1, 2002 shall not exceed Two Hundred Thousand Dollars (\$200,000) (as increased by the ~~Cost of Living Adjustment~~cost of living adjustment for the year, pursuant to Code Section 401(a)(17)).

**Section 17.** ~~Section 17. "Effective Date"~~**"Effective Date"** shall mean January 1, 1974.

**Section 18.** ~~Section 18. "Eligible Employee"~~**"Eligible Employee"** shall mean any Employee, except for elected or appointed members of the Governing Authority, who satisfies any eligibility conditions applicable to the class of Eligible Employees to which he belongs. Only Employees with job designations classified as full time by the payroll system are eligible for this Plan. Full time and part time employees who meet the prior eligibility requirements by ~~12/31/2004~~December 31, 2004 are grandfathered into the prior provisions. Part Time and Volunteer Firefighters are not Eligible Employees. Their hours of service are not included for any purpose under the plan. These provisions override any other mention or provision for Ineligible Employees in the rest of the document.

**Section 19.** ~~Section 19. "Eligible Regular Employee"~~**"Eligible Regular Employee"** shall mean any Regular Employee who works in a full time position. Prior to ~~12/31/2004~~December 31, 2004, a Regular Employee who worked a regularly scheduled 20 hours per week qualified as ~~an~~ Eligible Regular Employee. Appendix A lists employees who met and therefore retain Eligibility under this provision. For the purpose of determining the twenty (20) hour minimum requirement for these employees as an Eligible Regular Employee, total hours at Calendar Year end divided by the total employment period during the Calendar Year replace reviewing weekly records.

**Section 20.** ~~Section 20. "Employee"~~**"Employee"** shall mean any person who is regularly employed in the services of the Employer as an employee, except for elected or appointed members of the Governing Authority. However, notwithstanding any other provision

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of the Plan to the contrary, the term "Employee" does not include: (a) an individual who is a nonresident alien and who receives no earned income (within the meaning of Code Section 911(d)(2)) from an Employer which constitutes income from sources within the United States within the meaning of Code Section 861(a)(3); (b) a leased employee; or (c) any person treated in good faith by an Employer as an independent contractor, regardless of whether such person is later determined to be a common law employee for tax purposes.

**Section 21.** ~~Section 21. "Employee Contributions"~~**"Employee Contributions"** shall mean a percentage of Earnings which shall be "picked

up" from the pay of all Eligible Regular Employees and used as Contributions.

**Section 22.** ~~Section 22. "Employee Contributions with Interest"~~**"Employee Contributions with Interest"** shall mean Employee Contributions plus interest with the interest calculated at 1% as follows. Contributions made during each completed calendar year will get ~~½~~<sup>1</sup>/<sub>2</sub> a year of interest. Accumulated contributions at the beginning of the year will get a full year of interest. Accumulated contributions at the beginning of the year during the year of Termination or Retirement will get ~~½~~<sup>1</sup>/<sub>2</sub> a year of interest if the termination date is prior to July 1, and a full year otherwise. Contributions made during the Termination year will get ~~½~~<sup>1</sup>/<sub>2</sub> a year of interest.

**Section 23.** ~~Section 23. "Employer"~~**"Employer"** shall mean The City of Peachtree City.

**Section 24.** ~~Section 24. "Enrollment Date"~~**"Enrollment Date"** shall mean the date that an Eligible Employee first becomes a

Participant under this Plan.

**Section 25.** ~~Section 25. "FMLA"~~**"FMLA"** shall mean the Family and Medical Leave Act of 1993, as amended from time

to time.

**Section 26.** ~~Section 26. "Firefighter"~~**"Firefighter"** shall mean an Eligible Regular Employee of the Employer who is either certified as a firefighter pursuant to O.C.G.A. § 25-4 or who would otherwise be required to be certified as a firefighter but who is exempt pursuant to O.C.G.A. § 25-4-12. In addition their most recent 10 years of Vesting Service must be while employed in this capacity.

**Section 27.** ~~Section 27. "Final Average Earnings"~~**"Final Average Earnings"** shall mean the greater of:

- 1)The arithmetic annual average of the Earnings paid to a Participant for a specified

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number of 3 consecutive years (12 month periods) of Credited Service preceding the Participant's most recent Termination. This was five (5) consecutive years prior to January 1, 2023.

-or-

2)The highest three of the last ten calendar years of Earnings. This was the highest five (5) years prior to January 1, 2023.

Calculation of Final Average Earnings shall be subject to the following:

(a) If a Participant terminates employment or is on an unpaid leave of absence and he later returns to employment with the Employer, the period(s) prior to and following such absence from employment shall be considered consecutive.

(b) If a Participant has not completed the number of consecutive years of Credited Service necessary to compute Final Average Earnings under this Section as of the date of his most recent Termination preceding Retirement, then his Final Average Earnings shall be determined by dividing his total Earnings for his entire period of Credited Service by his total number of years of Credited Service. In computing the number of years of Credited Service for this purpose, incomplete years of Credited Service shall be converted to fractional equivalents of years and included in the computation.

**Section 28.** ~~Section 28. "Governing Authority"~~**"Governing Authority"** shall mean the Mayor and City Council of the Employer.

**Section 29.** ~~Section 29. "Ineligible Employee"~~**"Ineligible Employee"** shall mean an Employee of the Employer who is not an Eligible

Employee.

**Section 30.** ~~Section 30. "Late Retirement Date"~~**"Late Retirement Date"** shall mean the first day of the month coinciding with or next following the day the Participant qualifies for Late Retirement, as specified in Article IV, Section 3, as of which the Participant actually retires.

**Section 31. "Military Service"**

~~"Military Service" shall mean service performed while on active duty in the Armed Forces of the United States if the Participant was granted an honorable discharge. Except as otherwise required by federal or state law, Military Service shall not include service which is credited toward retirement under any other local, state, or federal retirement or pension plan.~~

**Section 31.** ~~Section 32. "Monthly Retirement Benefit"~~**"Monthly Retirement Benefit"** shall mean the monthly benefit as provided in Article IV

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or any optional benefit payable in lieu thereof as provided in Article V.

**Section 32.** ~~**Section 33. "Normal Retirement Date"**~~ **"Normal Retirement Date"** shall mean the first day of the month coinciding with or next following the date the Participant attains age 65 and completes 5 years of Vesting Service.

**Section 33.** ~~**Section 34. "Participant" or "Participating Employee"**~~ **"Participant" or "Participating Employee"** shall mean any Eligible Employee who is or may become eligible to receive a benefit of any type from the Plan and who has commenced participation in the Plan under Article III.

**Section 34.** ~~**Section 35. "Pension Committee"**~~ **"Pension Committee"** shall mean the Administrator as referenced in Section 4 above.

**Section 35.** ~~**Section 36. "Plan"**~~ **"Plan"** shall mean the provisions of this document.

**Section 36.** ~~**Section 37. "Plan Representative"**~~ **"Plan Representative"** shall mean the Board of Trustees as defined in Section 6 above. The Plan Representative(s) has full authority to represent the Plan in all communications with the Employees.

**Section 37.** ~~**Section 38. "Plan Year"**~~ **"Plan Year"** shall mean a twelve (12) month period beginning January 1 and ending

December 31.

**Section 38.** ~~**Section 39. "Police Officer"**~~ **"Police Officer"** shall mean an Eligible Regular Employee employed by the Employer's Police Department who is either certified or registered as a peace officer pursuant to O.C.G.A. Chapter 35-8 with their most recent 10 years of Vesting Service employed in this capacity.

**Section 39.** ~~**Section 40. "Post-Retirement Beneficiary"**~~ **"Post-Retirement Beneficiary"** shall mean the person designated by the Participant, in writing and on the Applicable Form, to receive a post-retirement survivor benefit in accordance with and subject to the provisions of Article V and Article VI.

**Section 40.** ~~**Section 41. "Primary Pre-Retirement Beneficiary"**~~ **"Primary Pre-Retirement Beneficiary"** shall mean the person designated by the Participant, in writing and on an Applicable Form, to receive a pre-retirement death benefit, in accordance with and subject to the provisions of Article VI.

**Section 41.** ~~**Section 42. "Regular Employee"**~~ **"Regular Employee"** shall mean any Employee, other than an elected or appointed

member of the Governing Authority, who is regularly employed in the services of the Employer.

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**Section 42.** ~~**Section 43. "Resolution"**~~ **"Resolution"** shall mean a resolution duly adopted by an Employer.

**Section 43.** ~~**Section 44. "Retired Participant"**~~ **"Retired Participant"** shall mean any Participant who has Terminated Employment with the Employer and who is receiving a benefit.

**Section 44.** ~~**Section 45. "Retirement" or "Retires"**~~ **"Retirement" or "Retires"** shall mean withdrawal from Service with a retirement allowance granted under the provisions of the Plan. Article IV Sections 1 - 3 define what occurs when retiring from active employment; Article IV Sections 3 and 6 define what occurs when retiring from a Terminated Vested status.

**Section 45.** ~~**Section 46. "Secondary Pre-Retirement Beneficiary"**~~ **"Secondary Pre-Retirement Beneficiary"** shall mean the person designated by the Participant, in writing and on the Applicable Form, to receive a pre-retirement death benefit in the event the Primary Pre-Retirement Beneficiary does not survive the Participant, in accordance with and subject to the provisions of Article VI.

**Section 46.** ~~**Section 47. "Section"**~~ **"Section"** shall mean, when not preceded by the word Code or ERISA, a section of the Plan document.

**Section 47.** ~~**Section 48. "Spouse"**~~ **"Spouse"** shall mean a person who, as of the date of the Participant's or Terminated Participant's death, as applicable, is lawfully joined with the Participant or Terminated Participant in a marriage which is recognized under the laws of the State of Georgia.

**Section 48.** ~~**Section 49. "Terminated Participant"**~~ **"Terminated Participant"** shall mean any Participant who has Terminated Employment with the Employer and who has a Vested Benefit under any provision of the Employer's Plan.

**Section 49.** ~~**Section 50. "Termination," "Terminate Employment," "Termination of Employment," or "Terminated"**~~ **"Termination," "Terminate Employment," "Termination of Employment" or "Terminated"** shall mean a severance of employment with the Employer, including Retirement, resignation or discharge, lapse of recall rights after layoff, death, or vacation of office by an elected or appointed member of the Governing Authority. Provided, however, that Termination shall not include: (i) absence from active employment which is not treated by the Employer as a Termination of Employment; (ii) absence due to military service to the extent required under USERRA and Code Section 414(u)(8)(A), (iii) absence due to leave which qualifies as family or medical leave under the FMLA, to the extent required under the FMLA; or (iv) absence due to an authorized leave of absence for any reason if approved by the Employer. Unless otherwise required by law or unless the terms of the leave otherwise specify, if an Employee on an authorized leave of absence fails to return to

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active employment upon expiration of the leave of absence, the Employee will be considered terminated as of the date immediately preceding the approved leave period.

**Section 50.** ~~Section 51. "Trust Administrator" "Trust Administrator"~~ will disburse retirement benefits and have custody of the Plan's assets.

**Section 51.** ~~Section 52. "Trust Fund" "Trust Fund"~~ shall mean the total amounts, invested or uninvested, held at any time in trust for the Employer.

**Section 52.** ~~Section 53. "Unreduced Early Retirement Date/Unreduced Early Retirement" "Unreduced Early Retirement Date/Unreduced Early Retirement"~~ for a Participant who is a Police Officer or Firefighter, shall mean the first day of the month coinciding with or next following the date the Police Officer or Firefighter attains a minimum of age 55 and completes at least 10 years of Vesting Service or completes at least twenty-five (25) years of Vesting Service, regardless of age, when the Participant actually Retires. For all other Employees, Unreduced Early Retirement shall mean the first day of the month coinciding with or next following the date the Employee attains a minimum of age 62 and completes at least 10 years of Vesting Service. For non-sworn employees this benefit is available for terminations subsequent to September 29, 2016.

**Section 53.** ~~Section 54. "Vested," "Vesting," "Vested Right," or "Vested Benefit" "Vested," "Vesting," "Vested Right" or "Vested Benefit" shall mean the rights of~~  
a

shall mean the rights of a Terminated Participant as specified in Article VII.

## ARTICLE II ~~ARTICLE II:~~ SERVICE

**Section 1.** ~~Section 1. "Current Credited Service" "Current Credited Service"~~ shall mean the number of years and complete calendar months of Service of a Participant with the Employer from his Enrollment Date to his Termination, which are credited as Current Credited Service for purposes of meeting the Plan's requirements for vesting, retirement and death benefit eligibility, and/or for purposes of computing the amount of benefits payable under the Plan. - Complete Calendar Months begin on the first scheduled work day of the month and end on the final scheduled workday of the month.

**Section 2.** ~~Section 2. "USERRA Military Service Credit."~~ Notwithstanding any provision of this Plan to the contrary, benefits and service credit with respect to qualified military service shall be provided in accordance with Code Section 414(u). Code Section 414(u) provides that: (i) individuals reemployed under the Uniform Services Employment and Reemployment Rights Act of 1994 ("USERRA") must be treated as not having incurred a Break in Service

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because of qualified military service, (ii) periods of qualified military service must be counted for vesting and benefit accruals.

**Section 3.** ~~Section 3. "Credited Past Service"~~**"Credited Past Service"** shall mean the number of years and complete calendar months of Service of a Participant with the Employer prior to his Enrollment Date which are treated as Credited Past Service for purposes of meeting the Plan's requirements for participation, vesting, retirement and death benefit eligibility, and/or for purposes of computing the amount of benefits payable under the Plan.

**Section 4.** ~~Section 4. "Prior Governmental Service"~~**"Prior Governmental Service"** shall mean government service external to Peachtree City, granted to any Eligible Employee whose original employment date or rehire date is prior to January 1, 2004. This provision only applies to services performed for GMEB pension plan participants.

**Section 5.** ~~Section 5. "Prior Military Service"~~**"Prior Military Service"** shall mean ~~Military Service not covered by Article II, Section~~

~~2. The Employer elects not to treat this service as Credited Service.~~

**Section 6. "Service"**

**"Service"** shall mean regular service rendered as an Eligible Employee of the Employer. Service may include absence from active employment with the Employer under conditions which are not treated by the Employer as a Termination of Employment, subject to Article III concerning leaves of absence and any other conditions or limitations specified in the Plan. No Participant may receive credit for more than one (1) year of Service in any twelve (12) month period. Unused leave shall not be treated as Credited Service.

**Section 6.** ~~Section 7. "Sick and Vacation Leave Service"~~**"Sick and Vacation Leave Service"** shall mean that ~~Employees may elect to use their accumulated sick and vacation leave at Termination or Retirement. They may use it to buy Vesting Service or Credited Service in lieu of receiving it as Compensation without consideration of any hour limitations otherwise referenced in this Plan. Any combination of Vesting and/or Credited Service may be elected. Additional Vesting Service is applied to both Vesting Service and Age for eligibility purposes. Additional Credited Service only applies to Credited Service. This provision is effective for Terminations/Retirements on or after September 29, 2016.~~

shall mean the accumulated sick and vacation leave an Employee uses at Termination or Retirement in accordance with City policies to buy additional Vesting Service and Credited Service. Such Sick and Vacation Leave Service is applied to both Vesting Service and Age to the extent necessary for eligibility purposes for retirement (if not already met) and applied to Credited Service.

**Section 7.** ~~Section 8. "Catastrophic Sick Leave Service"~~**"Catastrophic Sick Leave Service"** shall mean that ~~Employees may elect to use their accumulated Catastrophic Sick leave at Termination or Retirement. They may use it to buy Vesting Service or Credited Service. Any combination of Vesting and/or Credited Service may be elected. Additional Vesting Service~~

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~~is applied to both Vesting Service and Age for eligibility purposes. Additional Credited Service only applies to Credited Service. This provision is effective for Terminations/Retirements on or after September 29, 2016.~~

shall mean the accumulated Catastrophic Sick leave an Employee uses at Termination or Retirement in accordance with City policies to buy additional Vesting Service and Credited Service. Such Catastrophic Sick Leave Service is applied to both Vesting Service and Age to the extent necessary for eligibility purposes for retirement (if not already met) and applied to Credited Service.

**Section 8.** ~~Section 9. "Total Credited Service"~~**"Total Credited Service"** shall mean the sum of the Participant's Current Credited Service, Credited Past Service, ~~Prior Military Service,~~ and Prior Governmental Service, as specified in this Article. The term Total Credited Service includes any Service required to be included in Total Credited Service by USERRA, or any other applicable federal or state law. Full months of Total Credited Service shall be treated as fractions of one (1) year. Partial months shall not be included in the calculation. An Employee excluded from participation because of age shall receive credit for all Service as required by law.

**Section 9.** ~~Section 10. "Vesting Service"~~**"Vesting Service"** shall mean Total Credited Service, plus any service for which a lump sum benefit has been paid by the Employer. In the event a person terminates and has less than five (5) years of Vesting Service, their unused leave (excluding sick leave) converted to calendar days shall be considered in addition to their Total Credited Service for the purpose of determining whether the benefit Vests.

**Section 10.** ~~Section 11. "Management Service"~~**"Management Service"** shall increase Total Credited Service by 6 months for Employees regularly (not temporarily) employed in the positions listed below. This will in no way will increase Vesting Service. No more than 6 months shall be granted regardless of how many of the below positions are held. An Employee is not required to Terminate in one of these positions, just to have held it regular position at some point during their Employment. Eligible positions are: City Manager, Assistant City Manager, Police Chief, Fire Chief, Financial and Administrative Services Director, Public ~~Services Superintendent~~Works Director, Recreation & Special Events Director, CVB Director, Planning and Zoning Director, HR & Risk Management Director, Court Administrator, Library ~~Administrator, Facilities Manager~~Services Director, Executive Services Director, and City Engineer.

### ARTICLE III~~ARTICLE III:~~

## ELIGIBILITY, QUALIFICATION, AND PARTICIPATION

**Section 1.** ~~Section 1. Classes of Eligible Employees.~~ The Employer elects to not include Elected or appointed members of the Governing Authority. Provided, however, that if a person does not meet the definition of "Employee", he or she may not be included in any Eligible Employee class.

**Section 2.** ~~Section 2. Qualifications for Participation.~~

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(a) ~~(a)~~ Minimum Service Requirement.

With respect to each class of Eligible Regular Employees, the Employer requires at least 20 hours per week on a regular schedule as specified in Article I, Section 19. In determining whether said requirements are satisfied, the following rules shall apply:

(1) If an Employee is otherwise includable in an Eligible Regular Employee class, but he does not meet the minimum service requirements established by the Employer for said class pursuant to subsection (a) above, he or she shall not be considered an Eligible Employee, unless and until he satisfies such requirements. If an Eligible Regular Employee who has not yet become a Participant no longer meets said minimum service requirement, but he remains an Employee of the Employer, he or she shall no longer be considered an Eligible Regular Employee, unless and until he again satisfies the minimum requirement.

(2) No period of employment during which an Employee fails to satisfy the Employer's minimum service requirement and no leave of absence granted to such Employee shall be counted in determining whether any waiting period for participation established by the Employer pursuant to subsection (b) below has been satisfied. However, provided the Employee remains continuously employed by the Employer, such periods shall not be considered a break in Service under subsection (b)(1) below for purposes of satisfying said waiting period.

(b) ~~(b)~~ Waiting Period.

Eligible Regular Employees shall be required to complete 1 year of continuous, uninterrupted Service with the Employer in order to commence participation in the Plan. In determining whether this waiting period has been satisfied, the following rules shall apply:

(1) ~~(1)~~ Breaks in Service. If an Eligible Regular Employee has a Break in Service prior to satisfying the waiting period for participation and later becomes reemployed by the Employer,

he shall be required to again satisfy the waiting period in order to be eligible to participate in the Plan. Service rendered prior to said break in Service shall not be taken into account in determining whether the waiting period has been satisfied.

(2) Employed on Effective Date; Waiting Period Satisfied. If an Eligible Regular Employee is employed by the Employer on the Effective Date of the Plan and he has completed a period of continuous, uninterrupted Service as an Eligible Employee immediately prior to the Effective Date equal to or exceeding the length of the required waiting period, then he shall be considered to have satisfied the waiting period and he shall be eligible to commence participation in the Plan on the first day of the month immediately following or coinciding with the Effective Date of the Plan.

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(3) Employed on Effective Date; Waiting Period Not Satisfied. If an Eligible Regular Employee is employed by the Employer on the Effective Date of the Plan, but he has not completed a period of continuous, uninterrupted Service as an Eligible Regular Employee immediately prior to the Effective Date equal to or exceeding the length of the required waiting period, then he shall be eligible to commence participation in the Plan on the first day of the month immediately following or coinciding with the date that he completes the minimum period of continuous, uninterrupted Service as an Eligible Regular Employee necessary to satisfy the required waiting period.

(4) Employed After the Effective Date. If an Eligible Regular Employee is initially employed by the Employer after the Effective Date of the Plan, he shall be eligible to commence participation in the Plan on the first day of the month immediately following or coinciding with the date that he completes the minimum period of continuous, uninterrupted Service as an Eligible Regular Employee necessary to satisfy the required waiting period.

(5) Treatment of Leaves of Absence. For purposes of determining whether the waiting period for participation has been satisfied, Service shall include any period of absence from employment which is required to be taken into account for such purpose under USERRA, the FMLA, or any other applicable federal or state law. Unless otherwise required by law or unless the terms of the leave otherwise specify, an authorized leave of absence granted to an Eligible Regular Employee by the Employer shall be counted as Credited Service for purposes of determining whether the waiting period for participation has been satisfied. However, unless otherwise required by law or unless the terms of the leave otherwise specify, if an Eligible Regular Employee on an

authorized leave of absence fails to return to active employment upon expiration of the leave of absence, the Eligible Regular Employee shall be considered to have incurred a break in Service for purposes of meeting the waiting period for participation as of the date preceding the approved leave period.

(6) Treatment of Service as an Ineligible Employee. If an Employee of the Employer who is not an Eligible Employee becomes an Eligible Regular Employee while remaining continuously employed by the Employer, said Eligible Employee shall become eligible to commence participation on the first day of the month immediately following or coinciding with the date he meets the eligibility requirements for participation under this Article. For purposes of satisfying any waiting period imposed by the Employer, the Eligible Regular Employee's prior period of employment as an Ineligible Employee shall be credited in the same manner as Service as an Eligible Regular Employee, provided that during said prior period of service as an Ineligible Employee, he satisfied any minimum service requirement established by the Employer pursuant to Article III, Section 2(a). If an Eligible Regular Employee becomes an Ineligible Employee prior to satisfying the waiting period for participation in the Plan, his service

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as an Ineligible Employee shall be credited in the same manner as Service as an Eligible Regular Employee for purposes of satisfying said waiting period, provided that the Ineligible Employee satisfies the applicable minimum service requirements established for Eligible Employees pursuant to Article III, Section 2(a). However, in no event will an Ineligible Employee be permitted to become a Participant in the Plan unless and until he has satisfied the waiting period and has again become an Eligible Employee. For purposes of satisfying the waiting period, leaves of absence granted to an Ineligible Employee shall be treated in the same manner as leaves of absence for Eligible Regular Employees under subsection (5) above.

(7) Prior Participation in Another GMEBS Plan. As described under Article II, Section 4, service in other GMEBS plans will be recognized if employed by the Employer prior to January 1, 2004.

**Section 3.** ~~**Section 3. Establishing Participation in the Plan.**~~

(a) ~~(a) Mandatory vs. Optional Participation.~~ Participation in the Plan shall be considered mandatory for all classes of Eligible Employees.

(b) Mandatory Participation. If participation is mandatory for a class of Eligible Employees, then all Eligible Employees in the class shall become Participants in the Plan on the first day of the month immediately following or coinciding with the date they satisfy the applicable waiting period and any other eligibility requirements for participation.

(c) Optional Participation. Participation in the Plan shall not give any Eligible Employee the right to be retained in the employ of the Employer nor, upon dismissal, to have any right or interest in the Trust Fund other than as herein provided.

**Section 4.** ~~**Section 4. Change in Employment Status. Transfer to Ineligible Status.**~~  
If a Participant's employment status changes such that he becomes an Ineligible Employee, he shall cease to accrue benefits under the Plan for any purpose and his interest under the Plan, if any, shall be only such as existed immediately before he became an Ineligible Employee, unless and until he again becomes a Participant. In no event will his service or earnings as an Ineligible Employee be taken into account for purposes of meeting the Plan's minimum service requirements for vesting, retirement eligibility, death benefit eligibility, or for purposes of computing the amount of any benefit payable under the Plan. However, said period of service as an Ineligible Employee shall not be considered a break in Service under Article III, Section 6, provided the Ineligible Employee remains continuously employed by the Employer. If the Ineligible Employee does not again become a Participant prior to Retirement or Termination of Employment, his Vested Benefit, if any, shall be paid as provided in Article VII.

(b) Transfer Back to Eligible Status. If an Ineligible Employee described in subsection (a) above remains continuously employed by the Employer and he has another change in employment status such that he again becomes a Participant, he shall thereafter be entitled to accrue benefits in accordance with the terms of the Plan as in effect as of the date of the subsequent change in employment status.

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**Section 5.**     **~~Section 5.~~ Participant Leaves of Absence.**

(a)     USERRA, FMLA Leave. Notwithstanding any provision of this Plan to the contrary, if any period of absence is required to be counted under USERRA, the FMLA or any other applicable federal or state law as Current Credited Service for the purpose of computing the amount of any benefit payable under the Plan, and for purposes of meeting the Plan's minimum service requirements for vesting, retirement or death benefit eligibility, then said period of absence shall be counted as such in accordance with and subject to the requirements of such law.

(b)     Other Leaves of Absence. Unless otherwise required by law or unless the terms of the leave otherwise specify, an authorized leave of absence granted to a Participant by the Employer will be counted as Current Credited Service for the purpose of computing the amount of any benefit payable under the Plan, and for purposes of meeting the Plan's minimum service requirements for vesting and benefit eligibility. However, if the Participant does not return to active employment upon expiration of the authorized leave period, then subsection (c) shall apply.

(c)     Failure to Return to Service. Unless otherwise required by law or unless the terms of the leave otherwise specify, if a Participant does not return to active employment with the Employer upon expiration of a leave of absence, his interest under the Plan, if any, including his Current Credited Service for the purpose of computing the amount of any benefit payable under the Plan, and for purposes of meeting the Plan's minimum service requirements for vesting and any minimum service requirements for retirement or death benefit eligibility, will be limited to that accrued as of the date preceding the approved leave period.

(d)     Unused Leave. The Employer does not credit unused leave at termination or retirement as Credited Service.

**Section 6.**     **~~Section 6.~~ Non-Vested Participant Breaks in Service.** This Section shall apply only to Participants who are Eligible Regular Employees. If a non-vested Participant experiences a Break in Service; the Participant's Current Credited Service shall not include any Service rendered prior to the break in Service, unless the Participant returns to employment with the Employer within 5 years and performs the lesser of Service equal to the ~~break in~~Break in Service, or Service equal to one (1) year. The following limitations shall apply in administering the break in Service rule:

(a)     Absence of Less Than One (1) Year. If a Participant terminates employment with the Employer and returns to employment with the Employer within one (1) year after said termination, the Participant shall not be deemed to have incurred a break in Service. Except as otherwise required under this Section, however, the time he was absent shall not be taken into account for any purpose under the Plan.

(b)     Treatment of Leaves of Absence. No leave of absence or other period of absence from employment shall be considered a Break in Service if it is not permitted to be treated as such under USERRA, the FMLA, or any other applicable federal or state law. Unless

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otherwise required by law or unless the terms of the leave otherwise specify, any other authorized leave of absence granted to a Participant shall not be deemed a break in Service, provided the Participant was regularly employed by the Employer immediately prior to his leave of absence and the Participant is reemployed by the Employer upon expiration of the leave of absence. Unless otherwise required by law or unless the terms of the leave otherwise specify, if a Participant does not return to active employment upon expiration of the approved leave period, he will be considered to have incurred a Break in Service under this Section as of the date immediately preceding the approved leave period.

(c) Transfer to Ineligible Employee Status. If a Participant's employment status changes such that he becomes an Ineligible Employee pursuant to Section 5 above, the period of time spent as an Ineligible Employee shall not be considered a Break in Service under this Section, provided the Participant remains employed by the Employer. Unless otherwise specified by the Employer, leaves of absence granted to an Ineligible Employee will not be considered a Break in Service under this Section, provided the Ineligible Employee returns to active employment with the Employer upon expiration of the approved leave period and the requirements of subsection 6(b) above are otherwise satisfied with respect to such leave of absence.

(d) Repeated Breaks in Service. If a non-vested Participant has a Break in Service, returns to employment with the Employer, and experiences one or more additional Breaks in Service prior to satisfying the one (1) year Service requirement necessary to work off the initial break, then the Participant's Current Credited Service shall not include any Service rendered prior to the most recent break in Service, unless upon the

Participant's return to employment with the Employer following the most recent Break in Service he performs Service for a period equal to one (1) year.

**Section 7.     ~~Section 7.~~ Breaks in Service where a Lump Sum was Paid.**

If Participant is reemployed subsequent to being paid a Lump Sum, the Participant has six months to repay the lump sum, or for Credited Service Purposes, he will be treated as a new hire. The lump sum will include interest from the date of the payment as indicated in the trust records to the date of repayment.

If a Participant is reemployed subsequent to receiving a distribution of Employee Contributions Plus Interest, as described in Article XI, Section 3, the Participant has three months to commence repaying the distribution (plus interest as described in that section) or, for Credited Service purposes, that person will be treated as a new hire.

**Section 8.     Section 8. Vested Participant Breaks in Service.** This Section shall apply only to Participants who are Eligible Regular Employees. If a Vested Participant experiences a Break in Service; upon reemployment as and Eligible Regular Employee they will immediately participate in the Plan.

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~~ARTICLE IV~~  
**ARTICLE IV:  
RETIREMENT BENEFITS**

**Section 1.**     ~~**Section 1.**~~ **Normal Retirement Benefit.**

(a) A Participant, upon Retirement on or after his Normal Retirement Date, shall receive a Monthly Retirement Benefit under which payments shall commence on the last day of the month in which his effective Retirement Date and shall be payable on the last day of each month thereafter during his lifetime. However, if directed by the Employer, Normal Retirement Benefits may be paid retroactively to the last day of the month following the month in which the Participant's Termination occurs (or, if the Participant's Termination occurs on the first of the month, the last day of said month) or if later, the last day of the month in which his Normal Retirement Date occurs. The amount of the Monthly Retirement Benefit shall be determined based upon 2.5% of Final Average Earnings multiplied by years of Total Credited Service divided by 12. For Terminations prior to January 1, 2023 the multiplier was 2%.

(b) The application for the Normal Retirement Benefit must occur within 90 days of the Normal Retirement Date.

(c) No interest shall be paid on the retroactive payment of Normal Retirement Benefits.

(d) Eligibility for Normal Retirement is defined in Article I, Section ~~33~~32.

(e) Participants who retire from Disability are only eligible for a Normal Retirement Benefit; however, the Normal Retirement Benefit will be offset by Disability payments directly provided by the Employer's other benefit plan, if any, until such time as the Disability payments expire.

**Section 2.**     ~~**Section 2.**~~ **Early Retirement Benefit.**

(a)     ~~(a)~~ A Participant, upon Retirement from active service on or after his Early Retirement Date and before his Normal Retirement Date, shall receive a Monthly Retirement Benefit under which payments shall commence on the last day of the month in which his effective Retirement Date occurs and shall be payable on the last day of each month thereafter during the lifetime of the Participant. The amount of such Monthly Retirement Benefit shall be computed in the same manner as for a Normal Retirement Benefit, but reduced on an Actuarially Equivalent basis in accordance with the actuarial table contained in Article X, Section 1 for those who do not qualify for an Unreduced Early Retirement Benefit.

(b) The application for Early Retirement must occur within 90 days of Termination of Employment.

(c) Early Retirement benefits begin at the Participant's Early Retirement Date.

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(d) Eligibility for Early Retirement/Unreduced Early Retirement is defined in Article I, Sections 15 and ~~53~~52.

(e) ~~(e)~~—No interest shall be paid on the retroactive payment of Early Retirement Benefits.

**Section 3.**     ~~**Section 3.**~~ **Late Retirement Benefit.**

(a) A Participant may retire from either 1) the active Service of the Employer, or 2) Terminated Vested Status, on the first day of any month after his Normal Retirement Date, in which case the Participant shall receive a monthly Late Retirement Benefit under which payments shall commence on the last day of the month in which his effective Retirement Date occurs and shall be payable on the last day of each month thereafter during the lifetime of the Participant. The amount of such Monthly Retirement Benefit shall be computed in the same manner as for a Normal Retirement Benefit, but increased on an Actuarially Equivalent basis in accordance with the actuarial table contained in Article X, Section 5.

(b) The application for the Retirement for Late Retirement Benefit must occur within 90 days of the Late Retirement Date.

(c) Retroactive payment of Late Retirement benefits to the Participant's Late Retirement Date is permitted.

(d) No interest shall be paid on the retroactive payment of Late Retirement Benefits.

(e) A Terminated Vested participant may elect to retire at his Normal Retirement Date and elect to receive retroactive payments from that date regardless of when he retires. In this case no interest shall be paid on retroactive payments.

**Section 4.**     ~~**Section 4.**~~ **Suspension of Benefits**

(a) General Rule.

Unless otherwise provided in this Section, if a Retired Participant returns to Service as an Eligible Employee with the Employer, said Monthly Retirement Benefit shall be suspended as of the date of said return to Service. The Employer may engage on a retainer or fee basis any person receiving benefits hereunder and such engagement will not terminate or suspend such benefits. In such case, said person will not accrue benefits or service credit for any purpose under the Plan during said period of reemployment.

(b) Re-Computation of Benefit in Case of Suspension.

In any case where the payment of a Participant's Retirement benefit shall have been suspended, the Retirement benefit payable on his re-retirement (whether before or after his Normal Retirement Date) shall be the benefit computed in accordance with this Article on the basis of his aggregate Total Credited Service at the time of his subsequent re-retirement, but reduced by the Actuarial Equivalent of any Retirement benefits received by him prior to his return to Service as an Eligible Employee, and by any actuarial factors used in calculating

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the benefit payable at the time of his previous Retirement. For purposes of this subsection, the term "Actuarial Equivalent" shall mean an amount equal to the value of Retirement benefits received, determined as of the date of the Participant's re-retirement and computed on the basis of the actuarial assumptions contained in Article X, Section 6. In no event shall the resulting benefit be less than the benefit payable at the time of his previous Retirement. A Retired Participant who is reemployed as an Eligible Employee shall not be authorized to change his form of benefit payment on his subsequent re-retirement, or to change his Post-Retirement Beneficiary, or to name a Post-Retirement Beneficiary if one had not been previously named. For the purposes of this Section 5, any such Participant's Credited Service subsequent to his reemployment by the Employer as an Eligible Employee shall commence as of the date of his reemployment as an Eligible Employee.

(c) Death in Service After Reemployment.

If a Retired Participant returns to Service with the Employer as an Eligible Employee and he dies during the period of his reemployment and before re-retirement, then his Post-Retirement Beneficiary, if any, shall be entitled to receive the greater of (1) the monthly post-retirement survivor benefit payable, if any; or (2) the monthly in-service death benefit, if any, payable for the class of Eligible Employees to which the Participant belongs as of his date of death, reduced by the Actuarial Equivalent of any Retirement benefits received by the Participant prior to his death. This provision shall not be interpreted to permit payment to a Pre-Retirement Beneficiary in the event of a Retired Participant's death during reemployment.

(d) Return to Employment From Disability.

Any Participant who returns to employment directly from disability will retain increased credited service for the period of disability.

**Section 5.** ~~**Section 5. Special Retirement Benefits.**~~ The Board may, from time to time, offer benefit enhancements, or the opportunity to retire under specified terms and conditions to an Employee or group of Employees. In the event the enhancement has a financial cost to the city, the enhancement will require council approval.

**Section 6.** ~~**Section 6. Retirement from Terminated Vested Benefit.**~~

(a) A Terminated Vested Participant, upon Retirement on or after his Early Retirement Date and before his Normal Retirement Date, shall receive a Monthly Retirement Benefit under which payments shall commence on the last day of the month in which his effective Retirement Date occurs and shall be payable on the last day of each month thereafter during the lifetime of the Participant. The amount of such Monthly Retirement Benefit shall be computed in the same manner as for a Normal Retirement Benefit, but reduced on an Actuarially Equivalent basis in accordance with the actuarial table contained in Article X, Section 9.

(b) The application for the Retirement for Terminated Vested Benefit must occur within 90 days of the Retirement for Terminated Vested Date.

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(c) Retroactive payment of Terminated Vested benefits to the Participant's Terminated Vested Retirement Date is permitted.

(d) No interest shall be paid on the retroactive payment of Terminated Vested Retirement Benefits.

(e) Eligibility for Early Retirement is covered in Article I, Section 15.

~~ARTICLE V~~ **ARTICLE V:**  
**OPTIONAL FORMS OF RETIREMENT INCOME**

**Section 1.** ~~Section 1. Election of Optional Benefits.~~ A Participant may elect, or may revoke a previous election and make a new election, at any time prior to his effective Retirement Date, to have his Retirement benefit payable under one of the options hereinafter set forth in lieu of the lifetime monthly Retirement benefit he is otherwise entitled to receive under Article IV. The benefit shall be paid in accordance with and subject to the terms of such option elected. Election of any option shall be made by the Participant in writing on the Retirement Application and shall be subject to approval by the Administrator.

**Section 2.** ~~Section 2. Designation of Post-Retirement Beneficiary.~~ If the Participant elects Joint and Survivor Options or Period Certain and Life Options, he shall designate a Post-Retirement Beneficiary to receive a survivor benefit in accordance with and subject to the terms of such Option. Designation of a Post-Retirement Beneficiary may be revoked or changed by the Participant by submitting a new completed Retirement Application at any time prior to the Participant's effective Retirement date. Only the last such designation of a Post-Retirement Beneficiary shall have effect, and any new designation of a Post-Retirement Beneficiary shall invalidate, supersede, and revoke any prior designation.

**Section 3.** ~~Section 3. Description of Options.~~ The amount of any optional benefit set forth below shall be the Actuarial Equivalent of the amount of benefit that would otherwise be payable to the participant under Article IV, Sections ~~13~~1-3.

(a) Joint and Survivor Option.

A decreased retirement benefit which shall be payable during the lifetime of the Participant and, if his designated Post-Retirement Beneficiary should survive him, shall continue after his death during the lifetime of his Beneficiary in the same amount (100%) or in such smaller amount (75%, 50%) as the Participant may designate. The Participant's retirement benefit shall be calculated in accordance with Article X, Section 2.

(b) Period Certain and Life Option.

A decreased benefit payable monthly to the Participant during his lifetime and, in the event of his death within a period of specified years, either ten (10), or twenty (20) years after his benefit commencement, the same monthly amount shall be payable for the balance of such period to the Post-Retirement Beneficiary designated by him. If the Post-Retirement Beneficiary does not survive the Participant, all payments shall cease at the death of the Participant and no

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further benefits will accrue to his estate or to other persons except as provided in Article V. The Retirement benefit shall be calculated in accordance with Article X, Section 3.

**Section 4.** ~~**Section 4. Cancellation of Election.**~~ The election by a Participant of any option in Section 1-3 of this Article V shall be null and void if either the Participant or his designated Post Retirement Beneficiary dies before the Participant's effective Retirement date.

**Section 5.** ~~**Section 5. Rule for Small Benefits.**~~ ~~Effective January 1, 2002, the~~The present value of a Plan benefit shall be distributed to the Participant, Terminated Participant, or Pre-Retirement Beneficiary, as applicable, if the benefit payable to the recipient does not exceed \$7,000 (\$5,000 prior to January 1, 2025) on the date of distribution. The present value of such an Accrued Benefit under the Plan shall be determined in accordance with Article X, Section 7.

(a) ~~Effective March 28, 2005:~~ Present Value \$1,000 or Less: The present value of an Accrued Benefit of a Participant, Terminated Participant, or Pre-Retirement Beneficiary which is \$1,000 or less shall be distributed in a cash lump sum to the recipient as soon as administratively feasible following the termination event, unless the recipient elects to have the distribution paid directly to an eligible retirement plan specified by the recipient in a direct rollover.

(b) ~~Effective March 28, 2005:~~ Present Value Greater than \$1,000 and Less Than \$7,000 (\$5,000 prior to January 1, 2025): The present value of an Accrued Benefit of a Participant, Terminated Participant, or Pre-Retirement Beneficiary which exceeds \$1,000 but is \$7,000 (\$5,000 prior to January 1, 2025) or less will be paid in a direct rollover to an individual retirement account established by the Administrator in the name of the recipient as soon as administratively feasible following the termination event, unless the recipient elects to have the distribution paid in lump sum or paid directly to an eligible retirement plan specified by the recipient in a direct rollover.

**Section 6.** ~~**Section 6: Distributions.**~~ Distributions payable as of any date shall be made on or as soon as administratively

feasible after that date.

**Section 7.** ~~**Section 7. Compliance with Internal Revenue Section 401(a)(9).**~~ ~~All distributions shall be made in compliance with Article VIII.~~ All distributions shall be made in compliance with Article VIII.

**Section 8.** Compliance with Code Section 415. All benefit options must comply with the limitations of Code Section 415, pursuant to Article IX and as applicable to governmental plans.

~~**ARTICLE VI**~~  
**ARTICLE VI:  
DEATH BENEFITS**

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**Section 1.** ~~**Section 1.**~~ **Death in Service Prior to Retirement.** In the event a Participant's employment or term of office is Terminated by reason of his death prior to his Retirement, there shall be paid to his Pre-Retirement Beneficiary (Primary, Secondary, or Default Beneficiary, as applicable), the actuarial reserve In-Service Death Benefit, provided the requirements of this Article are satisfied.

**Section 2.** ~~**Section 2.**~~ **Actuarial Reserve In-Service Death Benefit.** The Employer elects to provide the Actuarial Reserve In Service Death Benefit for the Eligible Employees. In such case, the Employer requires the Participant to have 5 years of Vesting Service in order to be entitled to receive such benefit. Provided a Participant satisfies such requirements, then in the event the Participant's employment with the Employer is terminated by reason of his death prior to his Retirement, there shall be paid to his Pre-Retirement Beneficiary a lifetime monthly death benefit actuarially equivalent to the reserve required for the Participant's anticipated Normal Retirement benefit. In calculating the Normal Retirement benefit. under the provisions of this Section, the following assumptions shall be used:

(1) The Participant's age at the time of his death is equal to the Normal Retirement Age or his attained age if his attained age is greater than the Normal Retirement Age; and,

(2) The Participant's Total Credited Service shall include the amount of Total Credited Service accrued prior to the date of the Participant's death. The death benefit under this Section shall be calculated using the factors contained in Article X, Section 4.

**Section 3.** ~~**Section 3.**~~ **Designation of Primary and Secondary Pre-Retirement Beneficiary.**

A Participant may designate, on an Applicable Form provided for that purpose, one person as his Primary Pre-Retirement Beneficiary. The Primary Pre-Retirement Beneficiary shall receive the monthly pre-retirement death benefit elected by the Employer in the Plan in the event that the Participant's employment with the Employer is terminated by reason of the Participant's death prior to his Retirement, provided the Primary Beneficiary survives the Participant by at least 32 days in accordance with O.C.G.A. § 47-1-15. The Participant may additionally designate, on an Applicable Form provided for that purpose, one person as his Secondary Pre-Retirement Beneficiary. The

monthly death benefit otherwise payable to the Primary Pre-Retirement Beneficiary hereunder shall be payable to the Participant's designated Secondary Pre-Retirement Beneficiary in the event that: (1) the Participant's employment with the Employer is terminated by reason of the Participant's death prior to his Retirement; (2) the Primary Pre-Retirement Beneficiary does not survive the Participant by at least thirty-two (32) days; and (3) the Secondary Pre-Retirement Beneficiary survives the Participant by at least thirty-two (32) days. . The one exception of the limitation to a single beneficiary is the Participant may designate Dependent Child(ren) as their

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beneficiary. For the purposes of this section a Dependent Child is an individual under age 22 or a disabled child of any age, who either is claimed as a dependent ~~dependent~~ on the most recent tax return, or whose guardian receives court ordered child support payments. Benefits for Dependent Children will be the Actuarial Equivalent as Defined in Article X Section 10.

**Section 4.** ~~**Section 4. Change of Beneficiary.**~~ Designation of a Primary or Secondary Pre-Retirement Beneficiary may be changed by the Participant in writing on an Applicable Form provided for that purpose at any time prior to Retirement. Only the last such designation prior to Retirement shall have effect and any new designation of a Primary or Secondary Pre-Retirement Beneficiary invalidates, supersedes, and revokes any prior designation.

**Section 5.** ~~**Section 5. Default Beneficiary.**~~

In the absence of a designation by the Participant, or if there is no Primary or Secondary Pre-Retirement Beneficiary to whom a pre-retirement death benefit is payable under this Article, then the pre-retirement death benefit shall be paid to the Participant's surviving Default Beneficiary in accordance with this Section. For purposes of this Section, the Participant's Default Beneficiary(ies) shall be as follows: (a) the Participant's surviving Spouse; or (b) if there is no surviving Spouse, the Participant's surviving Children; or (c) if there is no surviving Spouse or Children, the Participant's surviving Parent(s). For purposes of this Section, the term "surviving" shall mean surviving the Participant by at least thirty-two (32) days. For purposes of this Section, the term "Spouse" shall be as defined in Article I, Section 4847. The term "Child" or "Children" shall be as defined in Article I, Section 7. The term "Parent" shall be as defined in O.C.G.A. § 19-113(7), determined as of the date of the Participant's death. Notwithstanding any other provision to the contrary, if a death benefit becomes payable to more than one Child of the Participant under

this Section 5, then such benefit shall be paid to each such Child and calculated in a manner to provide each Child with an equal monthly benefit which ceases on the date such child reaches age twenty-two (22). Such benefit shall be calculated using the factors contained in Article X, Section 6. If a death benefit is payable to more than one surviving Parent of the Participant under this Section, then such benefit shall be calculated in a manner to provide each such Parent with the same monthly benefit amount for his or her lifetime. If a child who is receiving a monthly benefit hereunder reaches age twenty-two (22) or if a child or Parent receiving a monthly benefit hereunder dies, this shall not affect the monthly benefit amount any other child or Parent is receiving.

**Section 6.** ~~**Section 6. Terminated Vested Death Benefits.**~~ The Employer provides a death benefit for Terminated Participants. In the event such a Terminated Vested Participant dies

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before his effective Retirement Date, there shall be paid to his Pre-Retirement Beneficiary (Primary, Secondary, or Default Pre-Retirement Beneficiary, as applicable) the Terminated Vested Death Benefit provided the requirements of this Article are satisfied.

**Section 7.** ~~**Section 7. Terminated Vested Death Benefit.**~~ The Employer elects to provide a death benefit for Terminated Participants. In the event that the Terminated Participant dies prior to his effective Retirement date, his Pre-Retirement Beneficiary may apply to receive a lifetime monthly death benefit subject to the provisions of this Section. If the Terminated Participant's Pre-Retirement Beneficiary is the Terminated Participant's Spouse, then the lifetime monthly death benefit payable to the Spouse Beneficiary under this Section shall commence on the last day of the month coinciding with or immediately following the date of the Terminated Participant's death. Alternatively, the Spouse Beneficiary may elect to defer benefit payment commencement until the last day of any month up to and including the date the Participant would have attained Normal Retirement Age. For purposes of this Section, the term "Spouse" or "Spouse Beneficiary" shall be as defined in Article I, Section ~~4847~~. A Spouse Beneficiary shall be considered to have deferred benefit payment commencement until the last day of the month following the date the Spouse makes application for payment of death benefits. If the designated and surviving Pre-Retirement Beneficiary is not the Spouse of the Terminated Participant, then the lifetime monthly death benefit payable to the Beneficiary under this Section

shall commence on the last day of the month coinciding with or immediately following the date of the Terminated Participant's death. Benefits under this Section shall be computed as follows:

(a) Terminated Participant Death Before Early Retirement Age: Payment Before Early Retirement Age.

If a Terminated Participant dies before attaining Early Retirement Age and if benefit payments commence to a Spouse Beneficiary or non-spouse Beneficiary before the Terminated Participant would have attained Early Retirement Age, then the monthly death benefit payable to the Beneficiary shall be the Actuarial Equivalent of the monthly Retirement benefit amount that would have otherwise been payable to the Terminated Participant, assuming: (i) the Terminated Participant survived until Normal Retirement Age; and (ii) the Terminated Participant elected the optional form of Retirement payment designated herein as Option A at one hundred percent (100%), and then died. Said benefit shall be calculated in accordance with the actuarial assumptions specified in Article X, Section 6.

(b) Terminated Participant Death Before Early Retirement Age: Deferred Payment by Spouse Until After Early Retirement Age.

If the Terminated Participant dies before attaining Early Retirement Age and a Spouse Beneficiary defers payment until a date which is on or after the date the Terminated Participant would have attained Early Retirement Age, then the monthly death benefit payable to the Spouse Beneficiary shall be the monthly Retirement benefit that would have otherwise been payable to the Terminated Participant, assuming that: (i) the Terminated Participant survived until the date upon which the deferred benefit payments commence in accordance with the

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Spouse Beneficiary's selected benefit commencement date; and, (ii) the Terminated Participant elected on such date to retire with the optional form of Retirement payment designated at one hundred percent (100%) joint and survivor, and then died.

(c) Terminated Participant Death After Early Retirement Age: Payment Upon Death.

If the Terminated Participant dies after attaining Early Retirement Age, and if benefit payments commence to a Spouse Beneficiary or non-spouse Beneficiary on the last day of the month coinciding with or immediately following the date of the Terminated Participant's death, then the monthly death benefit payable to the Beneficiary shall be the monthly benefit that would have otherwise been payable to the Terminated Participant, assuming: (i) the Terminated Participant retired on the date of death, and (ii) the Terminated Participant elected the one hundred percent (100%) joint and survivor; and then died.

(d) Terminated Participant Death After Early Retirement Age: Deferred Payment by

Spouse. If the Terminated Participant dies after attaining Early Retirement Age, and if a Spouse Beneficiary defers payment in accordance with this Section, then the monthly benefit payable to the Spouse Beneficiary shall be the monthly Retirement benefit that would have otherwise been payable to the Terminated Participant, assuming that: (i) the Terminated Participant survived until the date upon which the deferred benefit payments commence in accordance with the Spouse Beneficiary's selected commencement date, and (ii) the Terminated Participant elected to retire on such date at one hundred percent (100%) joint and survivor, and then died.

~~(e) Calculation of Benefits.~~

(e) Calculation of Benefits. Benefits under this Section shall be calculated taking into account only the Participant's Total Credited Service and Final Average Earnings (where applicable) as of the date of his Termination of Employment with Employer, and the applicable benefit formula in effect on the date of said Termination.

**Section 8.** ~~**Section 8.**~~ **Designation of Terminated Vested Pre-Retirement Beneficiary.** The Primary and Secondary Pre-Retirement Beneficiary designated by the Participant to receive in-service death benefits under this Article VI, Section 3 shall automatically be considered the Participant's Primary and Secondary Pre-Retirement Beneficiary for purposes of payment of terminated vested pre-retirement death benefits, if any, under the Employer's Plan. If the Participant changes his beneficiary designation in accordance with Section 4, his designation under this Section shall be considered changed as well to reflect the new designation. In the absence of a designation by the Participant, or if there is no Primary or Secondary Pre-Retirement Beneficiary to whom a terminated vested pre-retirement death benefit is payable upon the Participant's death, then the terminated vested pre-retirement death benefit otherwise payable, if any, shall be paid to the Participant's Default Beneficiary in accordance with Article VI, Section 5.

**Section 9.** ~~**Section 9.**~~ **Participant Death After Retirement Benefit Commencement.** Upon the death of a Retired Participant subsequent to his Retirement, there

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shall be payable to the Participant's designated Post-Retirement Beneficiary, a benefit to be determined as follows:

(a) ~~(a)~~ If the Participant has not elected an optional form of payment, as provided in Article V, or if he has elected an optional form of payment and his designated Post-Retirement Beneficiary

does not survive him, no further payment of any kind whatsoever shall be made at the death of the Participant.

(b) ~~(b)~~ If the Participant has elected an optional form of payment, as provided in Article V, and his designated Post-Retirement Beneficiary survives him, benefits shall be payable to the Post-Retirement Beneficiary as provided by the option elected, commencing the month following the Participant's last benefit payment month.

## ARTICLE VII~~ARTICLE VII:~~ TERMINATION BEFORE RETIREMENT; VESTING

**Section 1.** ~~**Section 1. Vesting Requirement for Deferred Retirement Benefit.**~~ A Participant whose employment is terminated for any reason other than death or Retirement shall be entitled to a Vested right in his Accrued Benefit if he accrues a minimum of 5 years of Vesting Service. Payment of such Vested Retirement Benefit shall commence on the last day of the month in which his effective Retirement Date occurs and shall be payable on the last day of each month thereafter during the lifetime of the Participant, unless the Participant elects an optional form of benefit payment under Article V. The amount of such Monthly Retirement Benefit shall be computed in the manner prescribed for Normal or Early Retirement in Article IV, as applicable, but based upon the Participant's Final Average Earnings (if applicable) and Total Credited Service up to the Participant's date of Termination of Employment with the Employer. Notwithstanding any other provision of the Plan to the contrary, if a Participant has satisfied the requirements for Normal Retirement, the Participant shall be 100% Vested in his Normal Retirement benefit.

**Section 2.** ~~**Section 2. Involuntary Termination Without Cause.**~~ A Participant whose employment is terminated involuntarily and without cause shall be entitled to a Vested Benefit if he has completed five (5) years of Vesting Service. For the purpose of this condition, "cause" for dismissal shall mean negligence or inefficiency in performing the duties of the position held, unfitness to perform assigned duties, insubordination, or misconduct reflecting discredit on the Employer.

### **Section 3.** ~~**Section 3. Fraud, Embezzlement, Theft, and Dismissal for Cause.**~~

(a) In the event the Employer shall receive, prior to a Participant's actual Retirement date, written confession by such Participant, or proof satisfactory to the Governing Authority that such Participant has committed or has been convicted of having committed an act of fraud, embezzlement, or theft in connection with his duties or in the course of his employment

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with the Employer, or in connection with the Plan, his participation in the Plan shall be forthwith terminated, and the applicable provisions of O.C.G.A. ~~Section~~§ 47-1-20 et seq. set forth in paragraph (b) shall govern.

(b) As required by Georgia State Law, if a public employee first or again becoming a public employee after July 1, 1985 commits a public employment related crime in the capacity of a public

employee and is convicted for the commission of such crime, such employee shall forfeit all rights and benefits under and membership in any public retirement system in which the employee is a member, effective on the date of final conviction. Any such public employee shall not at any time after such final conviction be eligible for membership in any public retirement system.

(c) ~~(c)~~ For purposes of this Section, the following definitions shall apply:

(1) ~~(1)~~ "Final conviction" means a conviction which has been upheld after the convicted person has exhausted all appeals of the conviction.

(2) ~~(2)~~ "Political subdivision" means any county, municipality, or local school district.

(3) ~~(3)~~ "Public employee" means any elected and appointed officials and employees of the state or any branch, department, board, bureau, commission, authority, or other agency of the state and elected and appointed officials and employees of any political subdivision or authority or other agency of a political subdivision.

(4) ~~(4)~~ "Public employment related crime" generally means any one or more of the following crimes:

(i) theft by an officer or employee of a government in breach of duties as such officer or employee;

(ii) any felony related to abuse of governmental office;

(iii) ~~(iii)~~ making false statements or concealing facts in matters within the jurisdiction of the state or a political subdivision;

(iv) ~~(iv)~~ conspiracy to defraud the state or a political subdivision;

(v) ~~(v)~~ stealing, altering, or concealing public records; and

(vi) ~~(vi)~~ selling offices or dividing fees.

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(5) ~~(5)~~ “Public retirement system” means any retirement or pension system created by or pursuant to the authority of Georgia law or the Constitution of Georgia which has public employees as members of the retirement or pension system, including this Plan.

**Section 4.** ~~Section 4.~~ **Forfeitures.** Forfeitures arising from Termination of Employment, withdrawal or any other reason may not be applied to increase the benefits any individual would otherwise receive under the Plan. However, forfeitures will remain Trust assets, and as such, may be used to reduce an Employer's contribution.

## ~~ARTICLE VIII~~ **ARTICLE VIII:** **DISTRIBUTION AND ROLLOVER RULES**

**Section 1.** ~~Section 1.~~ **Distribution Rules Imposed by Federal Law.** Notwithstanding any provision of this Plan to the contrary, any distribution under the Plan shall be made in accordance with [a reasonable, good faith interpretation](#) Code Section 401(a)(9) and the regulations promulgated thereunder [as applicable to governmental plans](#) and shall comply with the following rules:

~~(a)~~ In any event, where distributions have not yet begun, the entire interest, if any, of a Participant under the Plan shall be distributed within five (5) years after the death of the Participant, unless the ~~Participant's~~ [Participant's](#) benefits are payable to the beneficiary or joint beneficiaries designated by the Participant over a period not to exceed the life expectancy or joint life expectancies of such beneficiary or beneficiaries. In such ~~a~~ case, the distribution of benefits under this Section shall begin (i) in the case of a ~~non-spouse~~ [non-Spouse](#) beneficiary, no later than one (1) year following the date of death of the Participant, or (ii) in the case of a surviving ~~spouse~~ [Spouse](#), no later than the date on which the Participant would have attained age ~~seventy and one-half (70-1/2)~~, [70 ½ if the Participant attained that age before January 1, 2020, age 72 if the Participant attained that age before January 1, 2023, age 73 if the Participant attained that age after December 31, 2022, or age 75 if the Participant attained that age after December 31, 2032.](#)

~~(b) Unless a Participant elects otherwise, the payment of his benefits under the Plan must begin not later than the sixtieth (60th) day after the end of the Plan Year in which occurs the latest of: (i) the Participant's sixty-fifth (65th) birthday, (ii) the tenth (10th) anniversary of the Plan Year in which the Participant began participation in the Plan, or (iii) the Participant's Termination of Employment or Retirement.~~

~~(e)~~ To the extent required by Code Section 401(a)(9) and the regulations promulgated thereunder, payment of the ~~Accounts~~ [accounts](#) of a Participant shall begin not later than the ~~“required beginning date.”~~ For purposes of this Section, ~~“required beginning date”~~ means ~~April 1 of the calendar year following the later of (i) the calendar year in which the Participant reaches age seventy and one-half (70-1/2), or (ii) the calendar year in which the Participant Retires. Effective with calendar years beginning on or after January 1, 2020, “required beginning date” means April 1 of the calendar year following the later of (i) the calendar year in which the Participant reaches age seventy-two (72),~~ [70 ½ if the Participant attained that age before January](#)

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1, 2020, age 72 if the Participant attained that age before January 1, 2023, age 73 if the Participant attained that age after December 31, 2022, or age 75 if the Participant attained that age after December 31, 2032, or (ii) the calendar year in which the Participant Retires.

~~(d)~~ A ~~Participant's~~Participant's election of the form of benefit payment shall be restricted to assure compliance with the minimum distribution and incidental death benefit requirements of Code Section 401(a)(9). As part of that compliance, a distribution shall not be made over a period

extending beyond: (i) the life of the Participant; (ii) the life of the Participant and his designated beneficiary; (iii) a period certain not extending beyond the life expectancy of the Participant; or (iv) a period certain not extending beyond the joint life and last survivor expectancy of the Participant and his designated beneficiary. If distribution of the ~~Participant's~~Participant's benefit has commenced before the ~~Participant's~~Participant's death, the remaining interest shall be distributed at least as rapidly as under the method of distribution being used as of the date of the ~~Participant's~~Participant's death.

**Section 2.** ~~Section 2. Rollover of Distributions.~~ Notwithstanding any provision of the Plan to the contrary that would otherwise limit a ~~Distributee's~~Distributee's election under this Section, a Distributee may elect, at the time and in the manner prescribed by the Administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover. The following definitions shall apply to this Section:

~~(a)~~ An "Eligible Rollover Distribution" is any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: (i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the ~~Distributee's~~Distributee's designated beneficiary, or for a specified period of ten (10) years or more; (ii) any distribution to the extent such distribution is required under Code Section 401(a)(9); (iii) the portion of any distribution ~~made upon the hardship of the Distributee that is not includible in gross income~~; or (iv) any other distributions which the Internal Revenue Service does not consider eligible for rollover treatment, such as certain corrective distributions necessary to comply with the provisions of Code Section 402(g) or 415. ~~If all or any portion of a distribution during 2020 is treated as an eligible rollover distribution under the Code but would not be so treated if the minimum distribution requirements under section 401(a)(9) had applied during 2020, such distribution shall not be treated as an~~ An Eligible Rollover Distribution ~~for purposes of this Plan~~ also includes a distribution to a surviving Spouse.

~~(b)~~ An "Eligible Retirement Plan" ~~is any one of the following that accepts a distributee's eligible rollover distribution: (i)~~ is an individual retirement account described in Code Section 408(a); ~~(ii)~~ an individual retirement annuity described in Code Section 408(b); ~~(iii) other than an endowment contract~~; an annuity plan described in Code Section 403(a); ~~or an annuity contract described in Code Section 403~~ (iv) b; a qualified trust described in Code Section 401. ~~Effective~~

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~~for distributions made after December 31, 2001, an Eligible Retirement Plan will also include (a), an eligible deferred compensation plan described in~~ Code Section 457(b) which is maintained by a state or political subdivision of a state, or any agency or instrumentality of a state or political subdivision, and which agrees to separately account for amounts transferred into such plan from this Plan; or, effective January 1, 2008, to the extent permitted and in accordance with the rules applicable under Code Section 408A, a Roth individual retirement account described in Section 408A of the Code; that accepts the Distributee's Eligible Rollover Distribution; provided, however, in the case of an Eligible Rollover Distribution to a Distributee who is a non-spouse Beneficiary of a deceased Participant, an Eligible Retirement Plan shall be limited to an individual retirement account or annuity described in Code Section 408(a) or (b), as contemplated under Code Section 402(c)(11).

~~maintained by an eligible employer described in Code Section 457(e)(1)(A) or an annuity plan described in Code Section 403(b); provided, however, in the case of an Eligible Rollover Distribution to a surviving spouse prior to January 1, 2002, an eligible retirement plan is only an individual retirement account or individual retirement annuity under Code Section 408. The portion of an Eligible Rollover Distribution that is not includible in gross income may be transferred only to an individual retirement account or individual retirement annuity described in Code Sections 408(a) or 408(b), or to a qualified defined contribution plan described in Code Sections 401(a) or 403(a) that agree to separately account for an amount so transferred, including separately accounting for the portion of such distribution which is includable in gross income and the portion which is not so includable.~~

~~(e) A "Distributee" includes an employee or former employee. In addition, the employee's~~ A Distributee also includes the employee's or former employee's surviving spouse is a Distributee with regard to the interest of the spouse. A Distributee also includes a non-spouse beneficiary who is a designated beneficiary as defined by Code Section 401(a)(9)(E). However, a non-spouse beneficiary may only make a direct rollover of the distribution to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution, and the account or annuity will be treated as an "inherited" individual retirement account or annuity.

~~(d) A "Direct Rollover" is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.~~

~~(e) Notwithstanding subsection (a), if an Eligible Rollover Distribution is expected to total less than Two Hundred Dollars (\$200) during a year, such payment may not be directly rolled over.~~

## ~~ARTICLE IX~~ **ARTICLE IX:** **LIMITATIONS ON BENEFITS**

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**Section 1. ~~Section 1. General 415 Limits.~~** The Plan shall be administered so as to comply with the limitations of Code Section 415. ~~The increase in the Code Section 415(b) limit due to Economic Growth Tax Relief and Reconciliation Act of 2001 (EGTRRA) shall apply to all employees participating in the plan who have one hour of service on or after the first day of the first limitation year ending after December 31, 2001, as applicable to governmental plans.~~

**Section 2. ~~Section 2. Limitation on Annual Benefit.~~**

(a) ~~A Participant's~~In no event shall the aggregate annual benefit for a calendar year (the "limitation year") ~~shall not exceed a dollar amount established in~~ provided under this Plan and all other defined benefit plans (without regard to whether the plan has terminated) of the Employer for any Participant exceed an amount equal to One Hundred Sixty Thousand Dollars (\$160,000) as adjusted pursuant to Code Section 415(b)(1)(A), which is adjusted for inflation based on Section 215(i)(2)(A) of the Social Security Act. If a Participant's total annual benefits are not in excess of \$10,000, this Section will not apply. Furthermore, if the Participant retires before age 62, the limit shall be actuarially reduced in accordance with paragraph (b) below. (\$280,000 for 2025).

~~(b) Effective January 1, 2002 the \$90,000 limit under this section shall be increased to \$160,000 as adjusted pursuant to Code Section 415(d)(1)(A), and the provision limiting the reduction under this paragraph (b) to \$75,000 if the benefit begins at or after age 55, or, if the benefit begins before age 55, the equivalent of the \$75,000 for age 55, shall not apply. Before January 1, 2002 the following applies: To the extent required by Code Section 415(b), in no event shall the aggregate annual benefit provided under all defined benefit plans of the Employer for any Participant exceed an amount equal to \$90,000 as adjusted pursuant to Code Section 415(d)(1)(A). If the retirement income benefit under the Plan begins before age 62, the determination as to whether the \$90,000 limitation has been satisfied shall be made by reducing the \$90,000 limitation so that such limitation (as so reduced) equals an annual benefit (beginning when such retirement income benefit begins) which is equivalent to a \$90,000 annual benefit beginning at age 62. The age reduced dollar limit shall be the lesser of the equivalent amount computed using actuarial equivalence as defined Article X, Section 6, of the Plan, and the amount computed using 5 percent interest and the applicable mortality table (to the extent that the mortality decrement is used prior to age 62). The reduction under this paragraph (b) shall not reduce the \$90,000 limitation below (i) \$75,000 if the benefit begins at or after age 55, or (ii) if the benefit begins before age 55, the equivalent of the \$75,000 limitation for age 55. If the retirement income benefit under the Plan begins after age 65, the determination as to whether the \$90,000 limitation has been satisfied~~

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~~shall be made by increasing the \$90,000 limitation so that such limitation (as so increased) equals an annual benefit (beginning when such retirement income benefit begins) which is equivalent to a \$90,000 annual benefit beginning at age 65. The age increased dollar limit shall be the lesser of the equivalent amount computed using the actuarial table in Article X, Section 5 of the Plan to determine the actuarial equivalence of late retirement benefits, and the amount computed using 5 percent interest and the applicable mortality table.~~

(b) Adjustments for Benefits Commencing Before Age 62.

(1) If the retirement income benefit under the Plan begins before age sixty-two (62) and the Plan does not have an immediately commencing straight life annuity payable at both age sixty-two (62) and the age of benefit commencement, the One Hundred Sixty Thousand Dollar (\$160,000) limitation for the Participant's retirement income benefit commencement date is the annual amount of a benefit payable in the form of a straight life annuity commencing at the Participant's retirement income benefit commencement date that is the actuarial equivalent of the One Hundred Sixty Thousand Dollar (\$160,000) limitation (adjusted under subsection (h) for years of participation less than ten (10), if required) with actuarial equivalence computed using a five percent (5%) interest rate assumption and the applicable mortality table for the retirement income benefit commencement date (expressing the Participant's age based on completed calendar months as of the retirement income benefit commencement date).

(2) If the retirement income benefit under the Plan begins before age sixty-two (62) and the Plan has an immediately commencing straight life annuity payable at both age sixty-two (62) and the age of benefit commencement, the One Hundred Sixty Thousand Dollar (\$160,000) limitation for the Participant's retirement income benefit commencement date is the lesser of the limitation determined under paragraph (1) and the One Hundred Sixty Thousand Dollar (\$160,000) limitation (adjusted under subsection (h) for years of participation less than ten (10), if required) multiplied by the ratio to the annual amount of the immediately commencing straight life annuity under the Plan at the Participant's retirement income benefit commencement date to the annual amount of the immediately commencing straight life annuity under the Plan at age sixty-two (62), both determined without applying the limitations of this Article.

(c) Adjustment for Benefits Commencing After Age 65.

(1) If the retirement income benefit under the Plan begins after age sixty-five (65) and the Plan does not have an immediately commencing straight life annuity payable at both age sixty-five (65) and the age of benefit commencement, the One Hundred Sixty Thousand Dollar (\$160,000) limitation at the Participant's retirement income benefit commencement date is the annual amount of a benefit payable in the form of a straight life annuity commencing at the Participant's retirement income benefit commencement date that is the actuarial equivalent of the One Hundred Sixty Thousand Dollar (\$160,000) limitation (adjusted under subsection (h) for years of participation less than ten (10), if required), with

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actuarial equivalence computed using a five percent (5%) interest rate assumption and the applicable mortality table for that retirement income benefit commencement date as specified in Article IX, Section 2(e)(1)(ii) of the Plan (expressing the Participant's age based on completed calendar months as of the retirement income benefit commencement date).

(2) If the retirement income benefit under the Plan begins after age sixty-five (65) and the Plan has an immediately commencing straight life annuity payable at both age sixty-five (65) and the age of benefit commencement, the One Hundred Sixty Thousand Dollar (\$160,000) limitation at the Participant's retirement income benefit commencement date is the lesser of the limitation determined under paragraph (1) and the One Hundred Sixty Thousand Dollar (\$160,000) limitation (adjusted under subsection (h) for years of participation less than ten (10), if required) multiplied by the ratio of the annual amount of the adjusted immediately commencing straight life annuity under the Plan at the Participant's retirement income benefit commencement date to the annual amount of the adjusted immediately commencing straight life annuity under the Plan at age sixty-five (65), both determined without applying the limitations of this Article. For this purpose, the adjusted immediately commencing straight life annuity under the Plan at the Participant's retirement income benefit commencement date is the annual amount of such annuity payable to the Participant, computed disregarding the Participant's accruals after age sixty-five (65) but including actuarial adjustments even if those actuarial adjustments are used to offset accruals; and the adjusted immediately commencing straight life annuity under the Plan at age sixty-five (65) is the annual amount of such annuity that would be payable under the Plan to a hypothetical Participant who is age sixty-five (65) and has the same accrued benefit as the Participant.

(d) Notwithstanding the other requirements of this section, in adjusting the dollar limitation for the Participant's retirement income benefit commencement date under subsection (b) or (c), as applicable, no adjustment shall be made to the One Hundred Sixty Thousand Dollar (\$160,000) limitation to reflect the portability of a Participant's death between the retirement income benefit commencement date and age sixty-two (62), or between age sixty-five (65) and the retirement income benefit commencement date, as applicable, if benefits are not forfeited upon the death of the Participant prior to the retirement income benefit commencement. To the extent benefits are forfeited upon death before the retirement income benefit commencement date, such an adjustment shall be made. Furthermore, notwithstanding the requirements of this section, the adjustments provided for in subsections (b) and (c) shall not apply (i) in the event the Participant's benefit is based on at least fifteen (15) years of service as a full-time employee of any police or fire department or on fifteen (15) years of military service, or (ii) in the case of pre-retirement disability benefits or pre-retirement death benefits.

(e) ~~(e) Adjustment for Form Not Subject to Code Section 417(e)(3). For distributions made in any form other than a straight life annuity or a qualified joint and 50% survivor annuity, to which Code Section 417(e)(3) does not apply, such benefit shall be adjusted to a straight life annuity, beginning at the same age, which is the actuarial equivalent of such benefit. Prior to the first day of the first limitation year beginning in 1995, in order to determine the actuarial equivalence of different forms of benefit payment, the interest rate assumptions shall not be less than the greater of 5 percent or the rate specified in the Plan for determining actuarial equivalence for the particular form of retirement benefit. For limitation years beginning on or after January 1, 1995~~

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~~(and for employers who have elected to treat these rules as being effective on an earlier date that is on or after December 31, 1994), the actuarially equivalent straight life annuity for purposes of applying the limitations under Code Section 415(b) to benefits is equal to the greater of the equivalent~~

(1) For limitation years beginning on or after July 1, 2007, the actuarially equivalent straight life annuity is equal to the greater of (or the reduced limitation applicable at the retirement income benefit commencement date which is the “lessor of” when adjusted in accordance with the following assumptions):

(i) the annual amount of the straight life annuity (if any) payable to the participant under the Plan commencing at the same retirement income benefit commencement date as the Participant’s form of benefit; or

(ii) the annual amount of the straight life annuity commencing at the same retirement income benefit commencement date that has the same actuarial present value as the Participant’s form of benefit, computed using a five percent (5%) interest rate assumption and the applicable mortality table described in Internal Revenue Service guidance (the mortality table specified in Revenue Ruling 2001-62 on or after January 1, 2003) and, for years after December 31, 2008, the applicable mortality tables described in Code Section 417(e)(3)(B) (Internal Revenue Service Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Code Section 417(e)(3)(B)).

(f) Adjustment for Form Subject to Code Section 417(e)(3). As required by final Treasury Regulations, for distributions made in any form to which Code Section 417(e)(3) applies, such benefit shall be adjusted to a straight life annuity, beginning at the same age, which is the actuarially equivalent straight life annuity benefit which is the greatest of (or the reduced limitation applicable at the retirement income benefit commencement date which is the “least of” when adjusted in accordance with the following assumptions):

(1) the annual ~~benefit~~ amount of the straight life annuity commencing at the retirement income benefit commencement date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in Article X of the Plan for actuarial ~~equivalence for the particular form of benefit payable, and the equivalent~~ experience;

(2) the annual amount of the straight life annuity commencing at the retirement income benefit commencement date that has the same actuarial present value as the particular form of benefit payable, computed using a five and five-tenths percent (5.5%) interest assumption (or the applicable statutory interest assumption) and the applicable mortality tables described in Code Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Code Section 417(e)(3)(B)); or

(3) the annual ~~benefit~~ amount of the straight life annuity commencing at the retirement income benefit commencement date that has the same actuarial present value as the particular form of benefit payable computed using ~~a 5 percent~~ the applicable interest rate ~~assumptions and~~ for the distribution under Internal Revenue Service guidance, the applicable

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mortality ~~table~~.tables described in Code Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service Guidance implementing Code Section 417(e)(3)(B)), divided by one and five-one-hundredths (1.05)

(g) ~~(d) Limitations~~Limitation on benefits under ~~Code Section 415(b)~~this Article shall not apply where the total annual benefits payable to a Participant under this Plan and all other qualified defined benefit plans (whether or not terminated) of the Employer do not exceed Ten Thousand Dollars (\$10,000) in the aggregate. This minimum limitation is not applicable for a Participant whose Employer maintains or has maintained a defined contribution plan in which such Participant participated.

(h) ~~(e)~~The Ten Thousand Dollars (\$10,000) minimum limitation, if provided, must be reduced where a Participant has less than ten (10) years of service with the Employer at the time the Participant begins to receive retirement benefits under the Plan, and the maximum dollar limitation must be reduced where a Participant has less than ten (10) years of participation when retirement benefits under the Plan commence. These adjustments are made by multiplying the applicable limitations by the appropriate fraction:

(i) ~~i. For~~for the Ten Thousand Dollars (\$10,000) minimum limitation – Yearsyears of service with the employer as of and including, the current limitation year ~~/~~ divided by ten (10); or

(ii) ~~ii. For~~for the maximum dollar limitation – Yearsyears of participation with the employer as of and including, the current limitation year ~~/~~ divided by ten (10).

### **Section 3. Interpretation of this Article.**

~~(a) Notwithstanding any other provision of this Article to the contrary, to the extent permitted under Code Section 415, the Tax Equity and Fiscal Responsibility Act of 1982, the Tax Reform Act of 1986, or the Technical and Miscellaneous Revenue Act of 1988, or any subsequently enacted federal law, the annual additions and annual benefit of a Participant shall be adjusted so as to produce the maximum annual benefit and maximum annual additions for such Participant under Code Section 415.~~

~~(b) For purposes of this Section and subject to Code Section 415(h), all defined benefit plans of an Employer, whether or not terminated, are to be treated as a single defined benefit plan, and all defined contribution plans of an Employer are to be treated as a single defined contribution plan.~~

~~(c) The accrued benefit of any Participant which exceeds the benefit limitations under Code Section 415 as amended by the Tax Reform Act of 1986 ("TRA '86") including the protected~~

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current accrued benefit, as described in Q & A 12 of Notice 87-21) is reduced, as of the first day of the first limitation year beginning after December 31, 1986, to the level permitted under TRA '86.

~~ARTICLE X~~  
**ARTICLE X:  
ACTUARIAL EQUIVALENT CONVERSION TABLES**

**Section 1.     ~~Section 1.~~ **Early Retirement Reduction Table****

Number of Years Before Normal Retirement*	Factor Reducing Normal Retirement Benefit
0	1.0000
1	.9333
2	.8667
3	.8000
4	.7333
5	.6667
6	.6333
7	.6000
8	.5667
9	.5333
10	.5000

\*Interpolate for whole months.

**Section 2.     ~~Section 2.~~ **Standard Joint & Survivor Factors.**** Factors for Joint & Survivor Annuities shall be computed on an actuarially equivalent basis at the Participant's retirement age using the UP-1984 Mortality Table without age setback with interest at 8%. These factors will vary by the difference between the Participant's age and the Beneficiary's age at Retirement.

**Section 3.     ~~Section 3.~~ **Period Certain and Life Factors.**** Factors for Certain & Life Annuities shall be computed on an actuarially equivalent basis at the Participant's retirement age using the UP-1984 Mortality Table without age setback with interest at 8%.

**Section 4.     ~~Section 4.~~ **Life Annuity Factors to be Used in Computing Actuarial Reserve Death Benefit.**** Factors for Actuarial Reserve Death Benefits shall be computed on an

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actuarially equivalent basis at the Participant's age at Death using the UP-1984 Mortality Table without age setback with interest at 8%.

**Section 5.**     **~~Section 5.~~Late Retirement Actuarial Equivalence Factors.**

<u>Current</u>	<u>Factor</u>
6	1.0000
6	1.1317
6	1.2850
6	1.4645
6	1.6755
7	1.9246
7	2.2204
7	2.6486
7	2.9967
7	3.5073
7	4.1274

Figure factor using years and months. Divide difference between next highest age factor and age factor lower, by 12, then multiply by number of months. Add this onto age for years factor to arrive at correct factor. (Round off to 4 decimals).

**Section 6.**     **~~Section 6.~~Other Annuity Forms.** Conversion factors for other annuity forms shall be computed by an enrolled Actuary on an actuarially equivalent basis at the Participant's retirement age using the UP-1984 Mortality Table without age setback with interest at 8%. If appropriate, such factors may vary by the difference between the Participant's age and the Beneficiary's age. The value of Retirement benefits received by a Participant for purposes of Article V, Section 6 shall be determined using the UP-1984 Mortality Table without age setback with interest at 8%.

**Section 7.**     **~~Section 7.~~Lump Sum Payments.** Effective January 1, 2001, a single sum distribution of benefits payable under Article V,

Section 5, or upon plan termination, or if required for compliance with Section 401(a)(9) of the Internal Revenue Code, shall be computed on the basis of the actual age of the Participant and/or Beneficiary at the time of distribution and under the following actuarial assumptions:

(a)     Interest: The applicable interest rate established by the Internal Revenue Service under Code Section 417(e)(3) and accompanying regulations, as in effect for the month of September preceding the calendar year during which the distribution is paid.

(b)     Mortality: The applicable mortality table established by the Internal Revenue Service pursuant to IRC Section 417(e)(3) and accompanying regulations.

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(c) Age at Which Payments Begin: The greater of the Normal Retirement Date or the age at the time of distribution of the Participant and/or Beneficiary.

**Section 8.** ~~**Section 8. Transition.**~~ These factors are effective 12/31/2004. Participants are entitled to the greater of their frozen accrued benefit as of 12/31/2004 using the previous actuarial equivalent factors, or their benefit at Termination or Retirement using these factors.

**Section 9.** ~~**Section 9. Retirement from Terminated Vested Actuarial Equivalence Factors**~~

Number of Years Before Normal Retirement*	Factor Reducing Normal Retirement Benefit
0	1.0000
1	.8944
2	.8022
3	.7213
4	.6502
5	.5875
6	.5319
7	.4826
8	.4387
9	.3995
10	.3644

\*Interpolate for whole months.

**Section 10.** ~~**Section 10. Calculation of Actuarial Equivalence for Dependent Children Beneficiaries.**~~ If the Beneficiary(ies) is a Dependent Child(ren), then the monthly benefits will be the same for all the Beneficiaries and will be allocated based on Annuity Factors calculated at an 8% interest rate without any consideration for Mortality. The last payment for each Beneficiary will be the first of the month coincident with or following their 22<sup>nd</sup> birthday. In the event of disabled children, the annuity amount will be computed using the same method described in Section 2 of this Article.

**ARTICLE XI**~~**ARTICLE XI:**~~  
**CONTRIBUTIONS**

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**Section 1.** ~~**Section 1. Employer Contributions:**~~ The Employer shall make the necessary Contributions to fund the Plan. The amount of these Contributions shall be based upon the actuarial assumptions adopted by the Board of Trustees, the benefits provided in the Plan, and the number of Participants and their respective ages, Earnings, and lengths of Creditable Service and such other factors as the Board of Trustees shall deem appropriate to assure proper funding of the Plan. Contributions by the Employer shall be applied as necessary to assure the payment of Accrued Benefits to Participants and Beneficiaries.

**Section 2.** ~~**Section 2. Employee Contributions:**~~ Starting with the first payroll subsequent to April 23, 2023, Employees participating in the Plan will have 3% of Earnings “picked up” and contributed to the Plan. This is an increase from 2.25% which was effective for payrolls subsequent to payrolls December 31, 2016. Contributions will not be “picked up” from compensation that is not included in Earnings as defined in Article I Section 16.

**Section 3.** ~~**Section 3. Refund and Repayment of Employee Contributions:**~~ A Participant who terminates employment prior to attaining to a Vested right in his Accrued Benefit shall receive a distribution of their Employee Contributions Plus Interest. If such individual again becomes a Participating Employee, such Participant may repay this distribution plus interest with the interest calculated at 1%. Interest, for this purpose, shall be determined using the methodology set forth in Article I, Section 21, but shall not include any interest for the period between the date of rehire and the date repayment is actually made. A Participant must elect to make a repayment within three months after the individual once again becomes a Participating Employee and must complete repayment by (i) the first anniversary of such date or (ii) such reasonable date as the Pension Committee may determine.

If a Participant makes the repayment described in this Section, the period of covered employment before the termination of employment shall be taken into account for determining the Participant’s Credited Service and Final Average Earnings.

~~**ARTICLE XII**~~**ARTICLE XII:**  
**PENSION COMMITTEE**

**Section 1.** ~~**Section 1. Creation and Composition.**~~ There shall be a Pension Committee for the Employer. The Pension Committee shall be

defined in Article I, Section ~~35~~34.

**Section 2.** ~~**Section 2. Responsibilities.**~~ The Pension Committee shall have the following responsibilities:

(a) ~~(a)~~ In its dealings with the Actuary and the Trust Administrator or its duly appointed representatives, the Pension Committee shall:

(1) Furnish all information with respect to enrollment of Eligible Employees.

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(2) Assure the collection and remittance to the Trust Administrator of all required Contributions.

~~Contributions.~~

(3) Furnish the Actuary and the Trust Administrator, in accordance with its rules and regulations, all reports and other records required to administer the Plan.

(4) Notify the Trust Administrator, in accordance with its rules and regulations, of all benefit elections made by Participants under the Plan and all matters regarding payment of benefits.

(5) Notify the actuary of the termination of Participating Employees.

(b) ~~(b)~~ In dealing with those persons participating or eligible to participate in the Plan, the Pension Committee shall:

(1) Be responsible for the enrollment of Eligible Employees.

(2) Handle distribution of all reports to Participants.

(3) Handle arbitration between the Employer and Participants in all matters regarding the Plan.

(4) Handle any notices of eligibility, benefits, available options, and any other notices required by this Plan.

**Section 3.** ~~Section 3. Secretary.~~ The Pension Committee shall designate, in writing, a secretary or other representative who shall have full authority to represent the Committee in all communications with the state and the Employer's Employees.

**Section 4.** ~~Section 4. Legal Assistance.~~ The City Attorney or other attorney appointed by the Governing Authority shall furnish legal advice to the Pension Committee with respect to the Plan and the Committee's assigned responsibilities hereunder.

**ARTICLE XIII**~~**ARTICLE XIII:**~~  
**BOARD OF TRUSTEES**

**Section 1.** ~~Section 1. Composition and Election.~~ The composition of the Board of Trustees is specified in Article 1, Section 6.

**Section 2.** ~~Section 2. Qualified Public Accountant.~~ The Administrator may engage on behalf of all Participants an independent qualified public accountant to conduct such an examination of any financial statements of the Plan, and of other books and records of the Plan, as the qualified public accountant may deem necessary to enable him to form an opinion as to whether the financial statements and schedules required to be included in the annual report of the Plan are presented fairly in conformity with generally accepted accounting principles as

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applicable to a governmental plan, applied on a basis consistent with that of the preceding Plan Year and who shall perform such other services for the Plan as the Administrator may require.

**Section 3.** ~~**Section 3. Fiduciary Insurance.**~~ The Board of Trustees may purchase fiduciary liability insurance for any of its fiduciaries,

or for itself, to cover liability or losses occurring by reason of the act or omission of a fiduciary.

**Section 4.** ~~**Section 4. Appointment of Investment Managers.**~~ The Board of Trustees may appoint and terminate investment manager(s) for the plan.

**Section 5.** ~~**Section 5. Investment Performance.**~~ The Board of Trustees is responsible to monitor investment performance, and hire/change

new managers as performance dictates.

**Section 6.** ~~**Section 6. Appointment of Trustee.**~~ The Board of Trustees may hire/change the Trust Administrator as cost or performance

dictates. This includes the execution of the trust agreement.

#### ~~ARTICLE XIV~~ **ARTICLE XIV:** **TRUST AGREEMENT**

The representative of the Employer who is authorized to enter into and execute on behalf of the Employer the Trust Agreement is the Board of Trustees. All contributions under the Plan shall be transferred to the Trust to be held, managed, invested, and distributed as part of the Trust Fund by the Board in accordance with the provisions of the Plan. All benefits under the Plan shall be distributed solely from the Trust Fund.

The Board shall distribute the corpus and income of the Trust Fund to the Participants and their Beneficiaries in accordance with applicable state and federal law and the Plan. At no time prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries shall any part of the corpus or income be used for, or diverted to, purposes other than the exclusive benefit of the Participants and their beneficiaries.

#### ~~ARTICLE XV~~ **ARTICLE XV:** **CLAIMS AND LITIGATION**

**Section 1.** ~~**Section 1. Disputes.**~~ In the event of disagreement between a Participant and the Employer with respect to any rights, claims, or responsibilities under the Plan which cannot be resolved by the Pension Committee as provided under Article XII, the Participant may make an appeal regarding such rights, claims, or responsibilities to the Governing Authority. In the event that any such rights, claims, or responsibilities result in a suit or other legal action by a

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Participant or Beneficiary, such action shall be defended in the same manner as other suits against the Employer.

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**ARTICLE XVI~~ARTICLE XVI:~~  
AMENDMENT, MERGER, AND TERMINATION**

**Section 1.** ~~**Section 1. Right to Amend or Terminate the Plan.**~~ The Employer reserves the right to amend the Plan at any time, retroactively or otherwise, by action of the Board. The Employer expects and intends to continue the Plan indefinitely, but reserves the right to terminate the Plan at any time by action of the Board. However, no amendment or terminate of the Plan shall:

(a) ~~(a)~~ Authorize any part of the Fund to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries;

**Section 2.** ~~**Section 2. Merger, Consolidation or Transfer.**~~

(a) Subject to Subparagraph (b) below, the Employer, by action of the Board, may direct that the Plan be merged or consolidated with, or transfer all or a portion of its assets and liabilities to, another plan or receive assets and liabilities from another plan.

(b) The merger or consolidation with, or transfer of assets and liabilities to, any other qualified plan shall be permitted only if the benefit each Participant would receive if the Plan were terminated immediately after such merger or consolidation or transfer of assets and liabilities would be at least as great as the benefit he would have received had the Plan been terminated immediately before any such transaction.

**Section 3.** ~~**Section 3. Termination or Partial Termination.**~~ In the event of a complete or partial termination of the Plan, the Fund shall be allocated in accordance with Section 4044 of ERISA and the Retirement Income of each affected Employee shall become fully vested and nonforfeitable to the extent funded. In the event of a complete termination of the Plan, Retirement Income shall be distributed as soon as practicable after termination through the purchase of a non-transferable annuity contract or contracts from a life insurance company and lump sum distributions in accordance with the terms of the Plan. After all liabilities for Plan benefits have been satisfied, the Employer shall be entitled to any balance of the Fund which shall remain. In the event of a complete termination or a complete discontinuance of contributions under the Plan, each affected Participant shall become 100% vested in his accrued benefit.

**ARTICLE XVII~~ARTICLE XVII:~~  
NON-ALIENATION OF BENEFITS**

None of the benefits, payments, proceeds or distributions payable under the Plan shall be subject to the claim of any creditor of any Participant or to the claim of any creditor of any Beneficiary hereunder, or to any legal process of levy or attachment by any creditor of any such Participant or Beneficiary; and no such benefits shall be in any manner liable for or subject to the debts, liabilities, engagements, or torts of any Participant or Beneficiary; and neither any such

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Participant or Beneficiary shall have any right to alienate, commute, anticipate, transfer, encumber, pledge, or assign any of the benefits, payments, proceeds, or distributions under the Plan.

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**ARTICLE XVIII**~~**ARTICLE XVIII:**~~  
**MISCELLANEOUS**

**Section 1.**     ~~**Section 1.**~~ **Construction.**

(a) Words used in this Plan in the masculine gender shall be construed to include the feminine gender where appropriate, and words used in this Plan in the singular or plural shall be construed as being in the plural or singular where appropriate.

(b) The Plan shall be construed, enforced, and administered and the validity thereof determined in accordance with the Code, and, when not inconsistent with the Code, the laws of the State of Georgia. including the conformity to Federal law provisions in Article 6 of Title 47 of the Official Code of Georgia, O.C.G.A. § 47-1-80 et seq. (where are hereby incorporated by reference), and the Public Retirement System Standards Laws, O.C.G.A. § 47-20-1 et seq.

(c) In resolving any conflict between provisions of the Plan and in resolving any other uncertainty as to the meaning or intention of any provision of the Plan, the interpretation that (i) causes the Plan to constitute a qualified governmental retirement plan under the provisions of Code Sections 401 and 414(d) and the Trust as exempt from tax under Code Sections 501 and 115, and (ii) causes the Plan to comply with all applicable requirements of the Code and federal law shall prevail over any different interpretation.

(d) In resolving any conflict between the Plan and any policy or contract issued under the Plan, the provisions of the Plan shall prevail.

(e) The headings and subheadings in the Plan are inserted for convenience of reference only and are not to be considered in the construction of any provision of the Plan.

(f) Neither the establishment nor maintenance of the Plan nor any amendment thereof, nor any act or omission under the Plan or resulting from the operation of the Plan shall be construed:

(1) as conferring upon any Participant, beneficiary, or any other person a right or claim against the Trust Fund, the Trustees, the Employer, or the Administrator, except to the extent that such right or claim shall be specifically expressed and provided in the Plan;

(2) as a contract or Agreement between the Employer and any Participant or other person;

(3) as being consideration for, or an inducement or condition of, employment of any Participant or other person, or as affecting or restricting in any manner or to any extent whatsoever the rights or obligations of the Employer or any Participant or other person to continue or terminate the employment relationship at any time; or

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(4) ~~(4)~~ as giving any Participant the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or other person at any time.

**Section 2.**     ~~**Section 2.**~~ **Non-Diversion.**

(a)     The assets of the Plan shall never inure to the benefit of an Employer and shall be held for the exclusive purposes of providing benefits to Participants in the Plan and their beneficiaries and defraying reasonable expenses of administering the Plan, except in the case of a contribution which is made by an Employer under a mistake of fact as determined solely by the Administrator. Such contribution shall be returned to the Employer, upon demand, and shall be reduced for any loss incurred but unadjusted for any gains earned during the time the mistaken contribution was part of the Trust Fund.

(b)     Trust assets shall be managed in compliance with Code Section 503(b).

**Section 3.**     ~~**Section 3.**~~ **Legally Incompetent.**     Any Participant or Beneficiary receiving or claiming benefits under the Plan shall be conclusively presumed to be mentally competent and of age until the Plan Representative receives a written notice, in a form and manner acceptable to it, that such person is incompetent or a minor, and that a guardian or other person legally vested with the care of his estate has been appointed. In the event a guardian of the estate of any person receiving or claiming benefits under the Plan shall be appointed by a court of competent jurisdiction, payments shall be made to such guardian provided that proper proof of appointment is furnished in a form and manner suitable to the Plan Representative. Any payment so made shall be a complete discharge of liability therefore under the Plan.

**Section 4.**     ~~**Section 4.**~~ **Benefits Supported Only by Trust Fund.**     Any person having any claim under the Plan shall look solely to the assets of the Trust Fund for satisfaction. In no event shall the Employer, or any of its employees or agents, be liable in their individual capacities to any person whomsoever, under the provisions of the Plan.

**Section 5.**     ~~**Section 5.**~~ **Non-Discrimination.**     The Employer, through the Pension Committee, shall administer the Plan in a uniform and

consistent manner with respect to all Participants.

**Section 6.**     ~~**Section 6.**~~ **Limitation of Liability; Legal Actions.**

(a)     It is expressly understood and agreed by each Employee who becomes a Participant hereunder that, except for willful neglect or fraud, neither the Employer, the Plan Representative, nor the Board of Trustees shall be in any way subject to any suit or litigation, or to any legal liability, for any cause or reason or thing whatsoever, in connection with the Plan or its operation, and each such Participant hereby releases the Employer, all its employees and agents, the Plan Representative, and the Board of Trustees from any and all liability or obligation.

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(b) The Employer and the Plan Representative shall be the only necessary parties to any action or proceeding involving any rights under the Plan or the proper administration thereof, and no Participant, Beneficiary, or other persons having or claiming to have an interest in the Plan shall be entitled to any notice of process. Any final judgment which is not appealed or appealable that may be entered in any such action or proceeding shall be binding and conclusive on the parties hereto and all persons having or claiming to have an interest in the Plan.

Each fiduciary under the Plan shall be responsible only for the specific duties assigned under the Plan and shall not be directly or indirectly responsible for the duties assigned to another fiduciary. Any person or a group of persons may serve in more than one (1) fiduciary capacity with respect to the Plan.

**Section 7.** ~~Section 7. Claims.~~ Any payment to a Participant or Beneficiary, or to their legal representatives, in accordance with the provisions of the Plan, shall to the extent thereof be in full satisfaction of all claims hereunder against the Plan Representative or the Employer, either of which may require such Participant, Beneficiary, or legal representative, as a condition precedent to such payment, to execute a receipt and release therefore in such form as shall be determined by the Plan Representative or the Employer.

**Section 8.** ~~Section 8. Errors in Benefits.~~ The Administrator may correct errors and, so far as practicable, may adjust any benefit or credit or payment accordingly or take any other remedial action required or permitted to comply with any remedial or correction program promulgated by the Internal Revenue Service, including without limitation the Employee Plans Compliance Resolution System (EPCRS) or any successor guidance, or otherwise provided pursuant to applicable law. If the benefit paid to a Participant or Beneficiary under the Plan is determined by the Administrator to be in excess of the amount of the benefit to which the Participant or Beneficiary may receive under the Code and/or the terms of the Plan (the "Overpayment"), the Administrator may take reasonable actions as it may consider necessary in order to recoup the Overpayment from the Participant or Beneficiary to whom the Overpayment was erroneously paid, including (i) requiring the Overpayment to be repaid to the Plan, (ii) reducing future benefits that are (or may be) payable to the Participant or Beneficiary under the Plan, (iii) using any combination of the methods described in (i) or (ii) above, and/or (iv) taking any other steps that the Administrator considers necessary and appropriate to recoup the Overpayment to the extent permitted by applicable law applicable law, including The SECURE 2.0 Act of 2022 (as applicable to governmental plans), and IRS guidance.

~~Any overpayments or underpayments from the Trust Fund to a Retired Participant or to a Beneficiary caused by administrative errors shall be corrected with interest compounded annually from the date of the miscalculated payment. The rate applied shall be the actuarial assumption rate utilized by the plan actuary for estimating future plan investment earnings as of the date of the correction. Overpayments shall be charged against Retirement payments next succeeding the correction. Underpayments shall be made up from the Employer's Trust Fund.~~

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~~No single deduction may exceed 50 percent of the amount of payment from which the deduction is made or the Retiree or Beneficiary shall be liable to repay a sum equal to the amount so received by him as determined by the Board.~~

**Section 9.** ~~Section 9.~~ **Notice.** Any notice given under the Plan shall be sufficient if given to: (1) the Board if addressed to the Administrator at its office; (2) the Employer if addressed to the address of the Governing Authority; or (3) a Participant or Beneficiary, when addressed to the Participant at his or her address as it appears in the records of the Administrator or the Employer.

**Section 10.** ~~Section 10.~~ **Right of Recovery.** If the Administrator makes any payment that according to the terms of the Plan and the benefits provided hereunder should not have been made, the Administrator may recover that incorrect payment, whether or not it was made due to the error of the Administrator, from the person to whom it was made, or from any other appropriate party. If any such incorrect payment is made directly to a Participant, the provisions of Section 8 apply.

**Section 11.** ~~Section 11.~~ **Evidence of Action.** Any action by any Employer pursuant to any of the provisions of the Plan shall be evidenced by ordinance or resolution of its governing body, and the Administrator and the Board shall be fully protected in acting in accordance with such resolution or ordinance so certified to it. All orders, requests, and instructions to the Administrator by an Employer or by any duly authorized representative, shall be in writing and the Administrator shall act and shall be fully protected in acting in accordance with such orders, requests, and instructions.

**Section 12.** ~~Section 12.~~ **Reliance.** The Administrator or Board shall not incur any liability in acting upon any notice, request, signed letter, telegram, or other paper or document believed by the Administrator or Board to be genuine or to be executed or sent by an authorized person.

**Section 13.** ~~Section 13.~~ **Entire Plan.** The Plan document and the documents incorporated by reference herein shall constitute the only legally governing documents for the Plan. No statement by the Trustees, the Employer, or Administrator shall be used in any claim unless in writing, signed by the party against whom the claim is being made. Except as otherwise specifically required by law, the rights and obligations under the Plan with respect to persons whose employment with the Employer terminated or who vacated office with the Employer for any reason whatsoever prior to January 1, 2025, shall be governed by such Plan, if any, as it existed and was in effect at the time of such termination.

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IN WITNESS WHEREOF, the Board of Trustees of the Plan has caused ~~its Seal and~~this  
Plan to be adopted and executed this \_\_\_\_\_ day of December, 2024.

\_\_\_\_\_  
City Manager, Trustee

\_\_\_\_\_  
Financial and Administrative Services Director,  
Trustee

\_\_\_\_\_  
Human Resources Director, Trustee

~~the Signatures of its duly authorized officers to be affixed this~~  
~~\_\_\_\_\_ day of~~  
~~\_\_\_\_\_, 2022.~~

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**Attest:**

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City Clerk

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City Manager, Trustee

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~~Financial Services Director,~~  
Trustee

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~~HR & Risk Management~~  
Director, Trustee

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## Appendix A

### Grandfathered Part-Time Employees

Constance Berger — not eligible/not vested

Karen Cavanaugh — became full-time employee

Susan Garcia — became full-time employee

Stephanie A. Hodge — vested

Joyce Horace — deceased — spouse drawing benefit

Michael Johnson — not eligible/not vested

Nancy M. Jurchenko — drawing pension benefit

Carol M. Lavin — continues to work part-time in Library

Cinnamon M. Mack — became full-time employee

Sidney J. McKinney — drawing pension benefit

Nancy J. Moll — became full-time employee

Linda Morton — became full-time employee

Jared A. Reichard — received lump sum payout

Elaine Sheridan — not eligible/not vested

Nick T. Vlachos

## Appendix B

### Special Retirement Benefits Agreements

As allowed in ARTICLE IV Section 5, special retirement benefits can be approved by the Board and City Council for specific employees or a specific group of employees.

A. Effective October 1, 2016, the following special retirement benefits, terms, and conditions were granted to Jonathan N. Rorie, City Manager of the City of Peachtree City:

1. In the event that employee remains with the employer and has ten (10) years of service and is the age of fifty-five (55), employee may retire and receive seventy-five percent (75%) of the monthly benefit that employee would receive as provided in Article IV Section 1 of the Plan in effect on the employee's retirement date.

2. In the event that employee is voluntarily or involuntarily terminated prior to his reaching ten (10) years of service and age fifty-five (55), the employee at his sole discretion may choose to elect a lump sum payment in lieu of his benefit under the plan, of an amount equal to eight percent (8%) of employee's base salary for his cumulative period of employment.

B. Effective May 16, 2023, the following special retirement benefits, terms, and conditions were granted to Robert Hawkins, disabled Firefighter of the City of Peachtree City:

1. For this employee, "Final Average Earnings" shall mean the highest three of the last fifteen calendar years of Earnings.

C. Effective August 15, 2024, the following special retirement benefits, terms, and conditions were granted to Justin Strickland, City Manager of the City of Peachtree City:

1. This employee is immediately 100% Vested under the Plan.

D. Effective December 31, 2024, the following special retirement benefits, terms, and conditions were granted to Paul Salvatore, Financial & Administrative Services Director of the City of Peachtree City:

1. This employee is credited with an additional year of Credited Service under the Plan and an additional year of age for purposes of applying the Late Retirement actuarial equivalence factor under the Plan.

2. For this employee, "Final Average Earnings" under the Plan shall be \$192,424.26.

3. For this employee, the City will contribute the employee's accrued sick and vacation leave to the Plan to be paid to the employee upon retirement.

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<b>Summary report:</b>	
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<del>Table moves from</del>	0
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Embedded Excel	0
Format changes	0
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