

Peachtree City Water & Sewerage Authority
Regular Meeting
Amended Agenda
Monday, October 1, 2018
6:30 p.m.

I. Pledge of Allegiance

II. Public Comment

III. Minutes

[September 4, 2018 - Regular Meeting Minutes](#)
[September 17, 2018 – Special Called Meeting Minutes](#)

IV. Reports

- A. Authority Members
- B. General Manager

V. [Resolution for WASA 457 Deferred Compensation Plan](#)

VI. [Resolution for WASA Profit Sharing Plan](#)

VII. [Resolution for Money Purchase Plan](#)

VIII. [Budget Presentation](#)

IX. Executive Session – Personnel, Real Estate, Potential Litigation

X. Adjourn

** Location of meeting is Peachtree City Water & Sewerage Authority at 1127 Hwy. 74, South **

NOTE: This agenda is subject to change up to twenty-four hours prior to the scheduled meeting.

A quorum of City Council will be in attendance.

Peachtree City Water and Sewerage Authority

September 4, 2018

The Peachtree City Water and Sewerage Authority held its monthly meeting on Tuesday, September 4, 2018, in the conference room of the John W. Gronner Administrative Center. The following individuals were present: Chairman Vanessa Fleisch, Vice-Chairman Mike King, Treasurer/Secretary Terry Ernst, Board Member Phil Prebor, Board Member Kevin Madden, Ms. Melissa Griffis (attorney with Rosenweig, Jones, Horne & Griffis), Dan Davis (ISE), Kim Keefer (ISE), Bo Davis (ISE), Leslie Baer (ISE), Susan Lee (WASA staff), Nathan Brooks (WASA staff), Johnny Collins (WASA staff), John Thompson (The Citizen newspaper), John Dufresne, Linda Flowers, and Corinne Kehayes.

Chairman Fleisch called the meeting to order at 1:00 pm, and began with the Pledge of Allegiance.

Chairman Fleisch opened public comment by thanking all in attendance and accommodating the meeting time change to allow for the festivities scheduled later in the day for the Peachtree City Little League team. Corrine Kehayes requested that an explanation be placed in the meeting minutes of the individuals and roles of the hired sub-consultants. No further public comment.

Chairman Fleisch asked for a motion to approve the meeting minutes from the August 6, 2018 regular meeting and the August 10, 2018 Special Called Meeting. Vice-Chairman King made the motion, seconded by Member Prebor. Motion carried.

Ms. Griffis outlined the meeting dates for the meetings to be held for the remainder of 2018 and 2019. Chairman Fleisch asked for a motion to approve the meeting dates. The motion was made by Vice-Chairman King and seconded by Treasurer/Secretary Terry Ernst. Motion carried.

There were no announcements, awards or special recognitions.

The next agenda item was Resolution #2018-001- A Resolution of the Water and Sewerage Authority of the City of Peachtree City Regarding Potential Liability to Board Members, Employees and Contract Employees. Chairman Fleisch asked for a motion to approve the resolution. The motion was made by Member Madden and seconded by Vice-Chairman King. Motion carried.

The next agenda item was approval of Change Order No. 1 to the Paschall Road Sanitary Sewer Replacement and Railroad Crossing Contract. Ms. Keefer stated that this is the only change order required for this contract, and is a reduction of \$92,946.00 to the original \$218,033.24 contract amount, resulting in a final contract amount of \$125,087.24. Chairman Fleisch asked for a motion to approve the change order. The motion was made by Treasurer/Secretary Ernst and seconded by Member Madden. Motion carried.

There were no Authority member reports.

The next agenda item was a Memorandum outlining the results of the 2017 Rate Study completed by Stantec on behalf of the Authority and presented by Kim Keefer (ISE). Member Prebor identified a clerical error to be revised regarding dates in the memorandum. Vice-Chairman King stated that the solar project was approved when the rate increases identified in the memorandum were being considered. Member

Prebor asked if Stantec was reputable. Ms. Keefer stated that they were. Mr. Dan Davis stated that the rate study included \$64 million in a capital improvements program when the recently completed wastewater prioritization plan only identified \$24 million. Member Prebor stated that based on the study's assumptions, the Authority's rates would be second only to City of Atlanta at the end of ten years. Member Madden asked Ms. Lee if she could identify the discrepancy between the two capital improvement numbers. She stated that they had found the back-up data that morning and had not had a chance to review. The Board requested that the discrepancy between the two programs be identified. No action needed.

The next item was a presentation of the budget summary by Mr. Bo Davis. The approved Fiscal Year 2018 budget, the initial proposed Fiscal Year 2019 budget and the Revised proposed Fiscal Year 2019 budget summaries were provided. There was a discussion of the Fiscal Year 2018 budget and the Board requested a summary of the Authority's historical surpluses and spending. Ms. Lee clarified that what was approved in the Fiscal Year 2018 budget was not necessarily spent. The Board requested to know what had been spent to date. Mr. Bo Davis stated that the presentation of the budgets was to bring the Board up to speed in preparation of the Fiscal Year 2019 budget. No action needed.

Chairman Fleisch asked for a motion to approve the Budget Workshop Special Called meeting of Monday, September 17, 2018. The motion was made by Vice-Chairman King and seconded by Member Prebor. Motion carried.

Chairman Fleisch asked for a motion to adjourn in Executive Session for the purposes of Real Estate, Potential Litigation and Personnel. The motion was made by Member Madden and seconded by Vice-Chairman King. Motion carried. The meeting was adjourned into Executive Session at 1:35 pm.

Chairman Fleisch asked for a motion to reconvene to Regular Session. The motion was made by Vice-Chairman King and seconded by Member Prebor. Motion carried. The meeting was reconvened at 2:50 pm.

Vice-Chairman King made a motion to approve the two personnel issues from the Executive Session. It was seconded by Member Prebor. Motion carried.

Chairman Fleisch asked for a motion to adjourn. The motion was made by Vice-Chairman King and seconded by Member Prebor. Motion carried. The meeting was adjourned.

Chairman - Vanessa Fleisch

Treasurer/Secretary - Terry Ernst

Peachtree City Water and Sewerage Authority

September 17, 2018

The Peachtree City Water and Sewerage Authority held a Special Called Meeting on Monday, September 17, 2018, in the conference room of the John W. Gronner Administrative Center. The following individuals were present: Chairman Vanessa Fleisch, Vice-Chairman Mike King, Treasurer/Secretary Terry Ernst, Board Member Phil Prebor, Ms. Melissa Griffis (attorney with Rosenweig, Jones, Horne & Griffis), Dan Davis (ISE), Kim Keefer (ISE), Bo Davis (ISE), Leslie Baer (ISE), Nathan Brooks (WASA staff), John Dufresne, Corinne Kehayes, Linda Flowers, and Pam Kemp. Board Member Kevin Madden was absent.

Ms. Fleisch called the meeting to order at 6:30 pm, and began with the Pledge of Allegiance.

Ms. Fleisch asked for a motion to amend the agenda to add "Public Comment" as line item "B" following item "A". Mr. Prebor made the motion, seconded by Mr. King. Motion carried.

Ms. Kim Keefer presented a summary of the proposed Fiscal Year 2019 budget (see attached PowerPoint). Mr. King asked about the availability of a truck to pull the backhoe trailer and Ms. Keefer confirmed that the Authority currently owns a truck able to pull the trailer. Ms. Fleisch asked regarding confirmation of which projects would not be implemented in FY 2019; Ms. Keefer noted that some are completed from the FY 2018 budget and some will not move forward in FY 2019. No action needed.

Mr. Prebor asked Ms. Keefer if there is anything she is apprehensive about with regard to the proposed budget. Ms. Keefer stated that there is not because the staff is doing a really good job operating the system; the Prioritization Plan did not identify any project that might lead to a consent order if not implemented; and ISE would like to make operation more efficient for the staff, but need to know where the Authority is financially before recommending any additional projects. Mr. Prebor asked what happens if the Debt Service Coverage goes below 1.5. Ms. Keefer stated that if the Debt Service Coverage goes below 1.5, the amount required in the Sinking Fund (reserves) increases. Ms. Keefer stated that the Debt Service Coverage shown for FY 2018 (1.43) is based on the approved budget; the Authority has not actually spent the amount budgeted, so the Debt Service Coverage is not below 1.5.

Chairman Fleisch asked about the mechanics of how the Debt Service Coverage gets reported. Ms. Kim Keefer stated that they look at the audited statements for a 3-year look back (average). The actual Debt Service Coverage for FY 2018 will be calculated during the next audit, next year. Mr. Dan Davis stated the Debt Service Coverage was 1.54 last year.

Ms. Fleisch asked what is the next project planned, since the headworks project is on hold for now. Ms. Keefer explained the headworks project is expensive and if included in this budget it would cause a deficit and Debt Service Coverage below 1.5. Ms. Keefer explained how the headworks operate; and that it is operating now but sewage is bypassing to the mechanical screen requiring cleaning out the system more than it should. Ms. Fleisch asked about the schedule for the I&I project for Willowbend. Ms. Keefer stated the I&I project for Willowbend is one of the higher ranked projects in the Prioritization Plan; it will fall within the annual services contract in the FY 2019 budget and realistically happen in December/January due to bidding requirements.

Mr. Prebor asked that the proposed Fiscal Year 2019 budget be sent to the Board members. Ms. Griffis stated that the proposed Fiscal Year 2019 budget will be on the Agenda for the Monday, October 1 meeting and copies of the proposed budget would be available at the WASA front desk as well.

Ms. Fleisch opened the meeting up for public comment.

Ms. Linda Flowers asked why the Authority would create a budget that goes below a Debt Service Coverage of 1.5. Mr. Ernst stated that was done by the previous board. Mr. Prebor stated they would be speculating to answer.

Ms. Pam Kemp asked if the proposed budget includes a rate increase for customers. Ms. Keefer stated no, there are no user fee increases. Ms. Kemp asked if the City staff has built in cost-of-living and longevity increases. Ms. Griffis requested that question be asked at a City Council meeting as it was not appropriate for this meeting because the Board members do not have any documents to reference.

Chairman Fleisch asked for a motion to adjourn. The motion was made by Mr. King and seconded by Mr. Ernst. Motion carried. The meeting was adjourned at 7:01 pm.

Chairman - Vanessa Fleisch

Treasurer/Secretary - Terry Ernst

ADOPTING RESOLUTION

The undersigned authorized representative of Peachtree City Water & Sewer Authority (the Employer) hereby certifies that the following resolutions were duly adopted by the Employer on _____, and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended 457 Plan and Trust effective September 24, 2018, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The undersigned further certifies that attached hereto as Exhibits A and B, respectively, are true copies of Peachtree City Water & Sewer Authority 457 Deferred Compensation Plan as amended and restated and the Summary of 457 Provisions, which are hereby approved and adopted.

Date: _____

Signed: _____

[print name/title]

ADOPTION AGREEMENT FOR ELIGIBLE GOVERNMENTAL 457 PLAN

The undersigned Employer, by executing this Adoption Agreement, establishes an Eligible 457 Plan ("Plan"). The Employer, subject to the Employer's Adoption Agreement elections, adopts fully the Plan provisions. This Adoption Agreement, the basic plan document and any attached Appendices, amendments, or agreements permitted or referenced therein, constitute the Employer's entire plan document. *All "Election" references within this Adoption Agreement or the basic plan document are Adoption Agreement Elections. All "Article" or "Section" references are basic plan document references. Numbers in parentheses which follow election numbers are basic plan document references.* Where an Adoption Agreement election calls for the Employer to supply text, the Employer may lengthen any space or line, or create additional tiers. When Employer-supplied text uses terms substantially similar to existing printed options, all clarifications and caveats applicable to the printed options apply to the Employer-supplied text unless the context requires otherwise. The Employer makes the following elections granted under the corresponding provisions of the basic plan document.

1. **EMPLOYER (1.11).**

Name: Peachtree City Water & Sewer Authority

Address: 1127 HWY 74 South

Street

Peachtree City Georgia 30269

City

State

Zip

Telephone: (770) 487-793

Taxpayer Identification Number (TIN): 58-2307284

2. **PLAN NAME.**

Name: Peachtree City Water & Sewer Authority 457 Deferred Compensation Plan

3. **PLAN YEAR (1.25).** Plan Year means the 12 consecutive month period (except for a short Plan Year) ending every (Choose one of a. or b. and choose c. if applicable): [Note: Complete any applicable blanks under Election c. with a specific date, e.g., "June 30" OR "the last day of February" OR "the first Tuesday in January." In the case of a Short Plan Year or a Short Limitation Year, include the year, e.g., "May 1, 2013."]

a. ☒ **December 31.**

b. ☐ **Plan Year:** ending: _____.

c. ☐ **Short Plan Year:** commencing: _____ and ending: _____.

4. **EFFECTIVE DATE (1.08).** The Employer's adoption of the Plan is a (Choose one of a. or b. Complete c. if new plan OR complete c. and d. if an amendment and restatement. Choose e. if applicable):

a. ☐ **New Plan.**

b. ☒ **Restated Plan.** The Plan is a substitution and amendment of an existing 457 plan.

Initial Effective Date of Plan

c. ☒ May 18, 1998 (enter month day, year; hereinafter called the "Effective Date" unless 4d is entered below)

Restatement Effective Date (If this is an amendment and restatement, enter effective date of the restatement.)

d. ☒ September 24, 2018 (enter month day, year)

Special Effective Dates: (optional)

e. ☐ **Describe:** _____.

5. **CONTRIBUTION TYPES.** (If this is a frozen Plan (i.e., all contributions have ceased), choose a. only):

Frozen Plan

a. ☐ **Contributions cease.** All Contributions have ceased or will cease (Plan is frozen).

1. **Effective date of freeze:** _____ [Note: Effective date is optional unless this is the amendment or restatement to freeze the Plan.]

Contributions. The Employer and/or Participants, in accordance with the Plan terms, make the following Contribution Types to the Plan (Choose one or more of b. through d. if applicable):

- b. ☒ **Pre-Tax Elective Deferrals.** The dollar or percentage amount by which each Participant has elected to reduce his/her Compensation, as provided in the Participant's Salary Reduction Agreement (Choose one or more as applicable.):

And will Matching Contributions be made with respect to Elective Deferrals?

1. ☐ **Yes.** See Question 16.

2. ☒ **No.**

And will **Roth Elective Deferrals** be made?

3. ☐ **Yes.** [Note: The Employer may not limit Deferrals to Roth Deferrals only.]

4. ☒ **No.**

- c. ☐ **Nonelective Contributions.** See Question 17.

- d. ☒ **Rollover Contributions.** See Question 30.

6. **EXCLUDED EMPLOYEES (1.10).** The following Employees are Excluded Employees and are not eligible to participate in the Plan (Choose one of a. or b.):

- a. ☒ **No exclusions.** All Employees are eligible to participate.

- b. ☐ **Exclusions.** The following Employees are Excluded Employees (Choose one or more of 1. through 4.):

1. ☐ **Part-time Employees.** The Plan defines part-time Employees as Employees who normally work less than _____ hours per week.

2. ☐ **Hourly-paid Employees.**

3. ☐ **Leased Employees.** The Plan excludes Leased Employees.

4. ☐ **Specify:** _____.

7. **INDEPENDENT CONTRACTOR (1.16).** The Plan (Choose one of a., b. or c.):

- a. ☒ **Participate.** Permits Independent Contractors to participate in the Plan.

- b. ☐ **Not Participate.** Does not permit Independent Contractors to participate in the Plan.

- c. ☐ **Specified Independent Contractors.** Permits the following specified Independent Contractors to participate: _____.

[Note: If the Employer elects to permit any or all Independent Contractors to participate in the Plan, the term Employee as used in the Plan includes such participating Independent Contractors.]

8. **COMPENSATION (1.05).** Subject to the following elections, Compensation for purposes of allocation of Deferral Contributions means:

Base Definition (Choose one of a., b. or c.):

- a. ☒ Wages, tips and other compensation on Form W-2.

- b. ☐ Code §3401(a) wages (wages for withholding purposes).

- c. ☐ 415 safe harbor compensation.

[Note: The Plan provides that the base definition of Compensation includes amounts that are not included in income due to Code §§401(k), 125, 132(f)(4), 403(b), SEP, 414(h)(2), & 457. Compensation for an Independent Contractor means the amounts the Employer pays to the Independent Contractor for services, except as the Employer otherwise specifies below.]

Modifications to Compensation definition. The Employer elects to modify the Compensation definition as follows (Choose one of d. or e.):

- d. ☒ **No modifications.** The Plan makes no modifications to the definition.

- e. ☐ **Modifications** (Choose one or more of 1. through 5.):

1. ☐ **Fringe benefits.** The Plan excludes all reimbursements or other expense allowances, fringe benefits (cash and noncash), moving expenses, deferred compensation and welfare benefits.

2. ☐ **Elective Contributions. [1.05(E)]** The Plan excludes a Participant's Elective Contributions.

3. ☐ **Bonuses.** The Plan excludes bonuses.

4. ☐ **Overtime.** The Plan excludes overtime.

5. ☐ **Specify:** _____.

Compensation taken into account. For the Plan Year in which an Employee first becomes a Participant, the Plan Administrator will determine the allocation of matching and nonelective contributions by taking into account *(Choose one of f. or g.):*

f. ☒ **Plan Year.** The Employee's Compensation for the entire Plan Year.

g. ☐ **Compensation while a Participant.** The Employee's Compensation only for the portion of the Plan Year in which the Employee actually is a Participant.

9. **POST-SEVERANCE COMPENSATION (1.05(F)).** Compensation includes the following types of Post-Severance Compensation paid within any applicable time period as may be required *(Choose one of a. or b.):*

a. ☒ **None.** The Plan does not take into account Post-Severance Compensation as to any Contribution Type except as required under the basic plan document.

b. ☐ **Adjustments.** The following Compensation adjustments apply *(Choose one or more):*

1. ☐ **Regular Pay.** Post-Severance Compensation will include Regular Pay and it will apply to all Contribution Types.

2. ☐ **Leave-Cashouts.** Post-Severance Compensation will include Leave Cashouts and it will apply to all Contribution Types.

3. ☐ **Nonqualified Deferred Compensation.** Post-Severance Compensation will include Deferred Compensation and it will apply to all Contribution Types.

4. ☐ **Salary Continuation for Disabled Participants.** Post-Severance Compensation will include Salary Continuation for Disabled Participants and it will apply to all Contribution Types.

5. ☐ **Differential Wage Payments.** Post-Severance Compensation will include Differential Wage Payments (military continuation payments) and it will apply to all Contribution Types.

6. ☐ **Describe alternative Post-Severance Compensation definition, limit by Contribution Type, or limit by Participant group:** _____.

10. **NORMAL RETIREMENT AGE (1.20).** A Participant attains Normal Retirement Age under the Plan *(Choose one of a. or b.):*

a. ☐ **Plan designation.** [Plan Section 3.05(B)] When the Participant attains age _____. *[Note: The age may not exceed age 70 1/2. The age may not be less than age 65, or, if earlier, the age at which a Participant may retire and receive benefits under the Employer's pension plan, if any.]*

b. ☒ **Participant designation.** [Plan Section 3.05(B) and (B)(1)] When the Participant attains the age the Participant designates, which may not be earlier than age 65 and may not be later than age 70 1/2. *[Note: The age may not exceed age 70 1/2.]*

Special Provisions for Police or Fire Department Employees *(Choose c. and/or d. as applicable):*

c. ☐ **Police department employees.** [Plan Section 3.05(B)(3)] *(Choose 1. or 2.):*

1. ☐ **Plan designation.** [Plan Section 3.05(B)] When the Participant attains age _____. *[Note: The age may not exceed age 70 1/2 and may not be less than age 40.]*

2. ☐ **Participant designation.** [Plan Section 3.05(B) and (B)(1)] When the Participant attains the age the Participant designates, which may not be earlier than age _____ (no earlier than age 40) and may not be later than age _____. *[Note: The age may not exceed age 70 1/2.]*

d. ☐ **Fire department employees.** [Plan Section 3.05(B)(3)] *(Choose 1. or 2.):*

1. ☐ **Plan designation.** [Plan Section 3.05(B)] When the Participant attains age _____. *[Note: The age may not exceed age 70 1/2 and may not be less than age 40.]*

2. ☐ **Participant designation.** [Plan Section 3.05(B) and (B)(1)] When the Participant attains the age the Participant designates, which may not be earlier than age _____ (no earlier than age 40) and may not be later than age _____. *[Note: The age may not exceed age 70 1/2.]*

11. **ELIGIBILITY CONDITIONS (2.01).** *(Choose one of a. or b.):*

a. ☒ **No eligibility conditions.** The Employee is eligible to participate in the Plan as of his/her first day of employment with the employer.

b. ☐ **Eligibility conditions.** To become a Participant in the Plan, an Eligible Employee must satisfy the following eligibility conditions *(Choose one or more of 1., 2. or 3.):*

1. ☐ **Age.** Attainment of age _____.

2. ☐ **Service.** Service requirement (*Choose one of a. or b.*):

a. ☐ **Year of Service.** One year of Continuous Service.

b. ☐ **Months of Service.** _____ month(s) of Continuous Service.

3. ☐ **Specify:** _____.

12. **PLAN ENTRY DATE (1.24).** "Plan Entry Date" means the Effective Date and (*Choose one of a. through d.*):

a. ☐ **Monthly.** The first day of the month coinciding with or next following the Employee's satisfaction of the Plan's eligibility conditions.

b. ☐ **Annual.** The first day of the Plan Year coinciding with or next following the Employee's satisfaction of the Plan's eligibility conditions.

c. ☒ **Date of hire.** The Employee's employment commencement date with the Employer.

d. ☐ **Specify:** _____.

13. **SALARY REDUCTION CONTRIBUTIONS (1.30).** A Participant's Salary Reduction Contributions under Election 5b. are subject to the following limitation(s) in addition to those imposed by the Code (*Choose one of a. or b.*):

a. ☒ **No limitations.**

b. ☐ **Limitations.** (*Choose one or more of 1., 2. or 3.*):

1. ☐ **Maximum deferral amount.** A Participant's Salary Reductions may not exceed: _____ (*specify dollar amount or percentage of Compensation*).

2. ☐ **Minimum deferral amount.** A Participant's Salary Reductions may not be less than: _____ (*specify dollar amount or percentage of Compensation*).

3. ☐ **Specify:** _____.

[*Note: Any limitation the Employer elects in b.1. through b.3. will apply on a payroll basis unless the Employer otherwise specifies in b.3.*]

Special NRA Catch-Up Contributions (3.05). The Plan (*Choose one of c. or d.*):

c. ☒ **Permits.** Participants may make NRA catch-up contributions.

AND, Special NRA Catch-Up Contributions (*Choose one of 1. or 2.*):

1. ☐ will be taken into account in applying any matching contribution under the Plan.

2. ☒ will not be taken into account in applying any matching contribution under the Plan.

d. ☐ **Does not permit.** Participants may not make NRA catch-up contributions.

Age 50 Catch-Up Contributions (3.06). The Plan (*Choose one of e. or f.*):

e. ☒ **Permits.** Participants may make age 50 catch-up contributions.

f. ☐ **Does not permit.** Participants may not make age 50 catch-up contributions.

14. **SICK, VACATION AND BACK PAY (3.02(A)).** The Plan (*Choose one of a. or b.*):

a. ☒ **Permits.** Participants may make Salary Reduction Contributions from accumulated sick pay, from accumulated vacation pay or from back pay.

b. ☐ **Does Not Permit.** Participants may not make Salary Reduction Contributions from accumulated sick pay, from accumulated vacation pay or from back pay.

15. **AUTOMATIC ENROLLMENT (3.02(B)).** Does the Plan provide for automatic enrollment (*Choose one of the following*) [*Note: if Eligible Automatic Contribution Arrangement (EACA), select 15c and complete Questions 31 & 32*]:

a. ☒ **Does not apply.** Does not apply the Plan's automatic enrollment provisions.

b. ☐ **Applies.** Applies the Plan's automatic enrollment provisions. The Employer as a Pre-Tax Elective Deferral will withhold _____% from each Participant's Compensation unless the Participant elects a different percentage (including zero) under his/her Salary Reduction Agreement. The automatic election will apply to (*Choose one of 1. through 3.*):

1. ☐ **All Participants.** All Participants who as of _____ are not making Pre-Tax Elective Deferrals at least equal to the automatic amount.

2. ☐ **New Participants.** Each Employee whose Plan Entry Date is on or following: _____.

3. ☐ **Describe Application of Automatic Deferrals:** _____.

c. ☐ **EACA.** The Plan will provide an Eligible Automatic Contribution Arrangement (EACA). Complete Questions 31 & 32.

16. **MATCHING CONTRIBUTIONS (3.03).** The Employer Matching Contributions is *(Choose one or more of a. through d.)*:

- a. ☐ **Fixed formula.** An amount equal to _____ of each Participant's Salary Reduction Contributions.
- b. ☐ **Discretionary formula.** An amount (or additional amount) equal to a matching percentage the Employer from time to time may deem advisable of each Participant's Salary Reduction Contributions.
- c. ☐ **Tiered formula.** The Employer will make matching contributions equal to a uniform percentage of each tier of each Participant's Salary Reduction Contributions, determined as follows:

NOTE: Fill in only percentages or dollar amounts, but not both. If percentages are used, each tier represents the amount of the Participant's applicable contributions that equals the specified percentage of the Participant's Compensation (add additional tiers if necessary):

Tiers of Contributions (indicate \$ or %)	Matching Percentage
First _____	_____ %
Next _____	_____ %
Next _____	_____ %
Next _____	_____ %

d. ☐ **Specify:** _____.

Time Period for Matching Contributions. The Employer will determine its Matching Contribution based on Salary Reduction Contributions made during each *(Choose one of e. through h.)*:

- e. ☐ **Plan Year.**
- f. ☐ **Plan Year quarter.**
- g. ☐ **Payroll period.**
- h. ☐ **Specify:** _____.

Salary Reduction Contributions Taken into Account. In determining a Participant's Salary Reduction Contributions taken into account for the above-specified time period under the Matching Contribution formula, the following limitations apply *(Choose one of i. through l.)*:

- i. ☐ **All Salary Reduction Contributions.** The Plan Administrator will take into account all Salary Reduction Contributions.
- j. ☐ **Specific limitation.** The Plan Administrator will disregard Salary Reduction Contributions exceeding _____% of the Participant's Compensation.
- k. ☐ **Discretionary.** The Plan Administrator will take into account the Salary Reduction Contributions as a percentage of the Participant's Compensation as the Employer determines.
- l. ☐ **Specify:** _____.

Allocation Conditions. To receive an allocation of Matching Contributions, a Participant must satisfy the following allocation condition(s) *(Choose one of m. or n.)*:

- m. ☐ **No allocation conditions.**
- n. ☐ **Conditions.** The following allocation conditions apply to Matching Contributions *(Choose one or more of 1. through 4.)*:
1. ☐ **Service condition.** The Participant must complete the following number of months of Continuous Service during the Plan Year: _____.
 2. ☐ **Employment condition.** The Participant must be employed by the Employer on the last day of the Plan Year.
 3. ☐ **Limited Severance Exception.** Any condition specified in 1. or 2. does not apply if the Participant incurs a Severance from Employment during the Plan Year on account of death, disability or attainment of Normal Retirement Age in the current Plan Year or in a prior Plan Year.
 4. ☐ **Specify:** _____.

17. **NONELECTIVE CONTRIBUTIONS (1.19).** The Nonelective Contributions under Election 5c. are made as follows: *(Choose one)*:

- a. ☐ **Discretionary - Pro-Rata.** An amount the Employer in its sole discretion may determine.

- b. ☐ **Fixed - Pro Rata.** _____ % of Compensation.
- c. ☐ **Other.** A Nonelective Contribution may be made as follows:

_____.

Allocation Conditions. (3.08). To receive an allocation of Nonelective Contributions, a Participant must satisfy the following allocation condition(s) *(Choose one of d. or e.)*:

- d. ☐ **No allocation conditions.**
- e. ☐ **Conditions.** The following allocation conditions apply to Nonelective Contributions *(Choose one or more of 1. through 4.)*:
1. ☐ **Service condition.** The Participant must complete the following number of months of Continuous Service during the Plan Year: _____.
 2. ☐ **Employment condition.** The Participant must be employed by the Employer on the last day of the Plan Year.
 3. ☐ **Limited Severance Exception.** Any condition specified in 1. or 2. does not apply if the Participant incurs a Severance from Employment during the Plan Year on account of death, disability or attainment of Normal Retirement Age in the current Plan Year or in a prior Plan Year.
 4. ☐ **Specify:** _____.

18. **TIME AND METHOD OF PAYMENT OF ACCOUNT (4.02).** The Plan will distribute to a Participant who incurs a Severance from Employment his/her Vested Account as follows:

Timing. The Plan, in the absence of a permissible Participant election to commence payment later, will pay the Participant's Account *(Choose one of a. through e.)*:

- a. ☐ **Specified Date.** _____ days after the Participant's Severance from Employment.
- b. ☒ **Immediate.** As soon as administratively practicable following the Participant's Severance from Employment.
- c. ☐ **Designated Plan Year.** As soon as administratively practicable in the _____ Plan Year beginning after the Participant's Severance from Employment.
- d. ☐ **Normal Retirement Age.** As soon as administratively practicable after the close of the Plan Year in which the Participant attains Normal Retirement Age.
- e. ☐ **Specify:** _____.

Method. The Plan, in the absence of a permissible Participant election, will distribute the Participant's Account under one of the following method(s) of distribution *(Choose one or more of f. through j. as applicable)*:

- f. ☒ **Lump sum.** A single payment.
- g. ☐ **Installments.** Multiple payments made as follows: _____.
- h. ☐ **Installments for required minimum distributions only.** Annual payments, as necessary under Plan Section 4.03.
- i. ☐ **Annuity distribution option(s):** _____.
- j. ☐ **Specify:** _____.

Participant Election. [Plan Sections 4.02(A) and (B)] The Plan *(Choose one of k., l. or m.)*:

- k. ☒ **Permits.** Permits a Participant, with Plan Administrator approval of the election, to elect to postpone distribution beyond the time the Employer has elected in a. through e. and also to elect the method of distribution (including a method not described in f. through j. above).
- l. ☐ **Does not permit.** Does not permit a Participant to elect the timing and method of Account distribution.
- m. ☐ **Specify:** _____.

Mandatory Distributions. Notwithstanding any other distribution election, following Severance from Employment *(Choose n. or o.)*:

- n. ☐ **No Mandatory Distributions.** The Plan will not make a Mandatory Distribution.
- o. ☒ **Mandatory Distribution.** If the Participant's Vested Account is not in excess of \$5,000 (unless a different amount selected below) as of the date of distribution, the Plan will make a Mandatory Distribution following Severance from Employment.
1. ☒ **Mandatory Distribution.** If the Participant's Vested Account is not in excess of \$ 1,000 as of the date of distribution, the Plan will make a Mandatory Distribution following Severance from Employment.

Exclusion of rollovers in determination of \$5,000 threshold. In determining the \$5,000 threshold (or other dollar threshold above), rollover contributions will be:

- p. ☒ **included.**
 q. ☐ **excluded.**

19. **BENEFICIARY DISTRIBUTION ELECTIONS**. Distributions following a Participant's death will be made as follows (*Choose one of a. through d.*):

- a. ☒ **Immediate.** As soon as practical following the Participant's death.
 b. ☐ **Next Calendar Year.** At such time as the Beneficiary may elect, but in any event on or before the last day of the calendar year which next follows the calendar year of the Participant's death.
 c. ☐ **As Beneficiary elects.** At such time as the Beneficiary may elect, consistent with Section 4.03.
 d. ☐ **Describe:** _____.

[Note: The Employer under Election 19d. may describe an alternative distribution timing or afford the Beneficiary an election which is narrower than that permitted under Election 19c., or include special provisions related to certain beneficiaries, (e.g., a surviving spouse). However, any election under Election 19d. must require distribution to commence no later than the Section 4.03 required date.]

20. **DISTRIBUTIONS PRIOR TO SEVERANCE FROM EMPLOYMENT (4.05)**. A Participant prior to Severance from Employment may elect to receive a distribution of his/her Vested Account under the following distribution options (*Choose one of a. or b.*):

- a. ☐ **None.** A Participant may not receive a distribution prior to Severance from Employment.
 b. ☒ **Distributions.** Prior to Severance from Employment are permitted as follows (*Choose one or more of 1. through 4.*):
 1. ☒ **Unforeseeable emergency.** A Participant may elect a distribution from his/her Account in accordance with Plan Section 4.05(A) (for the Participant, spouse, dependents or beneficiaries)
 2. ☒ **De minimis exception.** [Plan Section 4.05(B)] If the Participant: (i) has an Account that does not exceed \$5,000; (ii) has not made or received an allocation of any Deferral Contributions under the Plan during the two-year period ending on the date of distribution; and (iii) has not received a prior Plan distribution under this de minimis exception, then (*Choose one of a., b. or c.*):
 a. ☐ **Participant election.** The Participant may elect to receive all or any portion of his/her Account.
 b. ☐ **Mandatory distribution.** The Plan Administrator will distribute the Participant's entire Account.
 c. ☒ **Hybrid.** The Plan Administrator will distribute a Participant's Account that does not exceed \$ 1,000 and the Participant may elect to receive all or any portion of his/her Account that exceeds \$ 1,000 but that does not exceed \$5,000.
 3. ☒ **Age 70 1/2.** A Participant who attains age 70 1/2 prior to Severance from Employment may elect distribution of any or all of his/her Account.
 4. ☐ **Specify:** _____.

[Note: An Employer need not permit any in-service distributions. Any election must comply with the distribution restrictions of Code Section 457(d).]

21. **QDRO (4.06)**. The QDRO provisions (*Choose one of a., b. or c.*):

- a. ☒ **Apply.**
 b. ☐ **Do not apply.**
 c. ☐ **Specify:** _____.

22. **ALLOCATION OF EARNINGS (5.07(B))**. The Plan allocates Earnings using the following method (*Choose one or more of a. through f.*):

- a. ☒ **Daily.** See Section 5.07(B)(4)(a).
 b. ☐ **Balance forward.** See Section 5.07(B)(4)(b).
 c. ☐ **Balance forward with adjustment.** See Section 5.07(B)(4)(c). Allocate pursuant to the balance forward method, except treat as part of the relevant Account at the beginning of the Valuation Period _____% of the contributions made during the following Valuation Period: _____.
 d. ☐ **Weighted average.** See Section 5.07(B)(4)(d). If not a monthly weighting period, the weighting period is _____.
 e. ☒ **Directed Account method.** See Section 5.07(B)(4)(e).

f. ☐ **Describe Earnings allocation method:** _____.

[Note: The Employer under Election 22f. may describe Earnings allocation methods from the elections available under Election 22 and/or a combination thereof as to any: (i) Participant group (e.g., Daily applies to Division A Employees OR to Employees hired after "x" date. Balance forward applies to Division B Employees OR to Employees hired on/before "x" date.); (ii) Contribution Type (e.g., Daily applies as to Discretionary Nonelective Contribution Accounts. Participant-Directed Account applies to Fixed Nonelective Contribution Accounts); (iii) investment type, investment vendor or Account type (e.g., Balance forward applies to investments placed with vendor A and Participant-Directed Account applies to investments placed with vendor B OR Daily applies to Participant-Directed Accounts and balance forward applies to pooled Accounts).]

23. **HEART ACT PROVISIONS (1.31(C)(3)/3.13).** The Employer elects to (Choose one of a. or b. and c. or d.):

Continued Benefit Accruals.

- a. ☒ **Not apply the benefit accrual provisions of Section 3.13.**
 b. ☐ **Apply the benefit accrual provisions of Section 3.13.**

Distributions for deemed severance of employment (1.31(C)(3))

- c. ☐ **The Plan does NOT permit distributions for deemed severance of employment.**
 d. ☒ **The Plan permits distributions for deemed severance of employment.**

24. **VESTING/SUBSTANTIAL RISK OF FORFEITURE (5.11).** A Participant's Deferral Contributions are [Note: If a Participant incurs a Severance from Employment before the specified events or conditions, the Plan will forfeit the Participant's non-vested Account. Caution: if a Deferral is subject to vesting schedule or other substantial risk of forfeiture, it does not count as a deferral for purposes of the annual deferral limit until the year it is fully vested.] (Choose all that apply of a. through d.):

- a. ☒ **100% Vested/No Risk of Forfeiture.** Immediately Vested without regard to additional Service and no Substantial Risk of Forfeiture. The following contributions are 100% Vested:
1. ☒ **All Contributions.** (skip to 25.)
 2. ☐ **Only the following contributions.** (select all that apply):
 - a. ☐ **Salary Reduction Contributions.**
 - b. ☐ **Nonelective Contributions.**
 - c. ☐ **Matching Contributions.**
- b. ☐ **Forfeiture under Vesting Schedule.** Vested according to the following:

Contributions affected. The following contributions are subject to the vesting schedule (Choose one or more of 1., 2. or 3.):

1. ☐ **Salary Reduction Contributions.**
2. ☐ **Nonelective Contributions.**
3. ☐ **Matching Contributions.**
4. ☐ **Vesting Schedule.**

Years of Service

Vested Percentage

_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

For vesting purposes, a "Year of Service" means:

5. _____.

[Note: It is extremely rare to apply a vesting schedule to Salary Reduction Contributions.]

- c. ☐ **Substantial Risk of Forfeiture.** Vested only when no longer subject to the following Substantial Risk of Forfeiture as follows:

Contributions affected. The following contributions are subject to the substantial risk of forfeiture under c. (Choose one or more of 1., 2. or 3.):

1. ☐ **Salary Reduction Contributions.**
2. ☐ **Nonelective Contributions.**

3. ☐ **Matching Contributions.**

Risk Provisions: Vested only when no longer subject to the following Substantial Risk of Forfeiture as follows (*Choose one of 4. or 5.*):

4. ☐ The Participant must remain employed by the Employer until _____, unless earlier Severance from Employment occurs on account of death or disability, as the Plan Administrator shall establish.

5. ☐ **Specify:** _____.

Additional Provisions (*Choose d. if applicable*)

d. ☐ **Specify:** _____.

FORFEITURE ALLOCATION. [Plan Sections 5.11(A) and 5.14] The Plan Administrator will allocate any Plan forfeitures as selected below. The Employer has the option to use forfeitures to pay plan expenses first and then allocate the remaining forfeitures in accordance with the selections below: (*Choose one of the following*):

e. ☐ **Additional Contributions.** As the following contribution type (*Choose one of 1. or 2.*):

1. ☐ **Nonelective.** As an additional Nonelective Contribution.

2. ☐ **Matching.** As an additional Matching Contribution.

f. ☐ **Reduce Fixed Contributions.** To reduce the following fixed contribution (*Choose one of 1. or 2.*):

1. ☐ **Nonelective.** To reduce the Employer's fixed Nonelective Contribution.

2. ☐ **Matching.** To reduce the Employer's fixed Matching Contribution.

g. ☐ **Specify:** _____.

25. **TRUST PROVISIONS.** The following provisions apply to Article VIII of the Plan (*Choose as applicable; leave blank if not applicable*):

a. ☐ **Modifications.** The Employer modifies the Article VIII Trust provisions as follows: _____. The remaining Article VIII provisions apply.

b. ☐ **Substitution.** The Employer replaces the Trust with the Trust Agreement attached to the Plan.

26. **CUSTODIAL ACCOUNT/ANNUITY CONTRACT (8.16).** The Employer will hold all or part of the Deferred Compensation in one or more custodial accounts or annuity contracts which satisfy the requirements of Code §457(g) (*Choose a. or b., c. if applicable*):

a. ☐ **Custodial account(s).**

b. ☐ **Annuity contract(s).**

c. ☐ **Specify:** _____.

[*Note: The Employer under c. may wish to identify the custodial accounts or annuity contracts or to designate a portion of the Deferred Compensation to be held in such vehicles versus held in the Trust.*]

27. **VALUATION.** In addition to the last day of the Plan Year, the Trustee (or Plan Administrator as applicable) must value the Trust Fund (or Accounts) on the following Valuation Date(s) (*Choose one of a. or b.*):

a. ☐ **No additional Valuation Dates.**

b. ☒ **Additional Valuation Dates.** (*Choose one or more of 1., 2. or 3.*):

1. ☒ **Daily Valuation Dates.** Each business day of the Plan Year on which Plan assets for which there is an established market are valued and the Trustee or Employer is conducting business.

2. ☐ **Last day of a specified period.** The last day of each _____ of the Plan Year.

3. ☐ **Specified Valuation Dates:** _____.

[*Note: The Employer under Election 26b.3. may describe Valuation Dates from the elections available under Election 26b. and/or a combination thereof as to any: (i) Participant group (e.g., No additional Valuation Dates apply to Division A Employees OR to Employees hired after "x" date. Daily Valuation Dates apply to Division B Employees OR to Employees hired on/before "x" date.); (ii) Contribution Type (e.g., No additional Valuation Dates apply as to Discretionary Nonelective Contribution Accounts. The last day of each Plan Year quarter applies to Fixed Nonelective Contribution Accounts); (iii) investment type, investment vendor or Account type (e.g., No additional Valuation Dates apply to investments placed with vendor A and Daily Valuation Dates apply to investments placed with vendor B OR Daily Valuation Dates apply to Participant-Directed Accounts and no additional Valuation Dates apply to pooled Accounts).]*

28. TRUSTEE (Select all that apply; leave blank if not applicable.):

- a. [X] Individual Trustee(s) who serve as Trustee(s) over assets not subject to control by a corporate Trustee. (Add additional Trustees as necessary.)

Name(s)

Title(s)

Lawrence Harlan Davis, Jr.

Trustee

Lawrence Harlan Davis, III

Trustee

Address and Telephone number (Choose one of 1. or 2.):

1. ☒ Use Employer address and telephone number.
2. ☐ Use address and telephone number below:

Address:

Street

City

State

Zip

Telephone:

- b. ☐ Corporate Trustee

Name:

Address:

Street

City

State

Zip

Telephone:

AND, the Corporate Trustee shall serve as:

- c. [] a Directed (nondiscretionary) Trustee over all Plan assets except for the following:

- d. [] a Discretionary Trustee over all Plan assets except for the following:

29. PLAN LOANS (5.02(A)). The Plan permits or does not permit Participant Loans (*Choose one of a. or b.*):

- a. ☒ Does not permit.
- b. ☐ Permitted pursuant to the Loan Policy.

30. **ROLLOVER CONTRIBUTIONS (3.09)**. The Plan permits Rollover Contributions subject to approval by the Plan Administrator and as further described below:

Who may roll over (*Choose one of a. or b.*):

- a. ☒ **Participants only.**
- b. ☐ **Eligible Employees or Participants.**

Sources/Types. The Plan will accept a Rollover Contribution (Choose one of c. or d.):

- c. ☒ **All.** From any Eligible Retirement Plan and as to all Contribution Types eligible to be rolled into this Plan.
- d. ☐ **Limited.** Only from the following types of Eligible Retirement Plans and/or as to the following Contribution Types:

Distribution of Rollover Contributions (Choose one of e., f. or g.):

- e. ☒ **Distribution without restrictions.** May elect distribution of his/her Rollover Contributions Account in accordance with Plan Section 4.05(C) at any time.
- f. ☐ **No distribution.** May not elect to receive distribution of his/her Rollover Contributions Account until the Plan has a distributable event under Plan Section 4.01.
- g. ☐ **Specify:** _____

31. EACA Automatic Deferral Provisions (3.14).

Participants subject to the Automatic Deferral Provisions. The Automatic Deferral Provisions apply to Employees who become Participants after the Effective Date of the EACA (except as provided in d. below). Employees who became Participants prior to such Effective Date are subject to the following (a. – d. are optional):

- a. ☐ **All Participants.** All Participants, regardless of any prior Salary Reduction Agreement, unless and until a Participant makes an Affirmative Election after the Effective Date of the EACA.
- b. ☐ **Election of at least Automatic Deferral amount.** All Participants, except those who, on the Effective Date of the EACA, are deferring an amount which is at least equal to the Automatic Deferral Percentage.
- c. ☐ **No existing Salary Reduction Agreement.** All Participants, except those who have in effect a Salary Reduction Agreement on the effective date of the EACA regardless of the Salary Reduction Contribution amount under the Agreement.
- d. ☐ **Describe:** _____

Automatic Deferral Percentage. Unless a Participant makes an Affirmative Election, the Employer will withhold the following Automatic Deferral Percentage (select e. or f.):

- e. ☐ **Constant.** The Employer will withhold _____% of Compensation each payroll period.

Escalation of deferral percentage (select one or leave blank if not applicable)

1. ☐ **Scheduled increases.** This initial percentage will increase by _____% of Compensation per year up to a maximum of _____ of Compensation.
2. ☐ **Other** (described Automatic Deferral Percentage): _____

Automatic Deferral Optional Elections

- f. ☐ **Optional elections** (select all that apply or leave blank if not applicable)

Suspended Salary Reduction Contributions. If a Participant's Salary Reduction Contributions are suspended pursuant to a provision of the Plan (e.g., distribution due to military leave covered by the HEART Act), then a Participant's Affirmative Election will expire on the date the period of suspension begins unless otherwise elected below.

1. ☐ A Participant's Affirmative Election will resume after the suspension period.

Special Effective Date. Provisions will be effective as of the earlier of the Effective Date of the EACA provisions unless otherwise specified below.

2. ☐ Special Effective Date: _____

32. **In-Plan Roth Rollover Contributions.**

- a. ☐ **Yes, allowed.**

33. **In-Plan Roth Rollover Transfers.**

- a. ☐ **Yes, allowed.**

This Plan is executed on the date(s) specified below:

Use of Adoption Agreement. Failure to complete properly the elections in this Adoption Agreement may result in disqualification of the Employer's Plan. The Employer only may use this Adoption Agreement only in conjunction with the corresponding basic plan document.

EMPLOYER: Peachtree City Water & Sewer Authority

By: _____

DATE SIGNED

Lawrence Harlan Davis, Jr.

TRUSTEE

DATE SIGNED

Lawrence Harlan Davis, III

TRUSTEE

DATE SIGNED

ADOPTING RESOLUTION

The undersigned authorized representative of Peachtree City Water & Sewer Authority (the Employer) hereby certifies that the following resolutions were duly adopted by the Employer on _____, and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended 457 Plan and Trust effective September 24, 2018, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The undersigned further certifies that attached hereto as Exhibits A and B, respectively, are true copies of Peachtree City Water & Sewer Authority 457 Deferred Compensation Plan as amended and restated and the Summary of 457 Provisions, which are hereby approved and adopted.

Date: _____

Signed: _____

[print name/title]

This Plan is executed on the date(s) specified below:

Use of Adoption Agreement. Failure to complete properly the elections in this Adoption Agreement may result in disqualification of the Employer's Plan. The Employer only may use this Adoption Agreement only in conjunction with the corresponding basic plan document.

EMPLOYER: Peachtree City Water & Sewer Authority

By: _____

DATE SIGNED

Lawrence Harlan Davis, Jr.

TRUSTEE

DATE SIGNED

Lawrence Harlan Davis, III

TRUSTEE

DATE SIGNED

**PEACHTREE CITY WATER & SEWER AUTHORITY
457 DEFERRED COMPENSATION PLAN
SUMMARY OF 457 PLAN PROVISIONS**

TABLE OF CONTENTS

INTRODUCTION TO YOUR PLAN

ARTICLE I PARTICIPATION IN THE PLAN

Am I eligible to participate in the Plan?	1
When am I eligible to participate in the Plan?	1
When is my entry date?	1

ARTICLE II CONTRIBUTIONS

What kind of contributions may I make to the Plan and how do my contributions affect my taxes?	1
Is there a limit on the amount of elective deferrals that can be made each year?	1
How do I make an election to defer?	2
What are rollover contributions?	2
What compensation is used to determine my Plan benefits?	2
Can I direct the investment of my accounts?	2

ARTICLE III DISTRIBUTIONS

When will I be entitled to a distribution from the Plan?	2
What is the Plan's normal retirement age?	3
What is my vested interest in my account?	3
How will my benefits be paid?	3
May I elect to roll over my account to another plan or IRA?	3
What happens if I get divorced?	3

ARTICLE IV DEATH BENEFITS

What happens if I die while working for the Employer?	3
When will the death benefit be paid to my beneficiary?	4
What happens if I'm a participant, terminate employment, and die before receiving all my benefits?	4

ARTICLE V IN-SERVICE DISTRIBUTIONS

Can I withdraw money from my account while working for the Employer?	4
--	---

ARTICLE VI TAX TREATMENT OF DISTRIBUTIONS

What are my tax consequences when I receive a distribution from the Plan?	4
Can I reduce or defer tax on my distribution?	4

ARTICLE VII CLAIMS AND BENEFITS

Can the Plan be amended?	5
What happens if the Plan is discontinued or terminated?	5

How do I submit a claim for Plan benefits?	5
--	---

**ARTICLE VIII
GENERAL INFORMATION ABOUT THE PLAN**

Employer Information	5
Administrator Information	5
Plan Funding Medium	6

**PEACHTREE CITY WATER & SEWER AUTHORITY
457 DEFERRED COMPENSATION PLAN**

SUMMARY OF 457 PLAN PROVISIONS

INTRODUCTION TO YOUR PLAN

Peachtree City Water & Sewer Authority 457 Deferred Compensation Plan ("Plan") has been adopted to provide you with the opportunity to save for retirement on a tax-advantaged basis. This Plan is a type of retirement plan commonly referred to as a Governmental Eligible 457 Plan. This summary of 457 Plan Provisions contains valuable information regarding when you may become eligible to participate in the Plan, your Plan benefits, your distribution options, and many other features of the Plan. You should take the time to read this Summary to get a better understanding of your rights and obligations under the Plan.

We have attempted to answer most of the questions you may have regarding your benefits in the Plan. If this summary does not answer all of your questions, please contact the Administrator. The name and address of the Administrator can be found in the Article of this summary entitled "General Information About The Plan."

This summary describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language. If the non-technical language under this summary and the technical, legal language of the Plan document conflict, the Plan document always governs. If you wish to receive a copy of the legal Plan document, please contact the Administrator.

This summary describes the current provisions of the Plan. The Plan is subject to federal laws, such as the Internal Revenue Code and other federal and state laws which may affect your rights. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (IRS). The Employer may also amend or terminate this Plan. The Administrator will notify you if the provisions of the Plan that are described in this summary change. This summary does not address the provisions of specific investment products.

**ARTICLE I
PARTICIPATION IN THE PLAN**

Am I eligible to participate in the Plan?

All employees are eligible once they satisfy the eligibility conditions described in the next question.

Independent contractors are eligible to participate once they satisfy the eligibility conditions described in the next question.

When am I eligible to participate in the Plan?

Provided you are an eligible employee, you will be eligible on your date of hire. You will actually enter the Plan once you reach the entry date as described in the next question.

When is my entry date?

Provided you are an eligible employee, you will be able to participate in the Plan beginning on your date of hire.

**ARTICLE II
CONTRIBUTIONS**

What kind of contributions may I make to the Plan and how do my contributions affect my taxes?

As a participant in the Plan, you may elect to reduce your compensation by a specific percentage or dollar amount and have that amount contributed to the Plan on a pre-tax basis. The Plan refers to this as an "elective deferral." Your taxable income is reduced by your elective deferral contributions so you pay less federal income taxes. However, your elective deferrals are subject to Social Security taxes at the time of deferral. Later, when the Plan distributes the deferrals and earnings, you will pay income tax on those amounts. Federal income taxes on the pre-tax deferral contributions and earnings are only postponed.

Is there a limit on the amount of elective deferrals that can be made each year?

As a participant, you may elect to defer a percentage of your compensation each year instead of receiving that amount in cash. The Administrator will notify you of the maximum percentage you may defer.

You may make deferrals from your accumulated sick pay, from accumulated vacation pay or from back pay.

Your total elective deferrals in any calendar year may not exceed a certain dollar limit which is set by law ("elective deferral limit"). The elective deferral limit for 2018 is \$18,500. After 2018, the elective deferral limit may increase for cost-of-living adjustments.

If you are age 50 or will attain age 50 before the end of a calendar year, you may make additional deferrals (called "age 50 catch-up deferrals") for that year and following years. If you meet the age 50 requirement and your salary deferrals exceed the elective deferral limit described above, then any excess will be an age 50 catch-up deferral. The maximum catch-up deferral that you can make in 2018 is \$6,000. After 2018, the maximum age 50 catch-up contribution limit may increase for cost-of-living adjustments.

Instead of the "age 50-catch-up deferrals" there is an alternative catch-up limit that is available in the three years prior to your normal retirement age. This increased limit (called "Special NRA Catch-Up Contributions") is designed to allow make-up contributions for prior years when contributions to the plan were less than the maximum contribution that could have been made in those years. The additional catch-up amount is equal to the difference between the amounts that could have been contributed in the prior years less the amounts that actually were contributed in those years. However, the additional catch-up for the year cannot exceed the general limit for the year. Thus, if you are entitled to the full Special NRA Catch-up Contribution, your contributions in the last three years prior to your normal retirement age cannot exceed two times the regular elective deferral limit for the year.

How do I make an election to defer?

The amount you elect to defer will be deducted from your pay in accordance with a procedure established by the Plan Administrator. If you wish to defer, the procedure will require that you enter into a salary reduction agreement. You may elect to defer a portion of your compensation payable on or after your Entry Date. Such election must be made prior to the first day of a calendar month in which you wish to defer and will become effective as soon as administratively feasible after it is received by the Plan Administrator. Your election will remain in effect until you modify or terminate it. You may revoke or make modifications to your salary deferral election in accordance with procedures that the Employer provides. See the Plan Administrator for further information.

What are rollover contributions?

Rollover contributions. If you are a Participant, you may be permitted to deposit into the Plan distributions you have received from other retirement plans. Such a deposit is called a "rollover" and may result in tax savings to you. You may ask the Administrator or Trustee of the other plan or IRA to directly transfer (a "direct rollover") to this Plan all or a portion of any amount that you are entitled to receive as a distribution from such plan. Alternatively, you may elect to deposit any amount eligible to be rolled over within 60 days of your receipt of the distribution. You should consult qualified counsel to determine if a rollover is in your best interest.

Rollover account. Your rollover will be accounted for in a "rollover account." You will always be 100% vested in your "rollover account" (see the Article in this SPD entitled "Vesting"). This means that you will always be entitled to all amounts in your rollover account. Rollover contributions will be affected by any investment gains or losses.

Withdrawal of rollover contributions. You may withdraw the amounts in your "rollover account" at any time.

What compensation is used to determine my Plan benefits?

Definition of compensation. For the purposes of the Plan, compensation has a special meaning. Compensation is generally defined as your total compensation that is subject to income tax and paid to you by your Employer during the Plan Year. If you are an independent contractor, generally, your compensation will be the amount you are paid by the Employer. The Plan takes into account elective deferrals to retirement plans (including this one) cafeteria plans, or qualified transportation fringe benefit plans. The following describes the adjustments to compensation that may apply for the different types of contributions provided under the Plan. Compensation:

- Compensation paid after you terminate employment will be excluded.

For the Plan Year in which you first participate, for any contributions other than salary reductions, we take into account your full Plan Year compensation.

Can I direct the investment of my accounts?

You will be able to direct the investment of your interest in the Plan. The Administrator will provide you with information on the investment choices available to you, the procedures for making investment elections, the frequency with which you can change your investment choices and other important information. You need to follow the procedures for making investment elections and you should carefully review the information provided to you before you give investment directions. If you do not direct the investment of your applicable Plan accounts, then your accounts will be invested in accordance with the default investment alternatives established under the Plan.

ARTICLE III DISTRIBUTIONS

When will I be entitled to a distribution from the Plan?

Distributions under the Plan may generally not be made prior to the earlier of your attainment of age 70 1/2 or your termination of employment (for whatever reason, including death). The rules are explained in more detail below.

If you terminate employment for any reason and at any age (including retirement), then you will be entitled to a distribution within a reasonable time after you terminate employment. (See the question "How will my benefits be paid?" for a further explanation of how benefits are paid from the Plan.)

If your benefit does not exceed \$1,000 then the distribution will automatically be paid to you as soon as administratively practical following your termination of employment. If your benefit exceeds \$1,000, then you will be given the opportunity to elect to defer payment of the benefit, subject to certain limitations. In determining whether your vested account balance exceeds the \$1,000 threshold, "rollovers" (and any earnings allocable to "rollover" contributions) will be taken into account.

If the Plan Administrator approves, you (1) may elect to postpone distribution of your benefit to any fixed or determinable date including, but not beyond, your "required beginning date" described below; and (2) you may elect the method of payment.

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. There may also be benefits for employees who die or become disabled while on active duty. Employees who receive wage continuation payments while in the military may benefit from various changes in the law. If you think you may be affected by these rules, ask the Administrator for further details.

Distributions while on military duty. If you are on active military duty for more than 30 days, then the Plan treats you as having terminated employment for distribution purposes. This means that you may request a distribution from the Plan. If you request a distribution on account of this deemed termination of employment, then you are not permitted to make any contributions to the Plan for 6 (six) months after the date of the distribution.

Required beginning date.

Regardless of the above, the law requires that certain minimum distributions be made from the Plan. Distributions are required to begin not later than the April 1st following the later of the end of the year in which you reach age 70 1/2 or terminate employment. You should see the Plan Administrator if you think you may be affected by these rules.

What is the Plan's normal retirement age?

You will attain your normal retirement age when you reach the age that you designate, which may not be earlier than age 65 and may not be later than age 70 1/2.

What is my vested interest in my account?

You are always 100% vested in all your accounts under our plan.

How will my benefits be paid?

You may, subject to the approval of the Plan Administrator, elect to receive your distribution under one of the methods described below:

- a single lump-sum payment.
- Any other method agreed to by the Administrator.

May I elect to roll over my account to another plan or IRA?

If you are entitled to a distribution of more than \$200, then you may elect whether to receive the distribution or to roll over the distribution to another retirement plan such as an individual retirement account ("IRA").

What happens if I get divorced?

The Administrator will honor a "qualified domestic relations order." A "qualified domestic relations order" is defined as a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, child or other dependent. If a qualified domestic relations order is received by the Administrator, all or a portion of your benefits may be used to satisfy the obligation. The Administrator will determine the validity of any domestic relations order received. You and your beneficiaries can obtain from the Administrator, without charge, a copy of the procedure used by the Administrator to determine whether a qualified domestic relations order is valid.

ARTICLE IV DEATH BENEFITS

What happens if I die while working for the Employer?

If you die while still employed by the Employer, your entire account balance will be used to provide your beneficiary with a death benefit.

Your beneficiary is the person or persons whom you designate on a form the Administrator provides for this purpose. If you are married, your spouse will be the beneficiary of the death benefit, unless you elect to change the beneficiary.

If no valid designation of beneficiary exists, or if the beneficiary is not alive when you die, then the death benefit will be paid in the following order, unless the investment provider's documentation says otherwise:

- (a) Your surviving spouse;
- (b) Your children, including adopted children, and if a child dies before you, to their children, if any; or
- (c) Your estate.

When will the death benefit be paid to my beneficiary?

Your death benefit will be paid to your beneficiary and payment will begin as soon as practicable after your death. See the Plan Administrator for further details.

You should immediately report any change in your marital status to the Administrator. If you have specifically named your spouse as your beneficiary on a designation form, then the designation will be invalid upon your divorce.

What happens if I'm a participant, terminate employment, and die before receiving all my benefits?

If you terminate employment with us and subsequently die, your beneficiary will be entitled to any remaining benefits that you were entitled to as of the date of your death.

**ARTICLE V
IN-SERVICE DISTRIBUTIONS**

Can I withdraw money from my account while working for the Employer?

You may receive a distribution from the Plan prior to your termination of employment if you satisfy certain conditions. These conditions are described below. However, this distribution will reduce the value of the benefits you will receive when you retire. Any in-service distribution is made at your election and will be made in accordance with the forms of distribution available under the investment product you have selected or under the Plan.

You may receive a distribution if you have an "unforeseeable emergency," which is severe financial hardship resulting from an accident or illness to you, your spouse, dependent(s) or beneficiaries, a loss of property due to casualty, or other extraordinary and unforeseeable circumstances beyond your control.

You may elect to receive a "de minimis" distribution of up to \$5,000, but in no event less than \$1,000, provided: (i) your account does not exceed \$5,000; (ii) you have not made any Salary Reduction Contributions or received any Employer contribution during the prior two years ending on the date you would have received the de minimis distribution; and (iii) you have not previously taken a de minimis distribution from the Plan. The Plan Administrator will automatically distribute your entire account if the account is less than \$1,000.

You may request a distribution of up to your entire account once you reach age 70 1/2.

**ARTICLE VI
TAX TREATMENT OF DISTRIBUTIONS**

What are my tax consequences when I receive a distribution from the Plan?

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution.

Can I reduce or defer tax on my distribution?

You may reduce, or defer entirely, the tax due on your distribution through use of one of the following methods:

- (a) The rollover of all or a portion of the distribution you actually receive to a traditional Individual Retirement Account (IRA) or another eligible employer plan. This will result in no tax being due until you begin withdrawing funds from the traditional IRA or other eligible employer plan. The rollover of the distribution, however, MUST be made within strict time frames (normally, within 60 days after you receive your distribution). Under certain circumstances all or a portion of a distribution may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. For this reason, if you wish to roll over all or a portion of your distribution amount, the direct rollover option described in paragraph (b) below would be the better choice.

(b) For most distributions, you may request that a "direct rollover" of all or a portion of the distribution to either a traditional Individual Retirement Account (IRA) or another employer plan willing to accept the rollover. A direct rollover will result in no tax being due until you withdraw funds from the traditional IRA or other qualified employer plan. Like the 60-day rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct rollover, e.g., a distribution of less than \$200 will not be eligible for a direct rollover. If you elect to actually receive the distribution rather than request a direct rollover, then in most cases 20% of the distribution amount will be withheld for federal income tax purposes.

WHENEVER YOU RECEIVE A DISTRIBUTION THAT IS AN ELIGIBLE ROLLOVER DISTRIBUTION, THE ADMINISTRATOR WILL DELIVER TO YOU A MORE DETAILED EXPLANATION OF THESE OPTIONS. HOWEVER, THE RULES WHICH DETERMINE WHETHER YOU QUALIFY FOR FAVORABLE TAX TREATMENT ARE VERY COMPLEX. YOU SHOULD CONSULT WITH A QUALIFIED TAX ADVISOR BEFORE MAKING A CHOICE.

ARTICLE VII CLAIMS AND BENEFITS

Can the Plan be amended?

Yes. The Employer may amend the Plan at any time. No amendment will cause any reduction in the amount credited to your account.

What happens if the Plan is discontinued or terminated?

The Employer may terminate the Plan at any time. Upon termination, no more contributions may be made to the Plan. The Administrator will notify you of any modification or termination of the Plan.

How do I submit a claim for Plan benefits?

Benefits may be paid to you and your beneficiaries without the necessity of formal claims. However, if you think an error has been made in determining your benefits, then you or your beneficiaries may make a request for any Plan benefits to which you believe you are entitled. Any such request should be in writing and should be made to the Plan Administrator.

If the Administrator determines the claim is valid, then you will receive a statement describing the amount of benefit, the method or methods of payment, the timing of distributions and other information relevant to the payment of the benefit.

ARTICLE VIII GENERAL INFORMATION ABOUT THE PLAN

There is certain general information that you may need to know about the Plan. This information has been summarized for you in this Article.

The full name of the Plan is Peachtree City Water & Sewer Authority 457 Deferred Compensation Plan.

This Plan was originally effective on May 18, 1998. The amended and restated provisions of the Plan become effective on September 24, 2018.

The Plan's records are maintained on a twelve-month period of time. This is known as the "Plan Year." The Plan Year begins on January 1 and ends on December 31.

Valuations of the Plan are generally made daily.

The Plan will be governed by the laws of Georgia.

Employer Information

Your Employer's name, address, business telephone number, and identification number are:

Peachtree City Water & Sewer Authority
1127 HWY 74 South
Peachtree City, Georgia 30269
(770) 487-793
58-2307284

Administrator Information

The Employer is the Plan Administrator. The Plan Administrator is responsible for the day-to-day administration and operation of the Plan. For example, the Administrator maintains the Plan records, including your account information, provides you with the forms you need to complete for Plan participation and directs the payment of your account at the appropriate time. If you have any questions about the Plan

and your participation, you should contact the Administrator. The Administrator may designate other parties to perform some duties of the Administrator, and some duties are the responsibility of the investment provider(s) to the Plan.

The Administrator has the complete power, in its sole discretion, to determine all questions arising in connection with the administration, interpretation, and application of the Plan (and any related documents and underlying policies). Any such determination by the Administrator is conclusive and binding upon all persons.

Plan Funding Medium

All money that is contributed to the Plan is held in a trust fund.

The Plan's Trustees are:

Lawrence Harlan Davis, Jr., Trustee
Lawrence Harlan Davis, III, Trustee

1127 HWY 74 South
Peachtree City, Georgia 30269
(770) 487-793

The Trustees shall collectively be referred to as Trustee throughout this summary.

**ACTION BY THE BOARD OF DIRECTORS OF
Peachtree City Water & Sewer Authority (“Corporation”)**

The undersigned, hereby certifies that the following extract of resolutions below was taken from a duly called meeting of the Board of Directors of the Corporation:

RESOLVED, that the Board of Directors has previously approved and adopted the Peachtree City Water & Sewer Authority 457 Deferred Compensation (“Plan”) to provide employees of the corporation with retirement benefits.

RESOLVED, that the Board of Directors does hereby declare the intention of the Corporation to continue the Plan but reserves the right to terminate or amend the Plan at any time.

RESOLVED, the Board of Directors of the Corporation hereby removes Susan Lee, as Trustee of the Plan effective September 24, 2018.

RESOLVED, the Board of Directors of the Corporation hereby appoints Lawrence Harlan Davis, Jr. and Lawrence Harlan Davis, III, as Trustees of the Plan.

RESOLVED, that the Board of Directors of the Corporation are hereby jointly and severally authorized to take such actions and to execute such documents as they deem necessary or desirable in order to carry out the intent of the foregoing resolutions and required under the Plan to make the Plan fully effective in accordance with its terms and intent.

I DO HEREBY CERTIFY that I am the Chairman of the Corporation, and the keeper of its records and corporate seal.

I FURTHER CERTIFY that the above is a true, correct and complete extract of resolutions adopted at a duly called and held meeting of the Board of Directors of this Corporation, and that said resolutions are still in effect and have not been modified or revised and are not in conflict with the by laws of this Corporation.

IN WITNESS WHEREOF, I have set my hand and the corporate seal of the Corporation.

Chairman

ADOPTING RESOLUTION

The undersigned authorized representative of Peachtree City Water & Sewer Authority (the Employer) hereby certifies that the following resolutions were duly adopted by the Employer on the date specified below, and that such resolutions have not been modified or rescinded as of the signature date below:

RESOLVED, that the form of amended Profit Sharing Plan and Trust effective September 24, 2018, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The undersigned further certifies that attached hereto are true copies of Peachtree City Water & Sewer Authority Profit Sharing Plan as amended and restated, the Summary Plan Description and the Funding Policy and Method which are hereby approved and adopted.

Date: _____

By: _____

[print name/title]

**PEACHTREE CITY WATER & SEWER AUTHORITY
PROFIT SHARING PLAN**

FUNDING POLICY AND METHOD

A pension benefit plan (as defined in the Employee Retirement Income Security Act of 1974) has been adopted by the company for the purpose of rewarding long and loyal service to the company by providing to employees additional financial security at retirement. Incidental benefits are provided in the case of disability, death or other termination of employment.

Since the principal purpose of the plan is to provide benefits at normal retirement age, the principal goal of the investment of the funds in the plan should be both security and long-term stability with moderate growth commensurate with the anticipated retirement dates of participants. Investments, other than "fixed dollar" investments, should be included among the plan's investments to prevent erosion by inflation. However, investments should be sufficiently liquid to enable the plan, on short notice, to make some distributions in the event of the death or disability of a participant.

**ADOPTION AGREEMENT FOR
PENSION FINANCIAL SERVICES, INC.
VOLUME SUBMITTER PROFIT SHARING PLAN**

CAUTION: Failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

EMPLOYER INFORMATION

(An amendment to the Adoption Agreement is not needed solely to reflect a change in this Employer Information Section.)

1. EMPLOYER'S NAME, ADDRESS, TELEPHONE NUMBER, TIN AND FISCAL YEAR

Name: Peachtree City Water & Sewer Authority

Address: 1127 Highway 74 S

Street

Peachtree City Georgia 30269

City

State

Zip

Telephone: (770) 487-7993

Taxpayer Identification Number (TIN): 58-2307284

Employer's Fiscal Year ends: September 30th

2. TYPE OF ENTITY

- a. ☐ Corporation (including tax-exempt or non-profit Corporation)
- b. ☐ Professional Service Corporation
- c. ☐ S Corporation
- d. ☐ Limited Liability Company that is taxed as:
 - 1. ☐ a partnership or sole proprietorship
 - 2. ☐ a Corporation
 - 3. ☐ an S Corporation
- e. ☐ Sole Proprietorship
- f. ☐ Partnership (including limited liability)
- g. ☒ Other: Government Agency (must be a legal entity recognized under federal income tax laws)

3. AFFILIATED EMPLOYERS/PARTICIPATING EMPLOYERS (Plan Sections 1.7 and 1.61). Is the Employer an Affiliated Employer (i.e., a member of a controlled group or an affiliated service group (within the meaning of Code §414(b), (c), (m) or (o)))?

- a. ☒ No
- b. ☐ Yes, the Employer is a member of (select one or both of 1. - 2. AND select one of 3. - 4. below):
 - 1. ☐ A controlled group
 - 2. ☐ An affiliated service group

AND, will any of the Affiliated Employers adopt the Plan as Participating Employers?

- 3. ☐ Yes (Complete a participation agreement for each Participating Employer.)
- 4. ☐ No (The Plan could fail to satisfy the Code §410(b) coverage rules.)

MULTIPLE EMPLOYER PLAN (Plan Article XIV). Will any Employers who are not Affiliated Employers adopt this Plan as part of a multiple employer plan (MEP) arrangement?

- c. ☒ No
- d. ☐ Yes (Complete a participation agreement for each Participating Employer.)

PLAN INFORMATION

(An amendment to the Adoption Agreement is not needed solely to reflect a change in the information in Questions 9. through 11.)

4. PLAN NAME:

Peachtree City Water & Sewer Authority Profit Sharing Plan

5. PLAN STATUS

- a. ☐ New Plan
- b. ☒ Amendment and restatement of existing Plan

PPA RESTATEMENT (leave blank if not applicable)

 - 1. ☐ This is an amendment and restatement to bring a plan into compliance with the Pension Protection Act of 2006 ("PPA") and other legislative and regulatory changes (i.e., the 6-year pre-approved plan restatement).

6. **EFFECTIVE DATE** (Plan Section 1.25) (complete a. if new plan; complete a. AND b. if an amendment and restatement)
- Initial Effective Date of Plan**
- a. February 1, 1999 (enter month day, year) (hereinafter called the "Effective Date" unless 6.b. is entered below)
- Restatement Effective Date.** If this is an amendment and restatement, the effective date of the restatement (hereinafter called the "Effective Date") is:
- b. September 24, 2018 (enter month day, year; may enter a restatement date that is the first day of the current Plan Year. Plan contains appropriate retroactive effective dates with respect to provisions for appropriate laws.)
7. **PLAN YEAR** (Plan Section 1.65) means, except as otherwise provided in d. below:
- a. ☒ the calendar year
- b. ☐ the twelve-month period ending on _____ (e.g., June 30th)
- c. ☐ other: _____ (e.g., a 52/53 week year ending on the date nearest the last Friday in December).
- SHORT PLAN YEAR** (Plan Section 1.76). Select below if there is a Short Plan Year (if the effective date of participation is based on a Plan Year, then coordinate with Question 15) (leave blank if not applicable):
- d. ☐ beginning on _____ (enter month day, year; e.g., July 1, 2013) and ending on _____ (enter month day, year).
8. **VALUATION DATE** (Plan Section 1.86) means:
- a. ☒ every day that the Trustee (or Insurer), any transfer agent appointed by the Trustee (or Insurer) or the Employer, and any stock exchange used by such agent are open for business (daily valuation)
- b. ☐ the last day of each Plan Year
- c. ☐ the last day of each Plan Year half (semi-annual)
- d. ☐ the last day of each Plan Year quarter
- e. ☐ other (specify day or days): _____ (must be at least once each Plan Year)
- NOTE:** The Plan always permits interim valuations.
9. **PLAN NUMBER** assigned by the Employer
- a. ☐ 001
- b. ☐ 002
- c. ☒ Other: 10-7023
10. **TRUSTEE(S) OR INSURER(S)** (Plan Sections 1.44 and 1.84):
- a. ☐ **Insurer.** This Plan is funded exclusively with Contracts and the name of the Insurer(s) is:
- (1) _____ (2) _____ (if more than 2, add names to signature page).
- b. ☒ **Individual Trustee(s).** Individual Trustee(s) who serve as Trustee(s) over assets not subject to control by a corporate Trustee. (add additional Trustees as necessary)
- | Name(s) | Title(s) |
|-----------------------------------|----------------|
| <u>Lawrence Harlan Davis, Jr.</u> | <u>Trustee</u> |
| <u>Lawrence Harlan Davis, III</u> | <u>Trustee</u> |
| _____ | _____ |
- Address and telephone number
1. ☒ Use Employer address and telephone number
2. ☐ Use address and telephone number below:
- Address: _____
- Street
- _____
- City State Zip
- Telephone: _____

c. ☐ **Corporate Trustee(s)** (add additional Trustees as necessary)

Name: _____

Address: _____

Street

City

State

Zip

Telephone: _____

Directed/Discretionary Trustee. Unless otherwise specified below, if there is a corporate Trustee, it will serve as a Directed (nondiscretionary) Trustee (Plan Section 1.21) and if there is an individual Trustee, he or she will serve as a Discretionary Trustee (Plan Section 1.22) over all Plan assets (select all that apply; leave blank if defaults apply)

d. ☐ Directed Trustee exceptions (leave blank if no exceptions):

Directed Trustee over specified Plan assets (select all that apply; leave blank if none apply)

1. ☐ The corporate Trustee will serve as Directed Trustee over the following assets: _____2. ☐ The individual Trustee(s) will serve as Directed Trustee over the following assets: _____

Individual Trustee will serve as Directed Trustee (may not be selected with d.1. or d.2.)

3. ☐ over all Plan assetse. ☐ Discretionary Trustee exceptions (leave blank if no exceptions):

Discretionary Trustee over specified Plan assets (select all that apply; leave blank if none apply)

1. ☐ The individual Trustee(s) will serve as Discretionary Trustee over the following assets: _____2. ☐ The corporate Trustee will serve as Discretionary Trustee over the following assets: _____

Corporate Trustee will serve as Discretionary Trustee (may not be selected with e.1. or e.2.)

3. ☐ over all Plan assets

NOTE: Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections) or a separate agreement may be used to appoint a special Trustee for purposes of collecting delinquent contributions. If no such appointment is made, then except as provided in Plan Section 7.3(c), the Trustee will have such responsibility.

Separate trust. Will a separate trust agreement that is approved by the IRS for use with this Plan be used?

f. ☒ Nog. ☐ Yes

NOTE: If Yes is selected, an executed copy of the trust agreement between the Trustee and the Employer must be attached to this Plan. The Plan and trust agreement will be read and construed together. The responsibilities, rights and powers of the Trustee will be those specified in the trust agreement.

11. ADMINISTRATOR'S NAME, ADDRESS AND TELEPHONE NUMBER

(If none is named, the Employer will be the Administrator (Plan Section 1.5).)

a. ☒ Employer (use Employer address and telephone number)b. ☐ Other:

Name: _____

Address: _____

Street

City

State

Zip

Telephone: _____

12. CONTRIBUTION TYPES

The selections made below must correspond with the selections made under the Contributions and Allocations Section of this Adoption Agreement.

FROZEN PLAN OR CONTRIBUTIONS HAVE BEEN SUSPENDED (Plan Section 4.1(c)) (optional)

a. ☐ This is a frozen Plan (i.e., all contributions cease) (if this is a temporary suspension, select a.2):1. ☐ All contributions ceased as of, or prior to, the effective date of this amendment and restatement and the prior Plan provisions are not reflected in this Adoption Agreement (may enter effective date at 3. below and/or select contributions at b. - c. (optional), skip questions 13-19 and 23-27)2. ☐ All contributions ceased or were suspended and the prior Plan provisions are reflected in this Adoption Agreement (must enter effective date at 3. below and select contributions at b. - c.)**Effective date**3. ☐ as of _____ (effective date is optional unless a.2. has been selected above or this is the amendment or restatement to freeze the Plan).

CONTRIBUTIONS

The Plan permits the following contributions (select one or more):

- b. ☒ **Employer profit sharing contributions** (includes "prevailing wage contributions") (Questions 25-26)
- c. ☒ **Rollover contributions** (Question 39)

ELIGIBILITY REQUIREMENTS

13. ELIGIBLE EMPLOYEES (Plan Section 1.28) means all Employees (including Leased Employees) EXCEPT those Employees who are excluded below or elsewhere in the Plan:

- a. ☐ **No excluded Employees.** There are no additional excluded Employees under the Plan (skip to Question 14).
- b. ☒ **Exclusions.** The following Employees are not Eligible Employees for Plan purposes (select one or more):
 - 1. ☐ Union Employees (as defined in Plan Section 1.28)
 - 2. ☐ Nonresident aliens (as defined in Plan Section 1.28)
 - 3. ☐ Highly Compensated Employees (Plan Section 1.41)
 - 4. ☐ Leased Employees (Plan Section 1.49)
 - 5. ☐ Part-time/temporary/seasonal Employees. A part-time, temporary or seasonal Employee is an Employee whose regularly scheduled service is less than _____ Hours of Service in the relevant eligibility computation period (as defined in Plan Section 1.88). However, if any such excluded Employee actually completes a Year of Service, then such Employee will no longer be part of this excluded class.
 - 6. ☒ Other: All Employees except the General Manager (must (1) be definitely determinable and not based on age or length of service (except in a manner consistent with 5. above) or level of Compensation, and, (2) if using the average benefits test to satisfy Code §410(b) coverage testing, be a reasonable classification).

14. CONDITIONS OF ELIGIBILITY (Plan Section 3.1)

- a. ☐ **No age or service required** (skip to Question 15).
- b. ☒ **Eligibility.** Any Eligible Employee will be eligible to participate in the Plan upon satisfaction of the following (complete age and service; complete c. and d. if applicable):

Age

- 1. ☐ No age requirement
- 2. ☒ Age requirement as follows:
 - a. ☐ Age 20 1/2
 - b. ☒ Age 21
 - c. ☐ Age _____ (may not exceed 21)

Service

- 3. ☒ No service requirement
- 4. ☐ Service requirement as follows:
 - a. ☐ _____ (not to exceed 12) months of service (elapsed time)
 - b. ☐ 1 Year of Service
 - c. ☐ 2 Years of Service
 - d. ☐ _____ (not to exceed 12) consecutive month period from the Eligible Employee's employment commencement date and during which at least _____ (not to exceed 1,000) Hours of Service are completed. If an Employee does not complete the stated Hours of Service during the specified time period, the Employee is subject to the 1 Year of Service requirement in 4.b. above.
 - e. ☐ _____ (not to exceed 12) consecutive months of employment from the Eligible Employee's employment commencement date. If an Employee does not complete the stated number of months, the Employee is subject to the 1 Year of Service requirement in 4.b. above.
 - f. ☐ Other: _____ (e.g., date on which 1,000 Hours of Service is completed within the computation period) (must satisfy the Notes below)

NOTE: If b.2.c. or b.4.f. is selected, the condition must be an age or service requirement that is definitely determinable and may not exceed age 21 and 2 Years of Service. If more than 1 Year of Service is required, 100% immediate vesting is required.

NOTE: If the service requirement is or includes a fractional year, then, except in a manner consistent with b.4.d., an Employee will not be required to complete any specified number of Hours of Service to receive credit for such fractional year. If expressed in months of service, then an Employee will not be required to complete any specified number of Hours of Service in a particular month, unless selected in b.4.d. above. In both cases, the Plan must use the elapsed time method to determine service, except that the Hours of Service method will be used for the 1 Year of Service override (e.g., options b.4.d. and b.4.e.). In such case, select the Hours of Service method at Question 17.

NOTE: Year of Service means Period of Service if elapsed time method is chosen.

Waiver of conditions. The service and/or age requirements specified above will be waived in accordance with the following (leave blank if there are no waivers of conditions):

- c. ☐ If employed on _____ the following requirements, and the entry date requirement, will be waived. The waiver applies to any Eligible Employee unless 3. selected below. Such Employees will enter the Plan as of such date (select 1. and/or 2. AND 3. if applicable):
1. ☐ service requirement (may let part-time Eligible Employees into the Plan)
 2. ☐ age requirement
 3. ☐ waiver is for: _____ (e.g., Employees of a specific division or Employees covered by a Code §410(b)(6)(C) acquisition)

Amendment or restatement to change eligibility requirements

- d. ☐ This amendment or restatement (or a prior amendment and restatement) modified the eligibility requirements and the prior eligibility conditions continue to apply to the Eligible Employees specified below. If this option is NOT selected, then all Eligible Employees must satisfy the eligibility conditions set forth above.
1. ☐ The eligibility conditions above only apply to Eligible Employees who were not Participants as of the effective date of the modification.
 2. ☐ The eligibility conditions above only apply to individuals who were hired on or after the effective date of the modification.

15. EFFECTIVE DATE OF PARTICIPATION (ENTRY DATE) (Plan Section 3.2)

An Eligible Employee who has satisfied the eligibility requirements will become a Participant in the Plan as of the:

- a. ☒ date requirements are met
- b. ☐ first day of the month coinciding with or next following date requirements are met
- c. ☐ first day of the Plan Year quarter coinciding with or next following date requirements are met
- d. ☐ first day of the Plan Year or first day of 7th month of the Plan Year coinciding with or next following date requirements are met
- e. ☐ first day of the Plan Year coinciding with or next following date requirements are met (eligibility must be six months of service (or 1 1/2 Years (or Periods) of Service if 100% immediate vesting is selected) or less and age must be 20 1/2 or less)
- f. ☐ first day of the Plan Year in which requirements are met
- g. ☐ first day of the Plan Year nearest date requirements are met
- h. ☐ Other: _____ (must be definitely determinable and satisfy Note below)

NOTE: If h. above is selected, then it must be completed in a manner that ensures an Eligible Employee who has satisfied the maximum age (21) and service requirements (1 Year (or Period) of Service (or more than 1 year if full and immediate vesting)) and who is otherwise entitled to participate, will become a Participant not later than the earlier of (a) 6 months after such requirements are satisfied, or (b) the first day of the first Plan Year after such requirements are satisfied, unless the Employee separates from service before such participation date.

SERVICE

16. RECOGNITION OF SERVICE WITH OTHER EMPLOYERS (Plan Sections 1.62 and 1.88)

- a. ☒ No service with other employers is recognized except as otherwise required by law (e.g., the Plan already provides for the recognition of service with Employers who have adopted this Plan as well as service with Affiliated Employers and predecessor Employers who maintained this Plan; skip to Question 17).
- b. ☐ Prior service with the designated employers is recognized as follows (answer c. and select one or more of c.1. - 3.; select d. - g. as applicable) (if more than 3 employers, attach an addendum to the Adoption Agreement or complete option I. under Section B of Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections)):

Other Employer	Eligibility	Vesting	Contribution Allocation
c. <input type="checkbox"/> Employer name: _____	1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>
d. <input type="checkbox"/> Employer name: _____	1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>
e. <input type="checkbox"/> Employer name: _____	1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>
f. <input type="checkbox"/> Any entity the Employer acquires whether by asset or stock purchase, but only with respect to individuals who are employees of the acquired entity at the time of the acquisition	1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>
Limitations			
g. <input type="checkbox"/> The following provisions or limitations apply with respect to the recognition of prior service: _____ (e.g., credit service with X only on/following 1/1/13 or credit all service with entities the Employer acquires after 12/31/12)	1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>

NOTE: If the other Employer(s) maintained this qualified Plan, then Years (and/or Periods) of Service with such Employer(s) must be recognized pursuant to Plan Sections 1.62 and 1.88 regardless of any selections above.

17. SERVICE CREDITING METHOD (Plan Sections 1.62 and 1.88)

NOTE: The provisions set forth in the definition of Year of Service in Plan Section 1.88 will apply, including the following defaults, except as otherwise elected below:

1. A Year of Service means completion of at least 1,000 Hours of Service during the applicable computation period.
2. Hours of Service (Plan Section 1.43) will be based on actual Hours of Service.
3. For eligibility purposes, the computation period will be as defined in Plan Section 1.88 (i.e., shift to the Plan Year if the eligibility condition is one (1) Year of Service or less).
4. For vesting and allocation purposes, the computation period will be the Plan Year.
5. The one-year hold-out rule after a 1-Year Break in Service will not be used.

a. ☒ **Elapsed time method.** (Period of Service applies instead of Year of Service) Instead of Hours of Service, elapsed time will be used for:

1. ☒ all purposes (skip to Question 18)
2. ☐ the following purposes (select one or more):
 - a. ☐ eligibility to participate
 - b. ☐ vesting
 - c. ☐ sharing in allocations or contributions

b. ☐ **Alternative definitions for the Hours of Service method.** Instead of the defaults, the following alternatives will apply for the Hours of Service method (select one or more):

1. ☐ **Eligibility computation period.** Instead of shifting to the Plan Year, the eligibility computation period after the initial eligibility computation period will be based on each anniversary of the date the Employee first completes an Hour of Service
2. ☐ **Vesting computation period.** Instead of the Plan Year, the vesting computation period will be the date an Employee first performs an Hour of Service and each anniversary thereof.
3. ☐ **Equivalency method.** Instead of using actual Hours of Service, an equivalency method will be used to determine Hours of Service for:
 - a. ☐ all purposes
 - b. ☐ the following purposes (select one or more):
 1. ☐ eligibility to participate
 2. ☐ vesting
 3. ☐ sharing in allocations or contributions

Such method will apply to:

- c. ☐ all Employees
- d. ☐ Employees for whom records of actual Hours of Service are not maintained or available (e.g., salaried Employees)
- e. ☐ other: _____ (e.g., per-diem Employees only)

Hours of Service will be determined on the basis of:

- f. ☐ days worked (10 hours per day)
- g. ☐ weeks worked (45 hours per week)
- h. ☐ semi-monthly payroll periods worked (95 hours per semi-monthly pay period)
- i. ☐ months worked (190 hours per month)
- j. ☐ bi-weekly payroll periods worked (90 hours per bi-weekly pay period)
- k. ☐ other: _____ (e.g., option f. is used for per-diem Employees and option g. is used for on-call Employees)

4. ☐ **Number of Hours of Service required.** Instead of 1,000 Hours of Service, Year of Service means the applicable computation period during which an Employee has completed at least _____ (not to exceed 1,000) Hours of Service for:

- a. ☐ all purposes
- b. ☐ the following purposes (select one or more):
 1. ☐ eligibility to participate
 2. ☐ vesting
 3. ☐ sharing in allocations or contributions

VESTING

18. VESTING OF PARTICIPANT'S INTEREST (Plan Section 6.4(b))

- a. ☐ N/A (no Employer profit sharing contributions (other than "prevailing wage contributions"); skip to Question 20)
- b. ☒ The vesting provisions selected below apply to all Participants unless otherwise selected below. In addition, option m. under Section B of Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections) can be used to specify any exceptions to the provisions below.

Vesting waiver.

1. ☐ Employees who were employed on _____ (enter date) and Participants as of such date are 100% Vested. For Participants who enter the Plan after such date, the vesting provisions selected below apply.

Vesting for Employer profit sharing contributions

- c. ☒ 100% vesting. Participants are 100% Vested in Employer profit sharing contributions upon entering Plan (required if eligibility requirement is greater than one (1) Year (or Period) of Service).
- d. ☐ The following vesting schedule, based on a Participant's Years of Service (or Periods of Service if the elapsed time method is selected), applies to Employer profit sharing contributions:
1. ☐ 6 Year Graded: 0-1 year-0%; 2 years-20%; 3 years-40%; 4 years-60%; 5 years-80%; 6 years-100%
 2. ☐ 4 Year Graded: 1 year-25%; 2 years-50%; 3 years-75%; 4 years-100%
 3. ☐ 5 Year Graded: 1 year-20%; 2 years-40%; 3 years-60%; 4 years-80%; 5 years-100%
 4. ☐ 3 Year Cliff: 0-2 years-0%; 3 years-100%
 5. ☐ Other - Must be at least as liberal as either 1. or 4. above in each year without switching between the two schedules:

Years (or Periods) of Service	Percentage
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%

19. VESTING OPTIONS

Excluded vesting service. The following Years of Service will be disregarded for vesting purposes (select all that apply; leave blank if none apply):

- a. ☐ Service prior to the initial Effective Date of the Plan or a predecessor plan (as defined in Regulations §1.411(a)-5(b)(3))
- b. ☐ Service prior to the computation period in which an Employee has attained age 18

Vesting for death, Total And Permanent Disability and Early Retirement Date. Regardless of the vesting schedule, a Participant will become fully Vested upon (select all that apply; leave blank if none apply):

- c. ☐ Death
- d. ☐ Total and Permanent Disability
- e. ☐ Early Retirement Date

RETIREMENT AGES

20. NORMAL RETIREMENT AGE ("NRA") (Plan Section 1.55) means:

- a. ☒ **Specific age.** The date a Participant attains age 65 (see Note below).
- b. ☐ **Age/participation.** The later of the date a Participant attains age _____ (see Note below) or the _____ (not to exceed 5th) anniversary of the first day of the Plan Year in which participation in the Plan commenced.

NOTE: A Participant's age specified above may not exceed 65 and, if this Plan includes transferred pension assets, may not be less than age 62 unless the Employer has evidence that the representative typical retirement age for the adopting Employer's industry is a lower age, but may be no less than age 55.

21. NORMAL RETIREMENT DATE (Plan Section 1.56) means, with respect to any Participant, the:

- a. ☒ date on which the Participant attains "NRA"
- b. ☐ first day of the month coinciding with or next following the Participant's "NRA"
- c. ☐ first day of the month nearest the Participant's "NRA"
- d. ☐ Anniversary Date coinciding with or next following the Participant's "NRA"
- e. ☐ Anniversary Date nearest the Participant's "NRA"
- f. ☐ Other: _____ (e.g., first day of the month following the Participant's "NRA").

22. EARLY RETIREMENT DATE (Plan Section 1.23)

- a. ☒ N/A (no early retirement provision provided)
- b. ☐ Early Retirement Date means the:
1. ☐ date on which a Participant satisfies the early retirement requirements
 2. ☐ first day of the month coinciding with or next following the date on which a Participant satisfies the early retirement requirements
 3. ☐ Anniversary Date coinciding with or next following the date on which a Participant satisfies the early retirement requirements

Early retirement requirements

4. ☐ Participant attains age _____
AND, completes.... (leave blank if not applicable)
- a. ☐ at least _____ Years (or Periods) of Service for vesting purposes
 - b. ☐ at least _____ Years (or Periods) of Service for eligibility purposes

COMPENSATION

23. COMPENSATION with respect to any Participant is defined as follows (Plan Sections 1.18 and 1.40).

Base definition

- a. ☐ Wages, tips and other compensation on Form W-2
- b. ☐ Code §3401(a) wages (wages for withholding purposes)
- c. ☒ 415 safe harbor compensation

NOTE: Plan Sections 1.18(d) and 1.40 provide that the base definition of Compensation includes deferrals that are not included in income due to Code §§401(k), 125, 132(f)(4), 403(b), 402(h)(1)(B)(SEP), 414(h)(2), & 457.

Determination period. Compensation will be based on the following "determination period" (this will also be the Limitation Year unless otherwise elected at option i. under Section B of Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections)):

- d. ☒ the Plan Year
- e. ☐ the Fiscal Year coinciding with or ending within the Plan Year
- f. ☐ the calendar year coinciding with or ending within the Plan Year

Adjustments to Compensation (for Plan Section 1.18). Compensation will be adjusted by:

- g. ☐ **No adjustments**

- h. ☒ **Adjustments.** Compensation will be adjusted by (select all that apply):

- 1. ☐ excluding salary reductions (401(k), 125, 132(f)(4), 403(b), SEP, 414(h)(2) pickup, & 457)
- 2. ☐ excluding reimbursements or other expense allowances, fringe benefits (cash or non-cash), moving expenses, deferred compensation (other than deferrals specified in 1. above) and welfare benefits.
- 3. ☐ excluding Compensation paid during the "determination period" while not a Participant in the Plan.
- 4. ☐ excluding Military Differential Pay
- 5. ☒ excluding overtime
- 6. ☒ excluding bonuses
- 7. ☐ excluding commissions
- 8. ☐ excluding Compensation paid by an Affiliated Employer that has not adopted this Plan.
- 9. ☐ other: _____ (e.g., describe Compensation from the elections available above or a combination thereof as to a Participant group (e.g., no exclusions as to Division A Employees and exclude bonuses as to Division B Employees); and/or describe another exclusion (e.g., exclude shift differential pay)).

NOTE: If 5., 6., 7., 8. or 9. is selected, the definition of Compensation could violate the nondiscrimination rules.

Military Differential Pay special effective date (leave blank if not applicable)

- i. ☐ If this is a PPA restatement and the provisions above regarding Military Differential Pay (included unless h.4. is selected) have a later effective date than Plan Years beginning after December 31, 2008, then enter the date such provisions were first effective: _____ (may not be earlier than January 1, 2009; for Plan Years beginning prior to January 1, 2009, Military Differential Pay is treated in accordance with the post-severance compensation provisions in the following Question).

24. POST-SEVERANCE COMPENSATION (415 REGULATIONS)

The following optional provision of the 415 Regulations will apply to Limitation Years beginning on or after July 1, 2007 unless otherwise elected below:

415 Compensation (post-severance compensation adjustments) (select all that apply at a. - b.; leave blank if none apply)

NOTE: Unless otherwise elected under a. below, the following defaults apply: 415 Compensation will **include** (to the extent provided in Plan Section 1.40), post-severance regular pay, leave cash-outs and payments from nonqualified unfunded deferred compensation plans.

- a. ☐ The defaults listed above apply except for the following (select one or more):
 - 1. ☐ Leave cash-outs will be **excluded**
 - 2. ☐ Nonqualified unfunded deferred compensation will be **excluded**
 - 3. ☐ Military Differential Pay will be **included** (Plan automatically includes for Limitation Years beginning after December 31, 2008)
 - 4. ☐ Disability continuation payments will be **included** for:
 - a. ☐ Nonhighly Compensated Employees only
 - b. ☐ all Participants and the salary continuation will continue for the following fixed or determinable period: _____
- b. ☐ The last paycheck ("administrative delay") rule will be applied (amounts paid in the first few weeks of a Limitation Year due to administrative delay relate back to the prior Limitation Year).

Plan Compensation (post-severance compensation adjustments)

- c. ☒ **Defaults apply.** Compensation will **include** (to the extent provided in Plan Section 1.18 and to the extent such amounts would be included in Compensation if paid prior to severance of employment) post-severance regular pay, leave cash-outs, and payments from nonqualified unfunded deferred compensation plans
- d. ☐ **Exclude all post-severance compensation** (may violate the nondiscrimination requirements)
- e. ☐ **Post-severance adjustments.** The defaults listed at c. apply except for the following (select one or more):
 - 1. ☐ Regular pay will be **excluded** (may violate the nondiscrimination requirements)
 - 2. ☐ Leave cash-outs will be **excluded**

3. ☐ Nonqualified unfunded deferred compensation will be **excluded**
4. ☐ Military Differential Pay will be **included**
5. ☐ Disability continuation payments will be **included** for:
 - a. ☐ Nonhighly Compensated Employees only
 - b. ☐ all Participants and the salary continuation will continue for the following fixed or determinable period: _____

NOTE: The above treatment of Military Differential Pay only applies to Plan Years beginning prior to January 1, 2009. For Plan Years beginning after such date, Military Differential Pay is not considered post-severance compensation and the provisions of Question 23 apply.

Post-severance compensation special effective date (leave blank if not applicable)

- f. ☐ If this is a PPA restatement and the post-severance compensation adjustments above for 415 Compensation or Plan Compensation applied other than the first day of the Plan Year beginning on or after July 1, 2007, then enter the date such provisions were first effective: _____

CONTRIBUTIONS AND ALLOCATIONS

25. EMPLOYER PROFIT SHARING CONTRIBUTIONS (Plan Section 4.1) (skip Questions 25 and 26 if profit sharing contributions are NOT selected at Question 12.b.)

A. **Profit sharing formula** (c. may be selected in addition to a., b. or d.)

- a. ☒ **Discretionary.** Discretionary contribution, to be determined by the Employer.
1. ☐ **Discretionary based on business units or location.** The Employer may determine a separate discretionary contribution for Participants working in different business units or locations.
- b. ☐ **Fixed.** Fixed contribution equal to _____% of Compensation of Participants eligible to share in allocations.
- c. ☐ **Prevailing wage contribution.** The Employer will make a "prevailing wage contribution" on behalf of each Participant who performs services subject to the Service Contract Act, Davis-Bacon Act or similar federal, state, or municipal prevailing wage statutes. The "prevailing wage contribution" will be an amount equal to the remaining balance of the prevailing wage defined bona-fide fringe benefit amount, based on the Participant's employment classification as designated on the appropriate prevailing wage determination, after the application of other prevailing wage defined bona-fide fringe payments. Specify the "prevailing wage contribution" by attaching an appendix to the Adoption Agreement that indicates the contribution rate(s) applicable to the prevailing wage employment/job classification(s). The "prevailing wage contribution" will not be subject to any age or service requirements set forth in Question 14, entry date provisions at Question 15, nor to any service or employment conditions set forth in Question 26 and will be 100% Vested.

Additional "prevailing wage contribution" provisions (select all that apply; leave blank if none apply)

1. ☐ **Offset.** The "prevailing wage contribution" made on behalf of a Participant for a Plan Year will reduce (offset) other Employer contributions allocated or contributed on behalf of such Participant for the Plan.
 2. ☐ **Exclude Highly Compensated Employees.** Highly Compensated Employees will be excluded from receiving a "prevailing wage contribution."
- d. ☐ Other: _____ (the formula described must satisfy the definitely determinable requirement under Reg. §1.401-1(b). If the formula is non-uniform, it is not a design-based safe harbor for nondiscrimination purposes.)

B. **Contribution allocations.** If a., b., or d. above is selected, the Employer profit sharing contribution for a Plan Year will be allocated as follows:

- e. ☐ **INCORPORATION OF CONTRIBUTION FORMULA.** In accordance with the contribution formula specified above (may only be selected if b. or d. above is selected).

f. ☒ **NON-INTEGRATED ALLOCATION**

1. ☒ in the same ratio as each Participant's Compensation bears to the total of such Compensation of all Participants
2. ☐ in the same dollar amount to all Participants (per capita)
3. ☐ in the same dollar amount per Hour of Service completed by each Participant
4. ☐ in the same proportion that each Participant's points bears to the total of such points of all Participants. A Participant's points with respect to any Plan Year will be computed as follows (select all that apply):
 - a. ☐ _____ point(s) will be allocated for each Year of Service (or Period of Service).
However, the maximum Years (or Periods if elapsed time method is selected) of Service taken into account will not exceed:
 1. ☐ _____ (leave blank if no limit on service applies).
 Year of Service (or Period of Service if applicable), means:
 2. ☐ service for eligibility purposes
 3. ☐ service for vesting purposes
 - b. ☐ _____ point(s) will be allocated for each full \$_____ (may not exceed \$200) of Compensation
 - c. ☐ _____ point(s) will be allocated for each year of age as of the last day of the Plan Year

g. ☐ **INTEGRATED (PERMITTED DISPARITY) ALLOCATION**

In accordance with Plan Section 4.3(b)(2) based on a Participant's Compensation in excess of:

1. ☐ the Taxable Wage Base
2. ☐ _____% (not to exceed 100%) of the Taxable Wage Base (see Note below)
3. ☐ 80% of the Taxable Wage Base plus \$1.00
4. ☐ \$_____ (not greater than the Taxable Wage Base) (see Note below)

- NOTE:** The integration percentage of 5.7% will be reduced to:
1. 4.3% if 2. or 4. above is more than 20% and less than or equal to 80% of the Taxable Wage Base.
 2. 5.4% if 3. is selected or if 2. or 4. above is more than 80% of the Taxable Wage Base.

h. ☐ **NON-SAFE HARBOR ALLOCATION METHODS**

1. ☐ **Grouping method.** Pursuant to Plan Section 4.3(b)(3)(vi), the classifications are (select a. or b.):
- a. ☐ Each Participant constitutes a separate classification.
 - b. ☐ Participants will be divided into the following classifications with the allocation methods indicated under each classification.

Definition of classifications. Define each classification and specify the method of allocating the contribution among members of each classification. Classifications specified below must be clearly defined in a manner that will not violate the definitely determinable allocation requirement of Regulation §1.401-1(b)(1)(ii). The design of the groups cannot be such that the only NHCEs benefiting under the Plan are those with the lowest amount of Compensation and/or the shortest periods of service and who may represent the minimum number of these Employees necessary to satisfy coverage under Code §410(b).

Classification A will consist of _____
The allocation method will be: ☐ pro rata based on Compensation
☐ equal dollar amounts (per capita)

Classification B will consist of _____
The allocation method will be: ☐ pro rata based on Compensation
☐ equal dollar amounts (per capita)

Classification C will consist of _____
The allocation method will be: ☐ pro rata based on Compensation
☐ equal dollar amounts (per capita)

Classification D will consist of _____
The allocation method will be: ☐ pro rata based on Compensation
☐ equal dollar amounts (per capita)

Additional classifications: _____ (specify the classifications and which of the above allocation methods (pro rata or per capita) will be used for each classification).

NOTE: In the case of Self-Employed Individuals (i.e., sole proprietors or partners), the requirements of Regulation §1.401(k)-1(a)(6) continue to apply and the allocation method should not be such that a cash or deferred election is created for a Self-Employed Individual as a result of application of the allocation method.

NOTE: If more than four (4) classifications, the additional classifications and allocation methods may be attached as an addendum to the Adoption Agreement or may be entered under Additional Classifications above.

Determination of applicable group. If a Participant shifts from one classification to another during a Plan Year, then unless selected below, the Participant is in a classification based on the Participant's status as of the last day of the Plan Year, or if earlier, the date of termination of employment. If selected below, the Administrator will apportion the Participant's allocation during a Plan Year based on the following:

1. ☐ Beginning of Plan Year. The classification will be based on the Participant's status as of the beginning of the Plan Year.
2. ☐ Months in each classification. Pro rata based on the number of months the Participant spent in each classification.
3. ☐ Days in each classification. Pro rata based on the number of days the Participant spent in each classification.
4. ☐ One classification only. The Employer in a nondiscriminatory manner will direct the Administrator to place the Participant in only one classification for the entire Plan Year during which the shift occurs.

2. ☐ **Age-weighted method.** The Schedule of Age-Weighted Allocation Factors is set forth in attached Exhibit A (which is hereby incorporated by reference and made a part of the Plan) and will be based on the following interest rate (if no selection is made, c. will be deemed to have been selected):
- a. ☐ 7.5% interest
 - b. ☐ 8.0% interest
 - c. ☐ 8.5% interest
3. ☐ **Other:** _____ (the formula described must satisfy the definitely determinable requirement under Reg. §1.401-1(b). If the formula is non-uniform, it is not a design-based safe harbor for nondiscrimination purposes.)

26. **ALLOCATION CONDITIONS** (Plan Section 4.3). Requirements to share in allocations of Employer profit sharing contributions (select a. OR b. and all that apply of c. - f.)

- a. ☒ **No conditions.** All Participants share in the allocations regardless of service completed during the Plan Year or employment status on the last day of the Plan Year (skip to Question 27).

- b. ☐ **Allocation conditions apply** (select one of 1. - 5. AND one of 6. - 9. below)

Conditions for Participants NOT employed on the last day of the Plan Year

1. ☐ A Participant must complete more than _____ (not to exceed 500) Hours of Service (or _____ (not to exceed 3) months of service if the elapsed time method is selected).
2. ☐ A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected). (could cause the Plan to violate coverage requirements under Code §410(b))
3. ☐ Participants will NOT share in the allocations, regardless of service. (could cause the Plan to violate coverage requirements under Code §410(b))
4. ☐ Participants will share in the allocations, regardless of service.
5. ☐ Other: _____ (must be definitely determinable, not subject to Employer discretion and may not require more than one Year of Service (or Period of Service if the elapsed time method is selected)).

Conditions for Participants employed on the last day of the Plan Year (options 7., 8. and 9. could cause the Plan to violate coverage requirements under Code §410(b))

6. ☐ No service requirement.
7. ☐ A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
8. ☐ A Participant must complete at least _____ (not to exceed 1,000) Hours of Service during the Plan Year.
9. ☐ Other: _____ (must be definitely determinable, not subject to Employer discretion and may not require more than one Year of Service (or Period of Service if the elapsed time method is selected)).

Waiver of conditions for Participants NOT employed on the last day of the Plan Year. If b.1., 2., 3., or 5. is selected, Participants who are not employed on the last day of the Plan Year in which one of the following events occur will be eligible to share in the allocations regardless of the above conditions (select all that apply; leave blank if none apply):

- c. ☐ Death
- d. ☐ Total and Permanent Disability
- e. ☐ Termination of employment on or after Normal Retirement Age
 1. ☐ or Early Retirement Date

Code §410(b) fail-safe. If b.2., 3., 5. and/or b.7., 8. or 9. is selected, the Code §410(b) ratio percentage fail-safe provisions will NOT apply (Plan Section 4.3(m)) unless selected below (leave blank if not applicable or fail-safe will not be used):

- f. ☐ The Plan will use the Code §410(b) fail-safe provisions and must satisfy the ratio percentage test of Code §410(b).

27. **FORFEITURES** (Plan Sections 1.37 and 4.3(e))

Except as provided in Plan Section 1.37, a Forfeiture will occur:

- a. ☒ N/A (may only be selected if all contributions are fully Vested (default provisions at Plan Section 4.3(e) apply); skip to Question 28)
- b. ☐ As of the earlier of (1) the last day of the Plan Year in which the former Participant incurs five (5) consecutive 1-Year Breaks in Service, or (2) the distribution of the entire Vested portion of the Participant's Account.
- c. ☐ As of the last day of the Plan Year in which the former Participant incurs five (5) consecutive 1-Year Breaks in Service.

NOTE: Forfeitures are disposed of in accordance with Employer direction that is consistent with Section 4.3(e).

28. **ALLOCATION OF EARNINGS** (Plan Section 4.3(c))

Allocation of earnings with respect to amounts which are not subject to Participant investment direction and which are contributed to the Plan after the previous Valuation Date will be determined:

- a. ☒ N/A. (all assets in the Plan are subject to Participant investment direction)
- b. ☐ by using a weighted average based on the amount of time that has passed between the date a contribution or distribution is made and the prior Valuation Date
- c. ☐ by treating one-half of all such contributions as being a part of the Participant's nonsegregated Account balance as of the previous Valuation Date
- d. ☐ by using the method specified in Plan Section 4.3(c) (balance forward method)
- e. ☐ other: _____ (must be a definite predetermined formula that is not based on Compensation, that satisfies the nondiscrimination requirements of Regulation §1.401(a)(4)-4, and that is applied uniformly to all Participants)

29. **TOP-HEAVY MINIMUM ALLOCATION**

The minimum allocation requirements for any Top-Heavy Plan Year will be applied only to Non-Key Employee Participants unless selected below:

- a. ☐ The Top-Heavy minimum will be provided to both Key and Non-Key Employee Participants.

DISTRIBUTIONS

30. **FORM OF DISTRIBUTIONS** (Plan Sections 6.5 and 6.6)

Distributions under the Plan may be made in (select all that apply; must select at least one from a. - e. unless g. is selected below)

- a. ☒ lump-sums
- b. ☐ substantially equal installments

- c. ☐ partial withdrawals, provided the minimum withdrawal is \$_____ (leave blank if no minimum)
- d. ☐ partial withdrawals or installments are only permitted for Participants or Beneficiaries who must receive required minimum distributions under Code §401(a)(9) except for the following (e.g., partial is not permitted for death benefits; leave blank if no exceptions):
1. ☐ _____
- e. ☐ other: _____ (must be definitely determinable and not subject to Employer discretion)

NOTE: Regardless of the above, a Participant is not required to request a withdrawal of his or her total Account for an in-service distribution, a hardship distribution, or a distribution from the Participant's Rollover Account.

Annuities. Is the annuity form of distribution the normal form of distribution?

NOTE: If this Plan includes transferred pension assets, f.1. or g. below must be selected.

- f. ☒ **Annuities are not allowed or are not the normal form of distribution** (except as indicated below). Plan Section 6.13(b) will apply and the joint and survivor rules of Code §§401(a)(11) and 417 will not apply to the Plan.

Special rules. An annuity form of distribution is available to certain Participants and/or with respect to only a portion of the Plan assets according to the following: (select all that apply)

1. ☐ **Pension assets.** Annuities are the normal form of distribution for assets that are transferred pension assets (Plan Section 6.13(a)).
2. ☐ **Annuity selected by Participant.** Plan Section 6.13(c) will apply and the joint and survivor rules of Code §§401(a)(11) and 417 will apply only if an annuity form of distribution is selected by a Participant.

However, the Participant may only select an annuity distribution according to the following:

- a. ☐ _____ (leave blank if no conditions apply).
- g. ☐ **Annuities are the normal form of distribution.** The qualified Joint and Survivor Annuity and Qualified Pre-Retirement Survivor Annuity provisions apply (Plan Section 6.13 will not apply and the joint and survivor rules of Code §§401(a)(11) and 417 will automatically apply).

Pre-Retirement Survivor Annuity

If the Plan permits an annuity form of payment under option f.1. or g. above, the Pre-Retirement Survivor Annuity (minimum Spouse's death benefit) will be equal to 50% of a Participant's interest in the Plan unless a different percentage is selected below (leave blank if default applies)

- h. ☐ 100% of a Participant's interest in the Plan.
- i. ☐ _____% (may not be less than 50%) of a Participant's interest in the Plan.

Cash or property. Distributions may be made in:

- j. ☒ cash only, except for (select all that apply; leave blank if none apply):
1. ☐ insurance Contracts
2. ☐ annuity Contracts
3. ☐ Participant loans
4. ☐ property in an open brokerage window or similar arrangement
- k. ☐ cash or property, except that the following limitation(s) apply: (leave blank if there are no limitations on property distributions):
1. ☐ _____

31. **CONDITIONS FOR DISTRIBUTIONS UPON SEVERANCE OF EMPLOYMENT.** Distributions upon severance of employment pursuant to Plan Section 6.4(a) will not be made unless the following conditions have been satisfied:

A. Accounts in excess of \$5,000

- a. ☒ Distributions may be made as soon as administratively feasible following severance of employment.
- b. ☐ Distributions may be made as soon as administratively feasible after the Participant has incurred _____ 1-Year Break(s) in Service (or Period(s) of Severance if the elapsed time method is selected).
- c. ☐ Distributions may be made as soon as administratively feasible after the last day of the Plan Year coincident with or next following severance of employment.
- d. ☐ Distributions may be made as soon as administratively feasible after the last day of the Plan Year quarter coincident with or next following severance of employment.
- e. ☐ Distributions may be made as soon as administratively feasible after the Valuation Date coincident with or next following severance of employment.
- f. ☐ Distributions may be made as soon as administratively feasible after _____ months have elapsed following severance of employment.
- g. ☐ No distributions may be made until a Participant has reached Early or Normal Retirement Date.
- h. ☐ Other: _____ (must be objective conditions which are ascertainable and are not subject to Employer discretion except as otherwise permitted in Regulation §1.411(d)-4 and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

B. Accounts of \$5,000 or less

- i. ☒ Same as above
- j. ☐ Distributions may be made as soon as administratively feasible following severance of employment.
- k. ☐ Distributions may be made as soon as administratively feasible after the Participant has incurred _____ 1-Year Break(s) in Service (or Period(s) of Severance if the elapsed time method is selected).
- l. ☐ Distributions may be made as soon as administratively feasible after the last day of the Plan Year coincident with

- or next following severance of employment.
- m. ☐ Other: _____ (must be objective conditions which are ascertainable and are not subject to Employer discretion except as otherwise permitted in Regulation §1.411(d)-4 and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

- C. **Timing after initial distributable event.** If a distribution is not made in accordance with the above provisions upon the occurrence of the distributable event, then a Participant may elect a subsequent distribution at any time after the time the amount was first distributable (assuming the amount is still distributable), unless otherwise selected below (may not be selected with 31.g. and 31.i.):

- n. ☐ Other: _____ (e.g., a subsequent distribution request may only be made in accordance with l. above (i.e., the last day of another Plan Year); must be objective conditions which are ascertainable and are not subject to Employer discretion except as otherwise permitted in Regulation §1.411(d)-4 and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

- D. **Participant consent (i.e., involuntary cash-outs).** Should Vested Account balances less than a certain dollar threshold be automatically distributed without Participant consent (mandatory distributions)?

NOTE: The Plan provides that distributions of amounts of \$5,000 or less do not require spousal consent and are only paid as lump-sums.

- o. ☐ No, Participant consent is required for all distributions.
- p. ☒ Yes, Participant consent is required only if the distribution is over:
1. ☐ \$5,000
 2. ☒ \$1,000
 3. ☐ \$_____ (less than \$1,000)

NOTE: If 2. or 3. is selected, rollovers will be included in determining the threshold for Participant consent.

Automatic IRA rollover. With respect to mandatory distributions of amounts that are \$1,000 or less, if a Participant makes no election, the amount will be distributed as a lump-sum unless selected below.

4. ☐ If a Participant makes no election, then the amount will be automatically rolled over to an IRA provided the amount is at least \$_____ (e.g., \$200).

- E. **Rollovers in determination of \$5,000 threshold.** Unless otherwise elected below, amounts attributable to rollover contributions (if any) will be **included** in determining the \$5,000 threshold for timing of distributions, form of distributions or consent rules.

- q. ☐ Exclude rollovers (rollover contributions will be **excluded** in determining the \$5,000 threshold)

NOTE: Regardless of the above election, if the Participant consent threshold is \$1,000 or less, then the Administrator must include amounts attributable to rollovers for such purpose. In such case, an election to exclude rollovers above will apply for purposes of the timing and form of distributions.

- F. **Mandatory distribution at Normal Retirement Age.** Regardless of the above elections other than any mandatory distributions provided for in p. above, unless otherwise selected below, a Participant who has severed employment may elect to delay a distribution beyond the later of age 62 or the Participant's Normal Retirement Age (subject to Plan Section 6.8).

- r. ☐ A Participant who has severed employment may not elect to delay a distribution beyond the later of age 62 or the Participant's Normal Retirement Age.

32. DISTRIBUTIONS UPON DEATH (Plan Section 6.8(b)(2))

Distributions upon the death of a Participant prior to the "required beginning date" will:

- a. ☒ be made pursuant to the election of the Participant or "designated Beneficiary"
- b. ☐ begin within 1 year of death for a "designated Beneficiary" and be payable over the life (or over a period not exceeding the "life expectancy") of such Beneficiary, except that if the "designated Beneficiary" is the Participant's Spouse, begin prior to December 31st of the year in which the Participant would have attained age 70 1/2
- c. ☐ be made within 5 (or if lesser _____) years of death for all Beneficiaries
- d. ☐ be made within 5 (or if lesser _____) years of death for all Beneficiaries, except that if the "designated Beneficiary" is the Participant's Spouse, begin prior to December 31st of the year in which the Participant would have attained age 70 1/2 and be payable over the life (or over a period not exceeding the "life expectancy") of such "surviving Spouse"

NOTE: The elections above must be coordinated with the Form of distributions (e.g., if the Plan only permits lump-sum distributions, then options a., b. and d. would not be applicable).

33. HARDSHIP DISTRIBUTIONS (Plan Sections 6.12 and/or 12.10)

- a. ☐ Hardship distributions are NOT permitted (skip to Question 34).
- b. ☒ Hardship distributions are permitted from the following Participant Accounts:
 1. ☒ all Accounts
 2. ☐ only from the following Accounts (select one or more):
 - a. ☐ Account attributable to Employer profit sharing contributions
 - b. ☐ Rollover Account
 - c. ☐ Transfer Account (other than amounts attributable to a money purchase pension plan)
 - d. ☐ Other: _____ (specify Account(s) and conditions in a manner that is definitely determinable and not subject to Employer discretion)

NOTE: Hardship distributions are NOT permitted from a Transfer Account attributable to pension assets (e.g., from a money purchase pension plan).

Additional limitations. The following limitations apply to hardship distributions:

3. ☒ N/A (no additional limitations)
4. ☐ Additional limitations (select one or more):
 - a. ☐ The minimum amount of a distribution is \$ _____ (may not exceed \$1,000).
 - b. ☐ No more than _____ distribution(s) may be made to a Participant during a Plan Year.
 - c. ☐ Distributions may only be made from Accounts which are fully Vested.
 - d. ☐ A Participant does not include a Former Employee at the time of the hardship distribution.
 - e. ☐ Hardship distributions may be made subject to the following provisions: _____ (must be definitely determinable and not subject to Employer discretion).

Beneficiary Hardship. Hardship distributions for Beneficiary expenses are NOT allowed unless otherwise selected below.

5. ☐ Hardship distributions for expenses of Beneficiaries are allowed
Special effective date (may be left blank if effective date is same as the Plan or Restatement Effective Date; select a. and, if applicable, b.)
 - a. ☐ effective as of _____ (if this is a PPA restatement and the provisions were effective prior to the Restatement Effective Date, then enter the date such provisions were first effective; may not be earlier than August 17, 2006)
 - b. ☐ eliminated effective as of _____.

Safe harbor hardship rules. Will the safe harbor hardship rules of Plan Section 12.10 apply to hardship distributions from all Accounts?

6. ☒ Yes. The provisions of Plan Section 12.10 apply to all hardship distributions.
7. ☐ No

34. IN-SERVICE DISTRIBUTIONS (Plan Section 6.11)

- a. ☐ In-service distributions are NOT permitted (except as otherwise selected for Hardship Distributions).
- b. ☒ In-service distributions may be made to a Participant who has not separated from service provided any of the following conditions have been satisfied (select one or more):
 1. ☒ Age
 - a. ☒ the Participant has attained age 59 1/2
 - b. ☐ the Participant has reached Normal Retirement Age
 2. ☐ the Participant has been a Participant in the Plan for at least _____ years (may not be less than five (5))
 3. ☐ the amounts being distributed have accumulated in the Plan for at least 2 years
 4. ☐ other: _____ (must satisfy the definitely determinable requirement under Regulations §401-1(b); may not be subject to Employer discretion; must be nondiscriminatory; and must be limited to a combination of items b.1. – b.3. or a Participant's disability)

More than one condition. If more than one condition is selected above, then a Participant only needs to satisfy one of the conditions, unless selected below:

5. ☐ A Participant must satisfy each condition

NOTE: Distributions from a Transfer Account attributable to a money purchase pension plan are not permitted prior to age 62.

Account restrictions. In-service distributions are permitted from the following Participant Accounts:

6. ☒ all Accounts
7. ☐ only from the following Accounts (select one or more):
 - a. ☐ Account attributable to Employer profit sharing contributions
 - b. ☐ Rollover Account
 - c. ☐ Transfer Account attributable to (select one or both):
 1. ☐ non-pension assets
 2. ☐ pension assets (e.g., from a money purchase pension plan)
 - d. ☐ Other: _____ (specify Account(s) and conditions in a manner that is definitely determinable and not subject to Employer discretion)

Limitations. The following limitations apply to in-service distributions:

8. ☐ N/A (no additional limitations)
9. ☒ Additional limitations (select one or more):
 - a. ☐ The minimum amount of a distribution is \$ _____ (may not exceed \$1,000).
 - b. ☒ No more than 2 distribution(s) may be made to a Participant during a Plan Year.
 - c. ☐ Distributions may only be made from Accounts which are fully Vested.
 - d. ☐ In-service distributions may be made subject to the following provisions: _____ (must be definitely determinable and not subject to discretion).

35. AGE 62 IN-SERVICE DISTRIBUTIONS FOR TRANSFERRED MONEY PURCHASE ASSETS (Plan Section 6.11)
 In-service distributions at age 62 will NOT be allowed (except as otherwise permitted under the Plan without regard to this

provision) unless selected below (applies only for Transfer Accounts from a money purchase pension plan):

- a. ☐ In-service distributions will be allowed for Participants at age 62.

Special effective date. If this is a PPA restatement and the provision applied other than as of the first day of the 2007 Plan Year, then enter the date such provision was first effective: (leave blank if not applicable)

1. ☐ _____ (may not be earlier than the first day of the 2007 Plan Year).

Limitations. The following limitations apply to these in-service distributions:

2. ☐ The Plan already provides for in-service distributions and the restrictions set forth in the Plan (e.g., minimum amount of distributions or frequency of distributions) are applicable to in-service distributions at age 62.
3. ☐ N/A (no limitations)
4. ☐ The following elections apply to in-service distributions at age 62 (select one or more):
- a. ☐ The minimum amount of a distribution is \$_____ (may not exceed \$1,000).
- b. ☐ No more than _____ distribution(s) may be made to a Participant during a Plan Year.
- c. ☐ Distributions may only be made from Accounts which are fully Vested.
- d. ☐ In-service distributions may be made subject to the following provisions: _____ (must be definitely determinable and not subject to discretion).

36. HEART ACT PROVISIONS (Plan Section 6.18)

Continued benefit accruals.

- a. ☒ Continued benefit accruals will NOT apply
- b. ☐ Continued benefit accruals will apply

Special effective date. If this is a PPA restatement and the provision applied other than as of the first day of the 2007 Plan Year, then enter the date such provision was first effective: (leave blank if not applicable)

- c. ☐ _____ (may not be earlier than the first day of the 2007 Plan Year)

Distributions for deemed severance of employment

- d. ☐ The Plan does NOT permit distributions for deemed severance of employment
- e. ☒ The Plan permits distributions for deemed severance of employment

Special effective date (may be left blank if same as Plan or Restatement Effective Date)

1. ☒ January 1, 2009 (if this is a PPA restatement and the provisions were effective prior to the Restatement Effective Date, then enter the date such provisions were first effective; may not be earlier than January 1, 2007)

NONDISCRIMINATION TESTING

37. HIGHLY COMPENSATED EMPLOYEE (Plan Section 1.41)

Top-Paid Group election and calendar year data election are not used unless selected below (the selections made for the latest year will continue to apply to subsequent Plan Years unless the Plan is amended) (select all that apply; leave blank if none apply):

- a. ☐ **Top-Paid Group election** will be used.
- b. ☐ **Calendar year data election** will be used (only applicable to non-calendar year Plan Year).

MISCELLANEOUS

38. LOANS TO PARTICIPANTS (Plan Section 7.6)

- a. ☐ New loans are NOT permitted.
- b. ☒ New loans are permitted.

NOTE: Regardless of whether new loans are permitted, if the Plan permits rollovers, then the Administrator may, in a uniform and nondiscriminatory manner, accept rollovers of loans into this Plan.

39. ROLLOVERS (Plan Section 4.6) (skip if rollover contributions are NOT selected at 12.c.)

Eligibility. Rollovers may be accepted from all Participants who are Employees as well as the following (select all that apply; leave blank if not applicable):

- a. ☒ Any Eligible Employee, even prior to meeting eligibility conditions to be a Participant
- b. ☐ Participants who are Former Employees

Distributions. When may distributions be made from a Participant's Rollover Account?

- c. ☒ At any time
- d. ☐ Only when the Participant is otherwise entitled to a distribution under the Plan

PPA TRANSITION RULES

The following questions only apply if this is a PPA restatement (i.e., Question 5.b.1. is selected). If this is not a PPA restatement, then this Plan will not be considered an individually designed plan merely because the following questions are deleted from the Adoption Agreement.

NOTE: The following provisions are designed to be left unanswered if the selections do not apply to the Plan.

40. PRIOR VESTING SCHEDULE FOR EMPLOYER PROFIT SHARING CONTRIBUTIONS. The vesting schedule for amounts attributable to Employer profit sharing contributions made prior to Plan Years beginning after December 31, 2006, is (leave

blank if not applicable):

- a. ☐ _____ (enter the vesting schedule that applied prior to the Plan Year beginning in 2007; such schedule must satisfy 5-year cliff or 7-year graded and, if applicable, must provide for a top-heavy minimum schedule)

41. WRERA - RMD WAIVERS FOR 2009 (Plan Section 6.8(f))

Suspension/continuation of RMDs. Unless otherwise elected below, required minimum distributions (RMDs) for 2009 were suspended unless a Participant or Beneficiary elected to receive such distributions:

- a. ☐ RMDs for 2009 were suspended for any Participant or Beneficiary who was scheduled to receive his/her first RMD for 2009 or who did not make a continuing election prior to 2009 to receive his/her RMD (unless the Participant or Beneficiary made an election to receive such distribution). RMDs for 2009 were continued for any Participant or Beneficiary who had made a continuing election to receive an RMD prior to 2009 (unless the Participant or Beneficiary made an election to suspend such distribution).
- b. ☐ RMDs continued unless otherwise elected by a Participant or Beneficiary.
- c. ☐ RMDs continued in accordance with the terms of the Plan (i.e., no election available to Participants or Beneficiaries).
- d. ☐ Other: _____

Direct rollovers. The Plan also treated the following as "eligible rollover distributions" in 2009 (If no election is made, then a "direct rollover" was only offered for "2009 RMDs"):

- e. ☐ "2009 RMDs" and "Extended 2009 RMDs."
- f. ☐ "2009 RMDs" but only if paid with an additional amount that is an "eligible rollover distribution" without regard to Code §401(a)(9)(H).

42. NON-SPOUSAL ROLLOVERS (Plan Section 6.15(d)). Non-spousal rollovers are permitted effective for distributions after December 31, 2006 unless an alternative effective date is selected at a. below:

- a. ☐ Non-spousal rollovers are allowed effective _____ (may not be earlier than January 1, 2007 and not later than January 1, 2010; the Plan already provides for non-spousal rollovers effective as of January 1, 2010)

The adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under Code §401 only to the extent provided in Rev. Proc. 2011-49 or subsequent guidance.

The Employer may not rely on the advisory letter in certain other circumstances or with respect to certain qualification requirements, which are specified in the advisory letter issued with respect to the Plan and in Rev. Proc. 2011-49 or subsequent guidance. In order to have reliance in such circumstances or with respect to such qualification requirements, application for a determination letter must be made to Employee Plans Determinations of the Internal Revenue Service.

This Adoption Agreement may be used only in conjunction with the Volume Submitter basic Plan document #07. This Adoption Agreement and the basic Plan document will together be known as Pension Financial Services, Inc. Volume Submitter Profit Sharing Plan #07-001.

The adoption of this Plan, its qualification by the IRS, and the related tax consequences are the responsibility of the Employer and its independent tax and legal advisors.

Pension Financial Services, Inc. will notify the Employer of any amendments made to the Plan or of the discontinuance or abandonment of the Plan. Furthermore, in order to be eligible to receive such notification, the Employer agrees to notify Pension Financial Services, Inc. of any change in address. In addition, this Plan is provided to the Employer either in connection with investment in a product or pursuant to a contract or other arrangement for products and/or services. Upon cessation of such investment in a product or cessation of such contract or arrangement, as applicable, the Employer is no longer considered to be an adopter of this Plan and Pension Financial Services, Inc. no longer has any obligations to the Employer that relate to the adoption of this Plan.

With regard to any questions regarding the provisions of the Plan, adoption of the Plan, or the effect of an advisory letter from the IRS, call or write (this information must be completed by the sponsor of this Plan or its designated representative):

Name: Pension Financial Services, Inc.

Address: 3700 Crestwood Parkway, Suite 550

Duluth Georgia 30096

Telephone: (678) 924-8888

The Employer and Trustee (or Insurer), by executing below, hereby adopt this Plan:

EMPLOYER: Peachtree City Water & Sewer Authority

By: _____ DATE SIGNED _____

TRUSTEE (OR INSURER):

[] The signature of the Trustee or Insurer appears on a separate agreement or Contract,

OR (add additional Trustee signature lines as necessary)

Lawrence Harlan Davis, Jr.

TRUSTEE OR INSURER DATE SIGNED _____

Lawrence Harlan Davis, III

TRUSTEE OR INSURER DATE SIGNED _____

APPENDIX A
SPECIAL EFFECTIVE DATES AND OTHER PERMITTED ELECTIONS

A. Special effective dates/spin-offs/mergers (the following elections are optional; select any that apply):

- a. ☐ **Employer profit sharing contributions.** The Employer profit sharing contribution provisions under Questions 25. and 26. are effective: _____.
- b. ☐ **Distribution elections.** The distribution elections under Questions _____ (Choose 30. - 36. as applicable) are effective: _____.
- c. ☐ **Other special effective date(s):** _____. For periods prior to the specified special effective date(s), the Plan terms in effect prior to its restatement under this Adoption Agreement will control for purposes of the designated provisions. A special effective date may not result in the delay of a Plan provision beyond the permissible effective date under any applicable law.
- d. ☐ **Spin-off.** The Plan was a spin-off from the _____ (enter name of plan), which was originally effective _____ (enter effective date of original plan).
- e. ☐ **Merged plans.** The following plan(s) are merged into this Plan (enter applicable information; attach addendum if more than 4 merged plans):

	Name of merged plan	Merger date	Original effective date of merged plan
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____

B. Other permitted elections (the following elections are optional):

- a. ☒ **No other permitted elections**

The following elections apply (select one or more):

- b. ☐ **Deemed 125 compensation** (Plan Section 1.40). Deemed 125 compensation will be included in Compensation and 415 Compensation.
- c. ☐ **Reemployed after five (5) 1-Year Breaks in Service ("rule of parity" provisions)** (Plan Section 3.5(d)). The "rule of parity" provisions in Plan Section 3.5(d) will not apply for (select one or both):
1. ☐ eligibility purposes
 2. ☐ vesting purposes
- d. ☐ **The "one-year hold-out" rule** described in Plan Section 3.5(e) will apply to (select one or both):
1. ☐ determine eligibility
 2. ☐ determine vesting
- e. ☐ **Normal form of annuity.** If the Plan permits an annuity form of payment (e.g., if 30.f.1., f.2. or g. is selected), instead of a joint and 50% survivor annuity, the normal form of the qualified Joint and Survivor Annuity will be:
1. ☐ joint and 100% survivor annuity
 2. ☐ joint and 75% survivor annuity
 3. ☐ joint and 66 2/3% survivor annuity
- f. ☐ **Beneficiary if no beneficiary elected by Participant** (Plan Section 6.2(e)). In the event no valid designation of Beneficiary exists, then in lieu of the order set forth in Plan Section 6.2(e), the following order of priority will be used: _____ (specify an order of beneficiaries; e.g., children per stirpes, parents, and then step-children).
- g. ☐ **Common, collective or pooled trust funds** (Plan Sections 7.2(c)(5) and/or 7.3(b)(6)). The name(s) of the common, collective or pooled trust funds available under the Plan is (are): _____.
- h. ☐ **"Section 411(d)(6) protected benefits"** (Plan Section 8.1(b)). The following are Code §411(d)(6) protected benefits that are preserved under this Plan: _____ (specify the protected benefits and the accrued benefits that are subject to the protected benefits).
- i. ☐ **Limitation Year** (Plan Section 1.50). The Limitation Year for Code §415 purposes will be _____ (must be a consecutive twelve month period) instead of the "determination period" for Compensation.
- j. ☐ **415 Limits when 2 or more defined contribution plans are maintained** (Plan Section 4.4). If any Participant is covered under another qualified defined contribution plan maintained by the Employer or an Affiliated Employer, or if the Employer or an Affiliated Employer maintains a welfare benefit fund, as defined in Code §419(e), or an individual medical account, as defined in Code §415(l)(2), under which amounts are treated as "annual additions" with respect to any Participant in this Plan, then the provisions of Plan Section 4.4(b) will apply unless otherwise specified below:
1. ☐ Specify, in a manner that precludes Employer discretion, the method under which the plans will limit total "annual additions" to the "maximum permissible amount" and will properly reduce any "excess amounts": _____.

k. ☐ **Top-heavy duplications** (select one or more)

1. ☐ **Top-heavy duplications when 2 or more defined contribution plans are maintained** (Plan Section 4.3(f)). When a Non-Key Employee is a Participant in this Plan and another defined contribution plan maintained by the Employer that is subject to the top-heavy rules, indicate which method will be utilized to avoid duplication of top-heavy minimum benefits:
- a. ☐ The full top-heavy minimum will be provided in each plan.
 - b. ☐ A minimum, non-integrated contribution of 3% of each Non-Key Employee's 415 Compensation will be provided in the Money Purchase Plan (or other plan subject to Code §412).
 - c. ☐ Specify the method under which the plans will provide top-heavy minimum benefits for Non-Key Employees that will preclude Employer discretion and avoid inadvertent omissions, including any adjustments required under Code §415: _____.

NOTE: If b. or c. is selected then (1) an Employer may not rely on the advisory letter issued by the Internal Revenue Service with respect to the requirements of Code §416, and (2), if the plans do not benefit the same Participants, the uniformity requirement of the Regulations under Code §401(a)(4) may be violated.

2. ☐ **Top-heavy duplications when a defined benefit plan is maintained** (Plan Section 4.3(i)). When a Non-Key Employee is a Participant in this Plan and a non-frozen defined benefit plan maintained by the Employer that is subject to the top-heavy rules, indicate which method will be utilized to avoid duplication of top-heavy minimum benefits: (select one of a. - d. AND complete e. or select f.)
- a. ☐ The full top-heavy minimum will be provided in each plan (if selected, Plan Section 4.3(i) will not apply).
 - b. ☐ 5% defined contribution minimum
 - c. ☐ 2% defined benefit minimum will be made in the _____ (enter the name of the other plan)
 - d. ☐ Specify the method under which the plans will provide top-heavy minimum benefits for Non-Key Employees that will preclude Employer discretion and avoid inadvertent omissions: _____.

NOTE: If b., c., or d. is selected then (1) an Employer may not rely on the advisory letter issued by the Internal Revenue Service with respect to the requirements of Code §416, and (2), if the plans do not benefit the same Participants, the uniformity requirement of the Regulations under Code §401(a)(4) may be violated.

AND, the "present value" (Plan Section 9.2) for top-heavy purposes will be based on:

- e. ☐ Interest Rate: _____

Mortality Table: _____

- f. ☐ The interest rate and mortality table specified to determine "present value" for top-heavy purposes in the defined benefit plan.

AND, a Participant must be employed on the last day of the Plan Year in order to receive the top-heavy minimum (Plan Section 4.3(h)) unless elected below.

- g. ☐ A Participant is not required to be employed by the Employer on the last day of the Plan Year.

l. ☐ **Recognition of Service with other employers** (Plan Sections 1.62 and 1.88). Service with the following employers (in addition to those specified at Question 16) will be recognized as follows (select one or more; if more than 6 employers, attach an addendum to the Adoption Agreement):

	Eligibility	Vesting	Contribution Allocation
1. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
2. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
3. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
4. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
5. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
6. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>

Limitations

7. ☐ The following provisions or limitations apply with respect to the recognition of prior service: _____
(e.g., credit service with X only on/after 1/1/13 or credit all service with entities the Employer acquires after 12/31/12)

m. ☐ **Other vesting provisions.** The following vesting provisions apply to the Plan (select one or more):

1. ☐ **Special vesting provisions.** The following special provisions apply to the vesting provisions of the Plan: _____
(must be definitely determinable, non-discriminatory under Code §401(a)(4) and otherwise satisfy the parameters set forth in Questions 18 and 19 and Plan Section 6.4.; e.g., rather than the schedule specified at Question 18, the 5-year graded schedule applies to amounts merged into the Plan)

from the XYZ Plan.)

2. ☐ **Pre-amendment vesting schedule.** (Plan Section 6.4(h)). If the vesting schedule has been amended and a different vesting schedule other than the schedule at Question 18 applies to any Participants, then the following provisions apply (must select one of a. - d. AND complete e.):

Applicable Participants. The vesting schedules in Question 18 only apply to:

- a. ☐ Participants who are Employees as of _____ (enter date).
 b. ☐ Participants in the Plan who have an Hour of Service on or after _____ (enter date).
 c. ☐ Participants (even if not an Employee) in the Plan on or after _____ (enter date).
 d. ☐ Other: _____ (e.g.,
 Participants in division A)

Vesting schedule

- e. The schedule that applies to Participants not subject to the vesting schedule in Question 18 is:

Years (or Periods) of Service	Percentage
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

- n. ☐ **Top-heavy vesting schedule** (Plan Section 6.4(e)).

Instead of any other vesting schedules set forth in the Plan, if this Plan becomes a Top-Heavy Plan, the following vesting schedule, based on number of Years of Service (or Periods of Service if the elapsed time method is selected) will apply:

1. ☐ 6 Year Graded: 0-1 year-0%; 2 years-20%; 3 years-40%; 4 years-60%; 5 years-80%; 6 years-100%
 2. ☐ 3 Year Cliff: 0-2 years-0%; 3 years-100%
 3. ☐ Other - Must be at least as liberal as either 1. or 2. above in each year without switching between the two schedules:

Years (or Periods) of Service	Percentage
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

NOTE: This Section does not apply to the Account balance of any Participant who does not have an Hour of Service after the Plan has initially become top-heavy. Such Participant's Vested Account balance will be determined without regard to this Section.

- o. ☐ **Leased Employees** (Plan Section 1.49)

1. ☐ **Offset of contributions to leasing organization plan.** The Employer will reduce allocations to this Plan for any Leased Employee to the extent that the leasing organization contributes to or provides benefits under a leasing organization plan to or for the Leased Employee and which are attributable to the Leased Employee's services for the Employer.
 2. ☐ **Disregard one year requirement.** The definition of Leased Employee shall be applied by disregarding the requirement of performing services for at least one year.

- p. ☐ **Minimum distribution transitional rules** (Plan Section 6.8(e)(5))

NOTE: This Section does not apply to (1) a new Plan, (2) an amendment or restatement of an existing Plan that never contained the provisions of Code §401(a)(9) as in effect prior to the amendments made by the Small Business Job Protection Act of 1996 (SBJPA), or (3) a Plan where the transition rules below do not affect any current Participants.

The "required beginning date" for a Participant who is not a "five percent (5%) owner" is:

1. ☐ April 1st of the calendar year following the year in which the Participant attains age 70 1/2. (pre-SBJPA rules continue to apply)
 2. ☐ April 1st of the calendar year following the later of the year in which the Participant attains age 70 1/2 or retires (the post-SBJPA rules), with the following exceptions (select one or both; leave blank if both applied effective as of January 1, 1996):
 a. ☐ A Participant who was already receiving required minimum distributions under the pre-SBJPA rules as of _____ (may not be earlier than January 1, 1996) was allowed to stop receiving distributions and have them recommence in accordance with the post-SBJPA rules. Upon the recommencement of distributions, if the Plan permits annuities as a form of distribution then the following apply:
 1. ☐ N/A (annuity distributions are not permitted)
 2. ☐ Upon the recommencement of distributions, the original Annuity Starting Date will be retained.
 3. ☐ Upon the recommencement of distributions, a new Annuity Starting Date is created.

- b. ☐ A Participant who had not begun receiving required minimum distributions as of _____ (may not be earlier than January 1, 1996) may elect to defer commencement of distributions until retirement. The option to defer the commencement of distributions (i.e., to elect to receive in-service distributions upon attainment of age 70 1/2) applies to all such Participants unless selected below:
1. ☐ The in-service distribution option was eliminated with respect to Participants who attained age 70 1/2 in or after the calendar year that began after the later of (1) December 31, 1998, or (2) the adoption date of the restatement to bring the Plan into compliance with the SBJPA.
- q. ☐ **Other spousal provisions** (select one or more)
1. ☐ **One-year marriage rule.** For purposes of the Plan, other than for purposes of determining eligible hardship distribution expenses, an individual is treated as Spouse only if such individual was married throughout the one year period ending on the earlier of the Annuity Starting Date or the date of the Participant's death.
 2. ☐ **Definition of Spouse.** The term Spouse includes a spouse under federal law as well as the following: _____
 3. ☐ **Automatic revocation of spousal designation** (Plan Section 6.2(f)). The automatic revocation of a spousal Beneficiary designation in the case of divorce does not apply.
 4. ☐ **Timing of QDRO payment.** A distribution to an Alternate Payee shall not be permitted prior to the time a Participant would be entitled to a distribution.
- r. ☐ **Applicable law.** Instead of using the applicable laws set forth in Plan Section 10.4(a), the Plan will be governed by the laws of: _____
- s. ☐ **Total and Permanent Disability.** Instead of the definition at Plan Section 1.83, Total and Permanent Disability means: _____ (must be definitely determinable).
- t. ☐ **Other Trust provisions** (select any that apply)
1. ☐ **Special Trustee for collection of contributions.** The Employer appoints the following Special Trustee with the responsibility to collect delinquent contributions pursuant to Plan Section 7.1(b):
 Name: _____
 Title _____
 a. ☐ _____
Address and telephone number
 b. ☐ Use Employer address and telephone number
 c. ☐ Use address and telephone number below:
 Address: _____

City
State
Zip

 Telephone: _____
 2. ☐ **Permissible Trust (or Custodian) modifications.** The Employer makes the following modifications to the Trust (or Custodial) provisions as permitted under Rev. Proc. 2011-49 (or subsequent IRS guidance) (select one or more of a. - c. below):
NOTE: Any elections below must not: (i) conflict with any Plan provision unrelated to the Trust or Trustee; or (ii) cause Plan to violate Code §401(a). In addition, this may not be used to substitute all of the Trust provisions in the Plan.
 a. ☐ **Investments.** The Employer amends the Trust provisions relating to Trust investments as follows: _____
 b. ☐ **Duties.** The Employer amends the Trust provisions relating to Trustee (or Custodian) duties as follows: _____
 c. ☐ **Other administrative provisions.** The Employer amends the other administrative provisions of the Trust as follows: _____

ADMINISTRATIVE PROCEDURES

The following are optional administrative provisions. The Administrator may implement procedures that override any elections in this Section without a formal Plan amendment. In addition, modifications to these procedures will not affect an Employer's reliance on the Plan.

- A. **Loan limitations.** **Note:** the separate loan program required by the DOL will override any inconsistent selections made below. (complete only if loans to Participants are permitted)
- a. ☒ Limitations (select one or more; leave blank if none apply):
1. ☒ Loans will be treated as Participant directed investments.
 2. ☐ Loans will only be made for hardship or financial necessity as defined below (select a. or b.)
 - a. ☐ hardship reasons specified in Plan Section 12.10
 - b. ☐ other: _____ (specify financial necessity)
 3. ☐ The minimum loan will be \$_____ (may not exceed \$1,000).
 4. ☒ A Participant may only have one (1) (e.g., one (1)) loan(s) outstanding at any time.
 5. ☒ All outstanding loan balances will become due and payable in their entirety upon severance of employment unless directly rolled over (if otherwise permitted) to another employer's plan.
 6. ☐ **Account restrictions.** Loans will only be permitted from the following Participant Accounts (select all that apply or leave blank if no limitations apply):
 - a. ☐ Account attributable to Employer profit sharing contributions
 - b. ☐ Rollover Account
 - c. ☐ Transfer Account attributable to (select one or both):
 1. ☐ non-pension assets
 2. ☐ pension assets (e.g., from a money purchase pension plan)
 - d. ☐ Other: _____

AND, if loans are restricted to certain Accounts, the limitations of Code §72(p) and the adequate security requirement of the DOL Regulations will be applied:

 - e. ☐ by determining the limits by only considering the restricted Accounts.
 - f. ☐ by determining the limits taking into account a Participant's entire interest in the Plan.

Additional loan provisions (select all that apply; leave blank if none apply)

- b. ☒ **Loan payments.** Loans are repaid by (if left blank, then payroll deduction applies unless Participant is not subject to payroll; e.g., partner who only has a draw):
1. ☒ payroll deduction
 2. ☒ ACH (Automated Clearing House)
 3. ☐ check
 - a. ☐ Only for prepayment
- c. ☒ **Interest rate.** Loans will be granted at the following interest rate (if left blank, then 3. below applies):
1. ☒ 0 percentage points over the prime interest rate
 2. ☐ _____%
 3. ☐ the Administrator establishes the rate in a nondiscriminatory manner
- d. ☒ **Refinancing.** Loan refinancing is allowed.
- B. **Life insurance.** (Plan Section 7.5)
- a. ☒ Life insurance may not be purchased.
- b. ☐ Life insurance may be purchased...
1. ☐ at the option of the Administrator
 2. ☐ at the option of the Participant
- Limitations**
3. ☐ N/A (no limitations)
 4. ☐ The purchase of initial or additional life insurance will be subject to the following limitations (select one or more):
 - a. ☐ Each initial Contract will have a minimum face amount of \$_____.
 - b. ☐ Each additional Contract will have a minimum face amount of \$_____.
 - c. ☐ The Participant has completed _____ Years (or Periods) of Service.
 - d. ☐ The Participant has completed _____ Years (or Periods) of Service while a Participant in the Plan.
 - e. ☐ The Participant is under age _____ on the Contract issue date.
 - f. ☐ The maximum amount of all Contracts on behalf of a Participant may not exceed \$_____.
 - g. ☐ The maximum face amount of any life insurance Contract will be \$_____.
- C. **Plan expenses and Forfeitures**
- Plan expenses.** Will the Plan assess against an individual Participant's Account certain Plan expenses that are incurred by, or are attributable to, a particular Participant based on use of a particular Plan service?
- a. ☐ No
 - b. ☒ Yes

Use of Forfeitures

Forfeitures will be:

- c. ☒ added to any Employer discretionary contribution and allocated in the same manner
- d. ☐ used to reduce any Employer contribution
- e. ☐ allocated to all Participants eligible to share in the allocations of profit sharing contributions or Forfeitures in the same proportion that each Participant's Compensation for the Plan Year bears to the Compensation of all Participants for such year
- f. ☐ other: _____ (describe the treatment of Forfeitures in a manner that is definitely determinable and not subject to Employer discretion; e.g., Forfeitures attributable to transferred balances from Plan X are allocated as additional discretionary contributions only to former Plan X Participants)

D. Directed investments (Plan Section 4.10)

- a. ☐ Participant directed investments are NOT permitted.
- b. ☒ Participant directed investments are permitted from the following Participant Accounts:
 - 1. ☒ all Accounts
 - 2. ☐ only from the following Accounts (select one or more):
 - a. ☐ Account attributable to Employer profit sharing contributions
 - b. ☐ Rollover Account
 - c. ☐ Transfer Account
 - d. ☐ Other: _____ (specify Account(s) and conditions in a manner that is definitely determinable and not subject to Employer discretion)

Directed investment options (If directed investments are permitted, select all that apply; leave blank if none apply)

- c. ☐ **ERISA Section 404(c).** It is intended that the Plan comply with ERISA Section 404(c) with respect to the Accounts subject to Participant investment directions.
- d. ☐ **QDIA.** Plan will include a qualified default investment alternative.

E. Rollover limitations. Will the Plan specify which sources of rollovers will be accepted? (skip if rollover contributions are NOT selected at 12.f.)

- a. ☐ No, Administrator determines in operation which sources will be accepted.
- b. ☒ Yes

Rollover sources. Indicate the sources of rollovers that will be accepted (select one or more)

- 1. ☒ **Direct rollovers.** Plan will accept a direct rollover of an eligible rollover distribution from (select one or more):
 - a. ☒ a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan), excluding after-tax employee contributions
 - b. ☐ a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan), including after-tax employee contributions
 - c. ☐ a plan described in Code §403(a) (an annuity plan), excluding after-tax employee contributions
 - d. ☐ a plan described in Code §403(a) (an annuity plan), including after-tax employee contributions
 - e. ☒ a plan described in Code §403(b) (a tax-sheltered annuity), excluding after-tax employee contributions
 - f. ☐ a plan described in Code §403(b) (a tax-sheltered annuity), including after-tax employee contributions
 - g. ☒ a governmental plan described in Code §457(b) (eligible deferred compensation plan)

Direct rollovers of Participant loan. The Plan will NOT accept a direct rollover of a Participant loan from another plan unless selected below (leave blank if default applies)

- h. ☐ The Plan will accept a direct rollover of a Participant loan
 - 1. ☐ only in the following situation(s): _____ (e.g., only from Participants who were employees of an acquired organization; leave blank if not applicable).

- 2. ☒ **Participant rollover contributions from other plans (i.e., not via a direct plan-to-plan transfer).** The Plan will accept a contribution of an eligible rollover distribution (select one or more):

- a. ☒ a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan)
- b. ☐ a plan described in Code §403(a) (an annuity plan)
- c. ☒ a plan described in Code §403(b) (a tax-sheltered annuity)
- d. ☒ a governmental plan described in Code §457(b) (eligible deferred compensation plan)

- 3. ☐ **Participant rollover contributions from IRAs:** The Plan will accept a rollover contribution of the portion of a distribution from a traditional IRA that is eligible to be rolled over and would otherwise be includible in gross income. Rollovers from Roth IRAs or a Coverdell Education Savings Account (formerly known as an Education IRA) are not permitted because they are not traditional IRAs. A rollover from a SIMPLE IRA is allowed if the amounts are rolled over after the individual has been in the SIMPLE IRA for at least two years.

PENSION FINANCIAL SERVICES, INC. VOLUME SUBMITTER MODIFICATIONS

PEACHTREE CITY WATER & SEWER AUTHORITY
PROFIT SHARING PLAN

The enclosed Plan is being submitted for expedited review as a Volume Submitter Plan.

No modifications from the approved specimen plan have been made to this Plan.

ADOPTING RESOLUTION

The undersigned authorized representative of Peachtree City Water & Sewer Authority (the Employer) hereby certifies that the following resolutions were duly adopted by the Employer on the date specified below, and that such resolutions have not been modified or rescinded as of the signature date below:

RESOLVED, that the form of amended Profit Sharing Plan and Trust effective September 24, 2018, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The undersigned further certifies that attached hereto are true copies of Peachtree City Water & Sewer Authority Profit Sharing Plan as amended and restated, the Summary Plan Description and the Funding Policy and Method which are hereby approved and adopted.

Date: _____

By: _____

[print name/title]

The adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under Code §401 only to the extent provided in Rev. Proc. 2011-49 or subsequent guidance.

The Employer may not rely on the advisory letter in certain other circumstances or with respect to certain qualification requirements, which are specified in the advisory letter issued with respect to the Plan and in Rev. Proc. 2011-49 or subsequent guidance. In order to have reliance in such circumstances or with respect to such qualification requirements, application for a determination letter must be made to Employee Plans Determinations of the Internal Revenue Service.

This Adoption Agreement may be used only in conjunction with the Volume Submitter basic Plan document #07. This Adoption Agreement and the basic Plan document will together be known as Pension Financial Services, Inc. Volume Submitter Profit Sharing Plan #07-001.

The adoption of this Plan, its qualification by the IRS, and the related tax consequences are the responsibility of the Employer and its independent tax and legal advisors.

Pension Financial Services, Inc. will notify the Employer of any amendments made to the Plan or of the discontinuance or abandonment of the Plan. Furthermore, in order to be eligible to receive such notification, the Employer agrees to notify Pension Financial Services, Inc. of any change in address. In addition, this Plan is provided to the Employer either in connection with investment in a product or pursuant to a contract or other arrangement for products and/or services. Upon cessation of such investment in a product or cessation of such contract or arrangement, as applicable, the Employer is no longer considered to be an adopter of this Plan and Pension Financial Services, Inc. no longer has any obligations to the Employer that relate to the adoption of this Plan.

With regard to any questions regarding the provisions of the Plan, adoption of the Plan, or the effect of an advisory letter from the IRS, call or write (this information must be completed by the sponsor of this Plan or its designated representative):

Name: Pension Financial Services, Inc.

Address: 3700 Crestwood Parkway, Suite 550

Duluth Georgia 30096

Telephone: (678) 924-8888

The Employer and Trustee (or Insurer), by executing below, hereby adopt this Plan:

EMPLOYER: Peachtree City Water & Sewer Authority

By: _____ DATE SIGNED _____

TRUSTEE (OR INSURER):

[] The signature of the Trustee or Insurer appears on a separate agreement or Contract,

OR (add additional Trustee signature lines as necessary)

Lawrence Harlan Davis, Jr.

TRUSTEE OR INSURER DATE SIGNED _____

Lawrence Harlan Davis, III

TRUSTEE OR INSURER DATE SIGNED _____

**PEACHTREE CITY WATER & SEWER AUTHORITY
PROFIT SHARING PLAN**

SUMMARY PLAN DESCRIPTION

TABLE OF CONTENTS

INTRODUCTION TO YOUR PLAN

What kind of Plan is this?	1
What information does this Summary provide?	1

ARTICLE I PARTICIPATION IN THE PLAN

How do I participate in the Plan?	1
What happens if I'm a Participant, terminate employment and then I'm rehired?	1

ARTICLE II EMPLOYEE CONTRIBUTIONS

What are "rollover" contributions?.....	2
---	---

ARTICLE III EMPLOYER CONTRIBUTIONS

What is the Employer profit sharing contribution and how is it allocated?	2
---	---

ARTICLE IV COMPENSATION AND ACCOUNT BALANCE

What compensation is used to determine my Plan benefits?	2
Is there a limit on the amount of compensation which can be considered?	3
Is there a limit on how much can be contributed to my account each year?	3
How is the money in the Plan invested?	3
Will Plan expenses be deducted from my account balance?	3

ARTICLE V VESTING

What is my vested interest in my account?.....	4
What happens if the Plan becomes a "top-heavy plan"?	4

ARTICLE VI DISTRIBUTIONS PRIOR TO TERMINATION AND HARDSHIP DISTRIBUTIONS

Can I withdraw money from my account while working?	4
Can I withdraw money from my account in the event of financial hardship?	4

ARTICLE VII BENEFITS AND DISTRIBUTIONS UPON TERMINATION OF EMPLOYMENT

When can I get money out of the Plan?	5
What happens if I terminate employment before death, disability or retirement?	5
What happens if I terminate employment at Normal Retirement Date?	5
What happens if I terminate employment due to disability?	6
How will my benefits be paid to me?.....	6

ARTICLE VIII BENEFITS AND DISTRIBUTIONS UPON DEATH

What happens if I die while working for the Employer?.....	6
--	---

Who is the beneficiary of my death benefit?	6
How will the death benefit be paid to my beneficiary?	6
When must the last payment be made to my beneficiary?.....	7
What happens if I'm a Participant, terminate employment and die before receiving all my benefits?	7

ARTICLE IX TAX TREATMENT OF DISTRIBUTIONS

What are my tax consequences when I receive a distribution from the Plan?	7
Can I elect a rollover to reduce or defer tax on my distribution?	7

ARTICLE X LOANS

Is it possible to borrow money from the Plan?	7
What are the loan rules and requirements?	7

ARTICLE XI PROTECTED BENEFITS AND CLAIMS PROCEDURES

Are my benefits protected?	8
Are there any exceptions to the general rule?	8
Can the Plan be amended?	9
What happens if the Plan is discontinued or terminated?	9
How do I submit a claim for Plan benefits?	9
What if my benefits are denied?	9
What is the Claims Review Procedure?	10
What are my rights as a Plan Participant?	12
What can I do if I have questions or my rights are violated?	12

ARTICLE XII GENERAL INFORMATION ABOUT THE PLAN

Plan Name	13
Plan Number	13
Plan Effective Dates	13
Other Plan Information	13
Employer Information	13
Administrator Information	13
Plan Trustee Information and Plan Funding Medium	13

**PEACHTREE CITY WATER & SEWER AUTHORITY
PROFIT SHARING PLAN**

SUMMARY PLAN DESCRIPTION

INTRODUCTION TO YOUR PLAN

What kind of Plan is this?

Peachtree City Water & Sewer Authority Profit Sharing Plan ("Plan") has been adopted to provide you with additional income for retirement. This Plan is a type of qualified retirement plan commonly referred to as a profit sharing Plan. Generally you are not taxed on the amounts we contribute to the Plan on your behalf until you withdraw these amounts from the Plan.

What information does this Summary provide?

This Summary Plan Description ("SPD") contains information regarding when you may become eligible to participate in the Plan, your Plan benefits, your distribution options, and many other features of the Plan. You should take the time to read this SPD to get a better understanding of your rights and obligations under the Plan.

In this Summary, your Employer has addressed the most common questions you may have regarding the Plan. If this SPD does not answer all of your questions, please contact the Administrator or other Plan representative. The Administrator is responsible for responding to questions and making determinations related to the administration, interpretation, and application of the Plan. The name and address of the Administrator can be found at the end of this SPD in the Article entitled "General Information About the Plan."

This SPD describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language and is designed to comply with applicable legal requirements. If the non-technical language in this SPD and the technical, legal language of the Plan document conflict, the Plan document always governs. If you wish to receive a copy of the legal Plan document, please contact the Administrator.

The Plan and your rights under the Plan are subject to federal laws, such as the Employee Retirement Income Security Act (ERISA) and the Internal Revenue Code, as well as some state laws. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (IRS) or Department of Labor (DOL). Your Employer may also amend or terminate this Plan. Your Employer will notify you if the provisions of the Plan that are described in this SPD change.

Types of contributions. The following types of contributions may be made under this Plan:

- Employer profit sharing contributions
- Employee "rollover" contributions

**ARTICLE I
PARTICIPATION IN THE PLAN**

How do I participate in the Plan?

Provided you are not an Excluded Employee, you may become a "Participant" in the Plan once you have satisfied the eligibility requirements and reached your "Entry Date." The following describes the eligibility requirements and Entry Dates that apply. You should contact the Administrator if you have questions about the timing of your Plan participation.

Employer Profit Sharing Contributions

Excluded Employees. If you are a member of a class of employees identified below, you are an Excluded Employee and you are not entitled to participate in the Plan for purposes of profit sharing contributions. The Excluded Employees are:

- All Employees except the General Manager

Eligibility conditions. You will be eligible to participate for purposes of profit sharing contributions when you have satisfied the following eligibility condition(s). However, you will actually become a Participant in the Plan once you reach the Entry Date as described below.

- attainment of age 21.

Entry Date. For purposes of profit sharing contributions, your Entry Date will be the date on which you satisfy the eligibility requirements.

What happens if I'm a Participant, terminate employment and then I'm rehired?

If you are no longer a Participant because you terminated employment, and you are rehired, then you will be able to participate in the Plan on your date of rehire provided you are otherwise eligible to participate in the Plan.

ARTICLE II EMPLOYEE CONTRIBUTIONS

What are "rollover" contributions?

Rollover contributions. At the discretion of the Administrator, if you are a Participant who is currently employed or an Eligible Employee, you may be permitted to deposit into the Plan distributions you have received from other retirement plans. Such a deposit is called a "rollover" contribution and may result in tax savings to you. You may ask the Administrator or Trustee of the other plan to directly transfer (a "direct rollover") to this Plan all or a portion of any amount that you are entitled to receive as a distribution from such plan. Alternatively, you may elect to deposit any amount eligible to be rolled over within 60 days of your receipt of the distribution. You should consult qualified counsel to determine if a rollover is in your best interest.

Rollover account. Your "rollover" contribution will be accounted for in a "rollover account." You will always be 100% vested in your "rollover account" (see the Article in this SPD entitled "Vesting"). This means that you will always be entitled to all amounts in your "rollover account." Rollover contributions will be affected by any investment gains or losses.

Withdrawal of "rollover" contributions. You may withdraw the amounts in your "rollover account" at any time.

ARTICLE III EMPLOYER CONTRIBUTIONS

This Article describes Employer contributions that may be made to the Plan and how your share of the contribution is determined.

What is the Employer profit sharing contribution and how is it allocated?

Profit sharing contribution. Each year, your Employer may make a discretionary profit sharing contribution to the Plan. Your share of any contribution is determined below.

Allocation conditions. You will always share in the profit sharing contribution regardless of the amount of service you complete during the Plan Year.

Your share of the contribution. The profit sharing contribution will be "allocated" or divided among Participants eligible to share in the contribution for the Plan Year.

Your share of the profit sharing contribution is determined by the following fraction:

$$\text{Profit Sharing Contribution} \quad \times \quad \frac{\text{Your Compensation}}{\text{Total Compensation of All Participants Eligible to Share}}$$

For example: Suppose the profit sharing contribution for the Plan Year is \$20,000. Employee A's compensation for the Plan Year is \$25,000. The total compensation of all Participants eligible to share, including Employee A, is \$250,000. Employee A's share will be:

$$\$20,000 \quad \times \quad \frac{\$25,000}{\$250,000} \quad \text{or} \quad \$2,000$$

ARTICLE IV COMPENSATION AND ACCOUNT BALANCE

What compensation is used to determine my Plan benefits?

Definition of compensation. For the purposes of the Plan, compensation has a special meaning. Compensation is generally defined as your total compensation that is subject to income tax and paid to you by your Employer during the Plan Year. In addition, salary reductions to any other plan or arrangement (such as a cafeteria plan) will be included in Compensation. If you are a self-employed individual, your compensation will be equal to your earned income. The following describes the adjustments to compensation that may apply under the Plan.

Employer Profit Sharing Contributions

Adjustments to compensation. The following adjustments to compensation will be made for purposes of profit sharing contributions:

- overtime will be excluded.
- bonuses will be excluded.
- compensation paid after you terminate employment is generally excluded for Plan purposes. However, the following amounts will be included in compensation even though they are paid after you terminate employment, provided these amounts

would otherwise have been considered compensation as described above and provided they are paid within 2 1/2 months after you terminate employment, or if later, the last day of the Plan Year in which you terminate employment:

- compensation for services performed during your regular working hours, or for services outside your regular working hours (such as overtime or shift differential) or other similar payments that would have been made to you had you continued employment
- compensation paid for unused accrued bona fide sick, vacation or other leave, if such amounts would have been included in compensation if paid prior to your termination of employment and you would have been able to use the leave if employment had continued
- nonqualified unfunded deferred compensation if the payment is includible in gross income and would have been paid to you had you continued employment

Is there a limit on the amount of compensation which can be considered?

The Plan, by law, cannot recognize annual compensation in excess of a certain dollar limit. The limit for the Plan Year beginning in 2018 is \$275,000. After 2018, the dollar limit may increase for cost-of-living adjustments.

Is there a limit on how much can be contributed to my account each year?

Generally, the law imposes a maximum limit on the amount of contributions that may be made to your account and any other amounts allocated to any of your accounts during the Plan Year, excluding earnings. Beginning in 2018, this total cannot exceed the lesser of \$55,000 or 100% of your annual compensation. After 2018, the dollar limit may increase for cost-of-living adjustments.

How is the money in the Plan invested?

The Trustee of the Plan has been designated to hold the assets of the Plan for the benefit of Plan Participants and their beneficiaries in accordance with the terms of this Plan. The Trust Fund established by the Plan's Trustee will be the funding medium used for the accumulation of assets from which Plan benefits will be distributed.

Participant directed investments. You will be able to direct the investment of your entire interest in the Plan. The Administrator will provide you with information on the investment choices available to you, the procedures for making investment elections, the frequency with which you can change your investment choices and other important information. You need to follow the procedures for making investment elections and you should carefully review the information provided to you before you give investment directions. If you do not direct the investment of your applicable Plan accounts, then your accounts will be invested in accordance with the default investment alternatives established under the Plan.

Earnings or losses. When you direct investments, your accounts are segregated for purposes of determining the earnings or losses on these investments. Your account does not share in the investment performance of other Participants who have directed their own investments. You should remember that the amount of your benefits under the Plan will depend in part upon your choice of investments. Gains as well as losses can occur and your Employer, the Administrator, and the Trustee will not provide investment advice or guarantee the performance of any investment you choose.

Periodically, you will receive a benefit statement that provides information on your account balance and your investment returns. It is your responsibility to notify the Administrator of any errors you see on any statements within 30 days after the statement is provided or made available to you.

Will Plan expenses be deducted from my account balance?

Expenses allocated to all accounts. The Plan permits the payment of Plan expenses to be made from the Plan's assets. If expenses are paid using the Plan's assets, then the expenses will generally be allocated among the accounts of all Participants in the Plan. These expenses will be allocated either proportionately based on the value of the account balances or as an equal dollar amount based on the number of Participants in the Plan. The method of allocating the expenses depends on the nature of the expense itself. For example, certain administrative (or recordkeeping) expenses would typically be allocated proportionately to each Participant. If the Plan pays \$1,000 in expenses and there are 100 Participants, your account balance would be charged \$10 (\$1,000/100) of the expense.

Terminated employee. After you terminate employment, your Employer reserves the right to charge your account for your pro rata share of the Plan's administration expenses, regardless of whether your Employer pays some of these expenses on behalf of current employees.

Expenses allocated to individual accounts. There are certain other expenses that may be paid just from your account. These are expenses that are specifically incurred by, or attributable to, you. For example, if you are married and get divorced, the Plan may incur additional expenses if a court mandates that a portion of your account be paid to your ex-spouse. These additional expenses may be paid directly from your account (and not the accounts of other Participants) because they are directly attributable to you under the Plan. The Administrator will inform you when there will be a charge (or charges) directly to your account.

Your Employer may, from time to time, change the manner in which expenses are allocated.

ARTICLE V VESTING

What is my vested interest in my account?

100% vested contributions. You are always 100% vested (which means that you are entitled to all of the amounts) in your accounts attributable to the following contributions:

- Employer profit sharing contributions
- "rollover" contributions

What happens if the Plan becomes a "top-heavy plan"?

Top-heavy plan. A retirement plan that primarily benefits "key employees" is called a "top-heavy plan." "Key employees" are certain owners or officers of your Employer. A plan is generally a "top-heavy plan" when more than 60% of the plan assets are attributable to "key employees." Each year, the Administrator is responsible for determining whether the Plan is a "top-heavy plan."

Top-heavy rules. If the Plan becomes top-heavy in any Plan Year, then non-key employees may be entitled to certain "top-heavy minimum benefits," and other special rules will apply. These top-heavy rules include the following:

- Your Employer may be required to make a contribution on your behalf in order to provide you with at least "top-heavy minimum benefits."
- If you are a Participant in more than one Plan, you may not be entitled to "top-heavy minimum benefits" under both Plans.

ARTICLE VI DISTRIBUTIONS PRIOR TO TERMINATION AND HARDSHIP DISTRIBUTIONS

Can I withdraw money from my account while working?

In-service distributions. You may be entitled to receive an in-service distribution. However, this distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement. This distribution is made at your election and will be made in accordance with the forms of distributions available under the Plan.

Conditions and limitations. Generally you may receive a distribution from the Plan from certain accounts prior to your termination of employment provided you satisfy the condition described below:

- you have attained age 59 1/2

The following limitations apply to in-service distributions from certain accounts:

- You can receive no more than 2 in-service distribution(s) during a Plan Year.

Can I withdraw money from my account in the event of financial hardship?

Hardship distributions. You may withdraw money for financial hardship if you satisfy certain conditions. This hardship distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement.

Qualifying expenses. A hardship distribution may be made to satisfy certain immediate and heavy financial needs that you have. A hardship distribution may only be made for payment of the following:

- expenses for medical care (described in Section 213(d) of the Internal Revenue Code) previously incurred by you, your spouse or your dependents or necessary for you, your spouse or your dependents to obtain medical care.
- costs directly related to the purchase of your principal residence (excluding mortgage payments).
- tuition, related educational fees, and room and board expenses for the next twelve (12) months of post-secondary education for yourself, your spouse or your dependents.
- amounts necessary to prevent your eviction from your principal residence or foreclosure on the mortgage of your principal residence.
- payments for burial or funeral expenses for your deceased parent, spouse, children or other dependents.
- expenses for the repair of damage to your principal residence that would qualify for the casualty deduction under the Internal Revenue Code.

Conditions. If you have any of the above expenses, a hardship distribution can only be made if you certify and agree that all of the following conditions are satisfied:

- (a) The distribution is not in excess of the amount of your immediate and heavy financial need. The amount of your immediate and heavy financial need may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution; and
- (b) You have obtained all distributions, other than hardship distributions, and all nontaxable loans currently available under all plans that your Employer maintains.

ARTICLE VII BENEFITS AND DISTRIBUTIONS UPON TERMINATION OF EMPLOYMENT

When can I get money out of the Plan?

You may receive a distribution of the vested portion of some or all of your accounts in the Plan for the following reasons:

- termination of employment for reasons other than death, disability or retirement
- normal retirement
- disability
- death

This Plan is designed to provide you with retirement benefits. However, distributions are permitted if you die or become disabled. In addition, certain payments are permitted when you terminate employment for any other reason. The rules under which you can receive a distribution are described in this Article. The rules regarding the payment of death benefits to your beneficiary are described in "Benefits and Distributions Upon Death."

You may also receive distributions while you are still employed with the Employer. (See the Article entitled "Distributions Prior to Termination and Hardship Distributions" for a further explanation.)

Military service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. There may also be benefits for employees who die or become disabled while on active duty. Employees who receive wage continuation payments while in the military may benefit from various changes in the law. If you think you may be affected by these rules, ask the Administrator for further details.

Distributions for deemed severance of employment. If you are on active duty for more than 30 days, then, effective January 1, 2009, the Plan generally treats you as having severed employment for distribution purposes. This means that you may request a distribution from the Plan.

What happens if I terminate employment before death, disability or retirement?

If your employment terminates for reasons other than normal retirement, you will be entitled to receive only the "vested percentage" of your account balance.

You may elect to have your vested account balance distributed to you as soon as administratively feasible following your termination of employment. However, if the value of your vested account balance does not exceed \$1,000, then a distribution will be made to you regardless of whether you consent to receive it. (See the question entitled "How will my benefits be paid to me?" for additional information.)

Treatment of "rollover" contributions for consent to distribution. In determining if the value of your vested account balance exceeds the \$1,000 threshold described above used to determine whether you must consent to a distribution, your "rollover account" will be considered as part of your benefit.

What happens if I terminate employment at Normal Retirement Date?

Normal Retirement Date. You will attain your Normal Retirement Age when you reach age 65. Your Normal Retirement Date is the date on which you attain your Normal Retirement Age.

Payment of benefits. You will become 100% vested in all of your accounts under the Plan once you attain your Normal Retirement Age. However, the actual payment of benefits generally will not begin until you have terminated employment and reached your Normal Retirement Date. In such event, a distribution will be made, at your election, as soon as administratively feasible. If you remain employed past your Normal Retirement Date, you may generally defer the receipt of benefits until you actually terminate employment. In such event, benefit payments will begin as soon as feasible at your request, but generally not later than age 70 1/2. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

What happens if I terminate employment due to disability?

Definition of disability. Under the Plan, disability is defined as a physical or mental condition resulting from bodily injury, disease, or mental disorder which renders you incapable of continuing any gainful occupation and which has lasted or can be expected to last for a continuous period of at least twelve (12) months. Your disability must be determined by a licensed physician. However, if your condition constitutes total disability under the federal Social Security Act, then the Administrator may deem that you are disabled for purposes of the Plan.

Payment of benefits. If you become disabled while an employee, you will be entitled to your vested account balance under the Plan. Payment of your disability benefits will be made to you as if you had retired. However, if the value of your vested account balance does not exceed \$1,000, then a distribution of your vested account balance will be made to you, regardless of whether you consent to receive it. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

How will my benefits be paid to me?

Lump-sum distributions. All distributions from the Plan will be made in a single lump-sum payment. If your vested account balance exceeds \$1,000, you must consent to the distribution before it may be made.

Delaying distributions. You may delay the distribution of your vested account balance unless a distribution is required to be made, as explained earlier, because your vested account balance does not exceed \$1,000. However, if you elect to delay the distribution of your vested account balance, there are rules that require that certain minimum distributions be made from the Plan. If you are a 5% owner, distributions are required to begin not later than the April 1st following the end of the year in which you reach age 70 1/2. If you are not a 5% owner, distributions are required to begin not later than the April 1st following the later of the end of the year in which you reach age 70 1/2 or retire. You should contact the Administrator if you think you may be affected by these rules.

Medium of payment. Benefits under the Plan will generally be paid to you in cash only.

ARTICLE VIII BENEFITS AND DISTRIBUTIONS UPON DEATH

What happens if I die while working for the Employer?

If you die while still employed by the Employer, then your vested account balance will be used to provide your beneficiary with a death benefit.

Who is the beneficiary of my death benefit?

Married Participant. If you are married at the time of your death, your spouse will be the beneficiary of the entire death benefit unless an election is made to change the beneficiary. IF YOU WISH TO DESIGNATE A BENEFICIARY OTHER THAN YOUR SPOUSE, YOUR SPOUSE (IF YOU ARE MARRIED) MUST IRREVOCABLY CONSENT TO WAIVE ANY RIGHT TO THE DEATH BENEFIT. YOUR SPOUSE'S CONSENT MUST BE IN WRITING, BE WITNESSED BY A NOTARY OR A PLAN REPRESENTATIVE AND ACKNOWLEDGE THE SPECIFIC NONSPOUSE BENEFICIARY.

If you are married and you change your designation, then your spouse must again consent to the change. In addition, you may elect a beneficiary other than your spouse without your spouse's consent if your spouse cannot be located.

Unmarried Participant. If you are not married, you may designate a beneficiary on a form to be supplied to you by the Administrator.

Divorce. If you have designated your spouse as your beneficiary for all or a part of your death benefit, then upon your divorce, the designation is no longer valid. This means that if you do not select a new beneficiary after your divorce, then you are treated as not having a beneficiary for that portion of the death benefit (unless you have remarried).

No beneficiary designation. At the time of your death, if you have not designated a beneficiary or your beneficiary is also not alive, the death benefit will be paid in the following order of priority to:

- (a) your surviving spouse
- (b) your children, including adopted children in equal shares (and if a child is not living, that child's share will be distributed to that child's heirs)
- (c) your surviving parents, in equal shares
- (d) your estate

How will the death benefit be paid to my beneficiary?

Lump-sum distributions. The death benefit will be paid to your beneficiary in a single lump-sum payment.

When must the last payment be made to my beneficiary?

The law generally restricts the ability of a retirement plan to be used as a method of retaining money for purposes of your death estate. Thus, there are rules that are designed to ensure that death benefits are distributable to beneficiaries within certain time periods.

Your death benefit must generally be paid to your beneficiary by the end of the fifth year following the year of your death. However, if your spouse is your designated beneficiary, then your spouse can elect to delay the payment until the year in which you would have attained age 70 1/2.

Since your spouse has certain rights to the death benefit, you should immediately report any change in your marital status to the Administrator.

What happens if I'm a Participant, terminate employment and die before receiving all my benefits?

If you terminate employment with the Employer and subsequently die, your beneficiary will be entitled to your remaining interest in the Plan at the time of your death.

ARTICLE IX TAX TREATMENT OF DISTRIBUTIONS

What are my tax consequences when I receive a distribution from the Plan?

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution. Certain distributions made to you when you are under age 59 1/2 could be subject to an additional 10% tax.

Can I elect a rollover to reduce or defer tax on my distribution?

Rollover or direct transfer. You may reduce, or defer entirely, the tax due on your distribution through use of one of the following methods:

60-day rollover. The rollover of all or a portion of the distribution to an individual retirement account or annuity (IRA) or another employer retirement plan willing to accept the rollover. This will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, **MUST** be made within strict time frames (normally, within 60 days after you receive your distribution). Under certain circumstances, all or a portion of a distribution (such as a hardship distribution) may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. For this reason, if you wish to roll over all or a portion of your distribution amount, then the direct transfer option described below would be the better choice.

Direct rollover. For most distributions, you may request that a direct transfer (sometimes referred to as a "direct rollover") of all or a portion of a distribution be made to either an individual retirement account or annuity (IRA) or another employer retirement plan willing to accept the transfer. A direct transfer will result in no tax being due until you withdraw funds from the IRA or other employer plan. Like the rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct transfer. If you elect to actually receive the distribution rather than request a direct transfer, then in most cases 20% of the distribution amount will be withheld for federal income tax purposes.

Tax notice. WHENEVER YOU RECEIVE A DISTRIBUTION THAT IS AN ELIGIBLE ROLLOVER DISTRIBUTION, THE ADMINISTRATOR WILL DELIVER TO YOU A MORE DETAILED EXPLANATION OF THESE OPTIONS. HOWEVER, THE RULES WHICH DETERMINE WHETHER YOU QUALIFY FOR FAVORABLE TAX TREATMENT ARE VERY COMPLEX. YOU SHOULD CONSULT WITH QUALIFIED TAX COUNSEL BEFORE MAKING A CHOICE.

ARTICLE X LOANS

Is it possible to borrow money from the Plan?

Yes, you may request a Participant loan from all your accounts using an application form provided by the Administrator. Your ability to obtain a Participant loan depends on several factors. The Administrator will determine whether you satisfy these factors.

What are the loan rules and requirements?

There are various rules and requirements that apply to any loan, which are outlined in this question. In addition, your Employer has established a written loan program which explains these requirements in more detail. You can request a copy of the loan program from the Administrator. Generally, the rules for loans include the following:

- Loans are available to Participants on a reasonably equivalent basis. Each loan requires an application which specifies the amount of the loan desired, the requested duration for the loan and the source of security for the loan. All loan applications will be considered by the Administrator within a reasonable time after the Participant applies for the loan. The Administrator may request that you provide additional information to make a determination.

- All loans must be adequately secured. You must sign a promissory note along with a loan pledge. Generally, you must use your vested interest in the Plan as security for the loan, provided the outstanding balance of all your loans does not exceed 50% of your vested interest in the Plan. In certain cases, the Administrator may require you to provide additional collateral to receive a loan.
- You will be charged an interest rate equal to 0% above the prime rate. The interest rate will be fixed for the duration of the loan.
- Loan refinancing is permitted.
- If approved, your loan will provide for level amortization with payments to be made not less frequently than quarterly. Generally, the term of your loan may not exceed five (5) years. However, if the loan is for the purchase of your principal residence, the Administrator may permit a longer repayment term. Generally, the Administrator will require that you repay your loan by agreeing to either payroll deduction or payment by ACH (automated clearing house system for electronic funds transfer). If you have an unpaid leave of absence or go on military leave while you have an outstanding loan, please contact the Administrator to find out your repayment options.
- All loans will be considered a directed investment of your account under the Plan. All payments of principal and interest by you on a loan will be credited to your account.
- The amount the Plan may loan to you is limited by rules under the Internal Revenue Code. Any new loans, when added to the outstanding balance of all other loans from the Plan, will be limited to the lesser of:
 - (a) \$50,000 reduced by the excess, if any, of your highest outstanding balance of loans from the Plan during the one-year period ending on the day before the date of the new loan over your current outstanding balance of loans as of the date of the new loan; or
 - (b) 1/2 of your vested interest in the Plan.
- The maximum number of Plan loans that you may have outstanding at any one time is one (1).
- If you fail to make payments when they are due under the terms of the loan, you will be considered to be "in default." The Administrator will consider your loan to be in default if any scheduled loan repayment is not made by the end of the calendar quarter following the calendar quarter in which the missed payment was due. The Plan would then have authority to take all reasonable actions to collect the balance owed on the loan. This could include filing a lawsuit or foreclosing on the security for the loan. Under certain circumstances, a loan that is in default may be considered a distribution from the Plan and could be considered taxable income to you. In any event, your failure to repay a loan will reduce the benefit you would otherwise be entitled to from the Plan.
- If you terminate employment, your loan generally becomes due and payable in full immediately. You may repay the entire outstanding balance of the loan (including any accrued interest). If you do not repay the entire outstanding loan balance, your vested account balance will be reduced by the remaining outstanding balance of the loan. Contact the Administrator for additional details.

The Administrator may periodically revise the Plan's loan program. If you have any questions on Participant loans or the current loan program, please contact the Administrator.

ARTICLE XI PROTECTED BENEFITS AND CLAIMS PROCEDURES

Are my benefits protected?

As a general rule, your interest in your account, including your "vested interest," may not be alienated. This means that your interest may not be sold, used as collateral for a loan (other than for a Plan loan), given away or otherwise transferred. In addition, your creditors (other than the IRS) may not attach, garnish or otherwise interfere with your benefits under the Plan.

Are there any exceptions to the general rule?

There are three exceptions to this general rule. The Administrator must honor a "qualified domestic relations order." A "qualified domestic relations order" is defined as a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, children or other dependents. If a "qualified domestic relations order" is received by the Administrator, all or a portion of your benefits may be used to satisfy that obligation. The Administrator will determine the validity of any domestic relations order received. You and your beneficiaries can obtain from the Administrator, without charge, a copy of the procedure used by the Administrator to determine whether a "qualified domestic relations order" is valid.

The second exception applies if you are involved with the Plan's operation. If you are found liable for any action that adversely affects the Plan, the Administrator can offset your benefits by the amount that you are ordered or required by a court to pay the Plan. All or a portion of your benefits may be used to satisfy any such obligation to the Plan.

The last exception applies to federal tax levies and judgments. The federal government is able to use your interest in the Plan to enforce a federal tax levy and to collect a judgment resulting from an unpaid tax assessment.

Can the Plan be amended?

Your Employer has the right to amend the Plan at any time. In no event, however, will any amendment authorize or permit any part of the Plan assets to be used for purposes other than the exclusive benefit of Participants or their beneficiaries. Additionally, no amendment will cause any reduction in the amount credited to your account.

What happens if the Plan is discontinued or terminated?

Although your Employer intends to maintain the Plan indefinitely, your Employer reserves the right to terminate the Plan at any time. Upon termination, no further contributions will be made to the Plan and all amounts credited to your accounts will continue to be 100% vested. Your Employer will direct the distribution of your accounts in a manner permitted by the Plan as soon as practicable. (See the question entitled "How will my benefits be paid to me?" for a further explanation.) You will be notified if the Plan is terminated.

How do I submit a claim for Plan benefits?

You may file a claim for benefits by submitting a written request for benefits to the Plan Administrator. You should contact the Plan Administrator to see if there is an applicable distribution form that must be used. If no specific form is required or available, then your written request for a distribution will be considered a claim for benefits. In the case of a claim for disability benefits, if disability is determined by the Plan Administrator (rather than by a third party such as the Social Security Administration), then you must also include with your claim sufficient evidence to enable the Plan Administrator to make a determination on whether you are disabled.

Decisions on the claim will be made within a reasonable period of time appropriate to the circumstances. "Days" means calendar days. If the Plan Administrator determines the claim is valid, then you will receive a statement describing the amount of benefit, the method or methods of payment, the timing of distributions and other information relevant to the payment of the benefit.

For purposes of the claims procedures described below, "you" refers to you, your authorized representative, or anyone else entitled to benefits under the Plan (such as a beneficiary). A document, record, or other information will be considered relevant to a claim if it:

- was relied upon in making the benefit determination;
- was submitted, considered, or generated in the course of making the benefit determination, without regard to whether it was relied upon in making the benefit determination;
- demonstrated compliance with the administrative processes and safeguards designed to ensure and to verify that benefit determinations are made in accordance with Plan documents and Plan provisions have been applied consistently with respect to all claimants; or
- constituted a statement of policy or guidance with respect to the Plan concerning the denied treatment option or benefit.

The Plan may offer additional voluntary appeal and/or mandatory arbitration procedures other than those described below. If applicable, the Plan will not assert that you failed to exhaust administrative remedies for failure to use the voluntary procedures, any statute of limitations or other defense based on timeliness is tolled during the time a voluntary appeal is pending; and the voluntary process is available only after exhaustion of the appeals process described in this section. If mandatory arbitration is offered by the Plan, the arbitration must be conducted instead of the appeal process described in this section, and you are not precluded from challenging the decision under ERISA §501(a) or other applicable law.

What if my benefits are denied?

Your request for Plan benefits will be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Administrator will provide you with a written or electronic notification of the Plan's adverse determination. This written or electronic notification must be provided to you within a reasonable period of time, but not later than 90 days (except as provided below for disability claims) after the receipt of your claim by the Administrator, unless the Administrator determines that special circumstances require an extension of time for processing your claim. If the Administrator determines that an extension of time for processing is required, written notice of the extension will be furnished to you prior to the termination of the initial 90-day period. In no event will such extension exceed a period of 90 days from the end of such initial period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the benefit determination.

In the case of a claim for disability benefits, if disability is determined by the Plan Administrator (rather than a third party such as the Social Security Administration), then instead of the above, the initial claim must be resolved within 45 days of receipt by the Plan. A Plan may, however, extend this decision-making period for an additional 30 days for reasons beyond the control of the Plan. The Plan will notify you of the extension prior to the end of the 45-day period. If, after extending the time period for a first period of 30 days, the Plan Administrator determines that it will still be unable, for reasons beyond the control of the Plan, to make a decision within the extension period, the Plan may extend decision making for a second 30-day period. Appropriate notice will be provided to you before

the end of the first 45 days and again before the end of each succeeding 30-day period. This notice will explain the circumstances requiring the extension and the date the Plan Administrator expects to render a decision. It will explain the standards on which entitlement to the benefits is based, the unresolved issues that prevent a decision, the additional issues that prevent a decision, and the additional information needed to resolve the issues. You will have 45 days from the date of receipt of the Plan Administrator's notice to provide the information required.

If the Plan Administrator determines that all or part of the claim should be denied (an "adverse benefit determination"), it will provide a notice of its decision in written or electronic form explaining your appeal rights. An "adverse benefit determination" also includes a rescission, which is a retroactive cancellation or termination of entitlement to disability benefits. The notice will be provided in a culturally and linguistically appropriate manner and will state:

- (a) The specific reason or reasons for the adverse determination.
- (b) Reference to the specific Plan provisions on which the determination was based.
- (c) A description of any additional material or information necessary for you to perfect the claim and an explanation of why such material or information is necessary.
- (d) A description of the Plan's review procedures and the time limits applicable to such procedures. This will include a statement of your right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination on review.
- (e) In the case of a claim for disability benefits if disability is determined by the Plan Administrator (rather than a third party such as the Social Security Administration), then the following additional information will be provided:
 - (i) A discussion of the decision, including an explanation of the basis for disagreeing with or not following:
 - The views you presented to the Plan of health care professionals treating the claimant and vocational professionals who evaluated you;
 - The views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with an adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; or
 - A disability determination made by the Social Security Administration and presented by you to the Plan.
 - (ii) Either the internal rules, guidelines, protocols, or other similar criteria relied upon to make a determination, or a statement that such rules, guidelines, protocols, or other criteria do not exist.
 - (iii) If the adverse benefit determination is based on a medical necessity or experimental treatment and/or investigational treatment or similar exclusion or limit, an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances. If this is not practical, a statement will be included that such explanation will be provided to you free of charge, upon request.
 - (iv) A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim.

If your claim has been denied, and you want to submit your claim for review, you must follow the Claims Review Procedure in the next question.

What is the Claims Review Procedure?

Upon the denial of your claim for benefits, you may file your claim for review, in writing, with the Administrator.

- (a) YOU MUST FILE THE CLAIM FOR REVIEW NOT LATER THAN 60 DAYS (EXCEPT AS PROVIDED BELOW FOR DISABILITY CLAIMS) AFTER YOU HAVE RECEIVED WRITTEN NOTIFICATION OF THE DENIAL OF YOUR CLAIM FOR BENEFITS.

IF YOUR CLAIM IS FOR DISABILITY BENEFITS AND DISABILITY IS DETERMINED BY THE PLAN ADMINISTRATOR (RATHER THAN A THIRD PARTY SUCH AS THE SOCIAL SECURITY ADMINISTRATION), THEN INSTEAD OF THE ABOVE, YOU MUST FILE THE CLAIM FOR REVIEW NOT LATER THAN 180 DAYS FOLLOWING RECEIPT OF NOTIFICATION OF AN ADVERSE BENEFIT DETERMINATION. IN THE CASE OF AN ADVERSE BENEFIT DETERMINATION REGARDING A RESCISSION OF COVERAGE, YOU MUST REQUEST A REVIEW WITHIN 90 DAYS OF THE NOTICE.

- (b) You may submit written comments, documents, records, and other information relating to your claim for benefits.
- (c) You will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits.

- (d) Your claim for review must be given a full and fair review. This review will take into account all comments, documents, records, and other information submitted by you relating to your claim, without regard to whether such information was submitted or considered in the initial benefit determination.

In addition to the Claims Review Procedure above, if your claim is for disability benefits and disability is determined by the Plan Administrator (rather than a third party such as the Social Security Administration), then:

- (a) Your claim will be reviewed without deference to the initial adverse benefit determination and the review will be conducted by an appropriate named fiduciary of the Plan who is neither the individual who made the adverse benefit determination that is the subject of the appeal, nor the subordinate of such individual.
- (b) If the initial adverse benefit determination was based on a medical judgment, including determinations with regard to whether a particular treatment, drug, or other item is experimental, investigational, or not medically necessary or appropriate, the fiduciary will consult with a health care professional who was neither involved in or subordinate to the person who made the original benefit determination. This health care professional will have appropriate training and experience in the field of medicine involved in the medical judgment. Additionally, medical or vocational experts whose advice was obtained on behalf of the Plan in connection with the initial determination will be identified.
- (c) Any medical or vocational experts whose advice was obtained on behalf of the Plan in connection with your adverse benefit determination will be identified, without regard to whether the advice was relied upon in making the benefit determination.
- (d) If the Plan considers, relies upon or creates any new or additional evidence during the review of the adverse benefit determination, the Plan will provide such new or additional evidence to you, free of charge, as soon as possible and sufficiently in advance of the time within which a determination on review is required to allow you time to respond.
- (e) Before the Plan issues an adverse benefit determination on review that is based on a new or additional rationale, the Plan Administrator must provide you with a copy of the rationale at no cost to you. The rationale must be provided as soon as possible and sufficiently in advance of the time within which a final determination on appeal is required to allow you time to respond.

The Administrator will provide you with written or electronic notification of the Plan's benefit determination on review. The Administrator must provide you with notification of this denial within 60 days (45 days with respect to claims relating to the determination of disability benefits) after the Administrator's receipt of your written claim for review, unless the Administrator determines that special circumstances require an extension of time for processing your claim. In such a case, you will be notified, before the end of the initial review period, of the special circumstances requiring the extension and the date a decision is expected. If an extension is provided, the Plan Administrator must notify you of the determination on review no later than 120 days (or 90 days with respect to claims relating to the determination of disability benefits).

The Plan Administrator will provide written or electronic notification to you in a culturally and linguistically appropriate manner. If the initial adverse benefit determination is upheld on review, the notice will include:

- (a) The specific reason or reasons for the adverse determination.
- (b) Reference to the specific Plan provisions on which the benefit determination was based.
- (c) A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits.
- (d) In the case of a claim for disability benefits, if disability is determined by the Plan Administrator (rather than a third party such as the Social Security Administration):
 - (i) Either the specific internal rules, guidelines, protocols, or other similar criteria relied upon to make the determination, or a statement that such rules, guidelines, protocols, or criteria do not exist.
 - (ii) If the adverse benefit determination is based on a medical necessity or experimental treatment and/or investigational treatment or similar exclusion or limit, an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances. If this is not practical, a statement will be included that such explanation will be provided to you free of charge, upon request.
 - (iii) A statement of your right to bring a civil action under section 502(a) of ERISA and, if the Plan imposes a contractual limitations period that applies to your right to bring such an action, a statement to that effect which includes the calendar date on which such limitation expires on the claim.

If the Plan offers voluntary appeal procedures, a description of those procedures and your right to obtain sufficient information about those procedures upon request to enable you to make an informed decision about whether to submit to such voluntary appeal. These procedures will include a description of your right to representation, the process for selecting the decision maker and the circumstances, if any, that may affect the impartiality of the decision maker. No fees or costs will be imposed on you as part of the voluntary appeal. A decision whether to use the voluntary appeal process will have no effect on your rights to any other Plan benefits.

(iv) A discussion of the decision, including an explanation of the basis for disagreeing with or not following:

- the views presented by the claimant to the Plan of health care professionals treating you and vocational professionals who evaluated you;
- the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with an adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; or
- a disability determination made by the Social Security Administration and presented by you to the Plan.

If you have a claim for benefits which is denied, then you may file suit in a state or federal court. However, in order to do so, you must file the suit not later than 180 days after the Administrator makes a final determination to deny your claim.

What are my rights as a Plan Participant?

As a Participant in the Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants are entitled to:

- (a) Examine, without charge, at the Administrator's office and at other specified locations, all documents governing the Plan and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- (b) Obtain, upon written request to the Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The Administrator may make a reasonable charge for the copies.
- (c) Receive a summary of the Plan's annual financial report. The Administrator is required by law to furnish each Participant with a copy of this summary annual report.

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and beneficiaries. No one, including your Employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Administrator to provide the materials and pay you up to \$110.00 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court. You and your beneficiaries can obtain, without charge, a copy of the "qualified domestic relations order" (QDRO) procedures from the Administrator.

If it should happen that the Plan's fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. The court may order you to pay these costs and fees if you lose or if, for example, it finds your claim is frivolous.

What can I do if I have questions or my rights are violated?

If you have any questions about the Plan, you should contact the Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in the telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

ARTICLE XII GENERAL INFORMATION ABOUT THE PLAN

There is certain general information which you may need to know about the Plan. This information has been summarized for you in this Article.

Plan Name

The full name of the Plan is Peachtree City Water & Sewer Authority Profit Sharing Plan.

Plan Number

Your Employer has assigned Plan Number 10-7023 to your Plan.

Plan Effective Dates

Effective Date. This Plan was originally effective on February 1, 1999. The amended and restated provisions of the Plan become effective on September 24, 2018.

Other Plan Information

Valuation date. Valuations of the Plan assets are generally made every business day. Certain distributions are based on the Anniversary Date of the Plan. This date is the last day of the Plan Year.

Plan Year. The Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year begins on January 1st and ends on December 31st.

The Plan and Trust will be governed by the laws of Georgia to the extent not governed by federal law.

Benefits provided by the Plan are NOT insured by the Pension Benefit Guaranty Corporation (PBGC) under Title IV of the Employee Retirement Income Security Act of 1974 because the insurance provisions under ERISA are not applicable to this type of Plan.

Service of legal process may be made upon your Employer. Service of legal process may also be made upon the Trustee or Administrator.

Employer Information

Your Employer's name, contact information and identification number are:

Peachtree City Water & Sewer Authority
1127 Highway 74 S
Peachtree City, Georgia 30269
58-2307284
Telephone: (770) 487-7993

Administrator Information

The Administrator is responsible for the day-to-day administration and operation of the Plan. For example, the Administrator maintains the Plan records, including your account information, provides you with the forms you need to complete for Plan participation, and directs the payment of your account at the appropriate time. The Administrator will also allow you to review the formal Plan document and certain other materials related to the Plan. If you have any questions about the Plan or your participation, you should contact the Administrator. The Administrator may designate other parties to perform some duties of the Administrator.

The Administrator has the complete power, in its sole discretion, to determine all questions arising in connection with the administration, interpretation, and application of the Plan (and any related documents and underlying policies). Any such determination by the Administrator is conclusive and binding upon all persons.

Your Administrator's name and contact information are:

Peachtree City Water & Sewer Authority
1127 Highway 74 S
Peachtree City, Georgia 30269
Telephone: (770) 487-7993

Plan Trustee Information and Plan Funding Medium

All money that is contributed to the Plan is held in a Trust Fund. The Trustees are responsible for the safekeeping of the Trust Fund and must hold and invest Plan assets in a prudent manner and in the best interest of you and your beneficiaries. The Trust Fund is the funding medium used for the accumulation of assets from which benefits will be distributed. While all the Plan assets are held in a Trust Fund, the Administrator separately accounts for each Participant's interest in the Plan.

The Plan's Trustees are:

Lawrence Harlan Davis, Jr., Trustee
Lawrence Harlan Davis, III, Trustee

The contact information for the Plan's Trustees is:

1127 Highway 74 S
Peachtree City, Georgia 30269
Telephone: (770) 487-7993

The Trustees are collectively referred to as Trustee throughout this Summary Plan Description.

APPENDIX
PLAN EXPENSE ALLOCATIONS

The Plan will assess against an individual Participant's account the following Plan expenses which are incurred by, or are attributable to, a particular Participant based on use of a particular Plan feature, listed by type and the amount charged (*check all that apply, and fill in the charge or method of determining the charge*). All fees are subject to change.

☒ **Other (describe)**

Your Plan Account may be charged fees for Plan administration services and transaction based fees (e.g. withdrawal processing fees). Please review the current fee and expense disclosure notice for more specific information. This fee and expense disclosure notice may be found on the Participant web site maintained by your Plan's recordkeeping company.

**APPENDIX
ROLLOVERS FROM OTHER PLANS**

The Plan will accept Participant "rollover" contributions and/or "direct rollovers" of distributions from the types of plans specified below: (check all that apply)

Direct Rollovers. The Plan will accept a "direct rollover" of an eligible rollover distribution from:

- ☒ a qualified plan described in Section 401(a) of the Internal Revenue Code (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan), **excluding** after-tax voluntary contributions.
- ☐ a qualified plan described in Section 401(a) of the Internal Revenue Code (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan), **including** after-tax voluntary contributions.
- ☐ a qualified plan described in Section 403(a) of the Internal Revenue Code (an annuity plan), **excluding** after-tax voluntary contributions.
- ☐ a qualified plan described in Section 403(a) of the Internal Revenue Code (an annuity plan), **including** after-tax voluntary contributions.
- ☒ an annuity contract described in Section 403(b) of the Internal Revenue Code (a tax-sheltered annuity), **excluding** after-tax voluntary contributions.
- ☐ an annuity contract described in Section 403(b) of the Internal Revenue Code (a tax-sheltered annuity), **including** after-tax voluntary contributions.
- ☒ a plan described in Section 457(b) of the Internal Revenue Code (eligible deferred compensation plan).
- ☐ a Participant loan from another plan.

Participant Rollover Contributions from Other Plans. The Plan will accept a Participant "rollover" contribution of an eligible rollover distribution from:

- ☒ a qualified plan described in Section 401(a) of the Internal Revenue Code (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan).
- ☐ a qualified plan described in Section 403(a) of the Internal Revenue Code (an annuity plan).
- ☒ an annuity contract described in Section 403(b) of the Internal Revenue Code (a tax-sheltered annuity).
- ☒ a governmental plan described in Section 457(b) of the Internal Revenue Code (eligible deferred compensation plan).

Participant Rollover Contributions from IRAs:

- ☐ The Plan will accept a Participant "rollover" contribution of the portion of a distribution from a traditional IRA that is eligible to be rolled over and would otherwise be includible in gross income. Rollovers from Roth IRAs or a Coverdell Education Savings Account (formerly known as an Education IRA) are not permitted because they are not traditional IRAs. A rollover from a SIMPLE IRA is allowed if the amounts are rolled over after the Participant has been in the SIMPLE IRA for at least two years.

**PEACHTREE CITY WATER & SEWER AUTHORITY
PROFIT SHARING PLAN**

COMMON QUESTIONS ABOUT OUR PROFIT SHARING PLAN

Introduction

The following questions and answers highlight some of the important parts of our Plan. Remember, these are only highlights. The Summary Plan Description ("SPD") describes the Plan in much greater detail. If you have any questions about these highlights, the SPD, or the Plan, you should ask the Administrator.

- Q.** Why is your Employer sponsoring a profit sharing plan?
- A.** Your Employer is sponsoring this Plan so that you may save for retirement. This Plan is a type of qualified retirement plan commonly referred to as a profit sharing plan. Your Employer may make contributions to the Plan on your behalf.
- Q.** How do I participate in the Plan?
- A.** Provided you are not an Excluded Employee, you may become a "Participant" in the Plan once you have satisfied the eligibility requirements and reached your "Entry Date." The following describes the eligibility requirements and Entry Date that apply.

Employer Profit Sharing Contributions

Excluded Employees. If you are a member of a class of employees identified below, you are an Excluded Employee and you are not entitled to participate in the Plan for purposes of profit sharing contributions. The Excluded Employees are:

- All Employees except the General Manager

Eligibility conditions. You will be eligible to participate for purposes of profit sharing contributions when you have satisfied the following eligibility condition(s). However, you will actually become a Participant in the Plan once you reach the Entry Date as described below.

- attainment of age 21.

Entry Date. For purposes of profit sharing contributions, your Entry Date will be the date on which you satisfy the eligibility requirements.

- Q.** When will I receive payments from the Plan?
- A.** The Plan is designed to encourage you to stay with the Employer until retirement. Payment will generally occur at your Normal Retirement Date, unless you postpone your actual retirement. Your Normal Retirement Date is the date on which you attain your Normal Retirement Age. You will attain your Normal Retirement Age when you reach age 65.
- Q.** How much will I be paid when I retire?
- A.** The amount you are paid when you retire will be based upon the amount of money your Employer has put into the Plan for you, plus or minus any earnings or losses. You should review the Article in the SPD entitled "Employer Contributions" for an explanation of how your Employer makes contributions to the Plan and how they are shared by Eligible Employees.
- Q.** How will payments be made when I retire?
- A.** All distributions from the Plan will be made in a single lump-sum payment. If your vested account balance exceeds \$1,000, you must consent to the distribution before it may be made.

You should review the Article in the SPD entitled "Benefits and Distributions Upon Termination of Employment" for a further explanation of the rules associated with the payment of benefits.

- Q.** What if I stop working before I retire?
- A.** If you stop working before you retire, you will only be entitled to the "vested percentage" of your account balance.

100% vested contributions. You are always 100% vested (which means that you are entitled to all of the amounts) in your accounts attributable to the following contributions:

- profit sharing contributions
- "rollover" contributions

Q. If I stop working before retirement, when will my vested amount be paid?

A. If your employment terminates for reasons other than normal retirement, you will be entitled to receive only the "vested percentage" of your account balance.

You may elect to have your vested account balance distributed to you as soon as administratively feasible following your termination of employment. However, if the value of your vested account balance does not exceed \$1,000, then a distribution will be made to you regardless of whether you consent to receive it. (See the question entitled "How will my benefits be paid to me?" for additional information.)

Q. What if I die before I retire?

A. Your beneficiary will be entitled to the vested portion of your interest in the Plan upon your death. If you are single, you may name anyone you like to be your beneficiary. If you are married, your spouse is your beneficiary with respect to 100% of your death benefit unless you and your spouse name someone else as your beneficiary. You should review the question entitled "Who is the beneficiary of my death benefit?" in the SPD.

Q. Can I withdraw money from the Plan while I'm still working?

A. Generally you may receive a distribution from the Plan from certain accounts prior to your termination of employment provided you satisfy the condition described below:

- you have attained age 59 1/2.

This distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement.

In certain instances you may also receive an in-service distribution if you incur a financial hardship. This hardship distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement.

There are various rules and restrictions regarding withdrawing money from your accounts in the Plan while you are still employed. Please review the SPD for more information on these rules and restrictions.

NOTE: THESE QUESTIONS AND ANSWERS ARE NOT MEANT TO BE A SUBSTITUTE FOR A THOROUGH READING OF THE SUMMARY PLAN DESCRIPTION. THE PROVISIONS OF THE PROFIT SHARING PLAN ARE VERY COMPLEX. IT IS NOT POSSIBLE TO FULLY EXPLAIN ALL ASPECTS OF THE PLAN IN THESE SHORT QUESTIONS AND ANSWERS. YOU SHOULD ALWAYS CONSULT THE SUMMARY PLAN DESCRIPTION IF YOU HAVE ANY QUESTIONS ABOUT THE PLAN. IF, AFTER READING THE SUMMARY PLAN DESCRIPTION, YOU STILL HAVE QUESTIONS, YOU SHOULD CONTACT THE ADMINISTRATOR.

**ACTION BY THE BOARD OF DIRECTORS OF
Peachtree City Water & Sewer Authority (“Corporation”)**

The undersigned, hereby certifies that the following extract of resolutions below was taken from a duly called meeting of the Board of Directors of the Corporation:

RESOLVED, that the Board of Directors has previously approved and adopted the Peachtree City Water & Sewer Authority Profit Sharing Plan (“Plan”) to provide employees of the corporation with retirement benefits.

RESOLVED, that the Board of Directors does hereby declare the intention of the Corporation to continue the Plan but reserves the right to terminate or amend the Plan at any time.

RESOLVED, the Board of Directors of the Corporation hereby removes Susan Lee, as Trustee of the Plan effective September 24, 2018.

RESOLVED, the Board of Directors of the Corporation hereby appoints Lawrence Harlan Davis, Jr. and Lawrence Harlan Davis, III, as Trustees of the Plan.

RESOLVED, that the Board of Directors of the Corporation are hereby jointly and severally authorized to take such actions and to execute such documents as they deem necessary or desirable in order to carry out the intent of the foregoing resolutions and required under the Plan to make the Plan fully effective in accordance with its terms and intent.

I DO HEREBY CERTIFY that I am the Chairman of the Corporation, and the keeper of its records and corporate seal.

I FURTHER CERTIFY that the above is a true, correct and complete extract of resolutions adopted at a duly called and held meeting of the Board of Directors of this Corporation, and that said resolutions are still in effect and have not been modified or revised and are not in conflict with the by laws of this Corporation.

IN WITNESS WHEREOF, I have set my hand and the corporate seal of the Corporation.

Chairman

ADOPTING RESOLUTION

The undersigned authorized representative of Peachtree City Water & Sewer Authority (the Employer) hereby certifies that the following resolution was duly adopted by the Employer on _____, and that such resolution has not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended Plan and Trust effective September 24, 2018, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The undersigned further certifies that attached hereto are true copies of Peachtree City Water & Sewer Authority Money Purchase Plan as amended and restated, and the Summary of Plan Provisions, which are hereby approved and adopted.

Date: _____

Signed: _____

[print name/title]

**ADOPTION AGREEMENT FOR
GOVERNMENTAL VOLUME SUBMITTER MONEY PURCHASE PLAN**

CAUTION: Failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

EMPLOYER INFORMATION

(An amendment to the Adoption Agreement is not needed solely to reflect a change in this Employer Information Section.)

1. EMPLOYER'S NAME, ADDRESS, TELEPHONE NUMBER, TIN AND FISCAL YEAR

Name: Peachtree City Water & Sewer Authority

Address: 1127 Highway 74 S Street

Peachtree City City Georgia State 30269 Zip

Telephone: 770-487-7993

Taxpayer Identification Number (TIN): 58-2307284

Employer's Fiscal Year ends: September 30th.

2. TYPE OF GOVERNMENTAL ENTITY. This Plan may only be adopted a state or local governmental entity, or agency thereof, including an Indian tribal government and may not be adopted by any other entity, including a federal government and any agency or instrumentality thereof.

- a. ☐ State government or state agency
- b. ☐ County or county agency
- c. ☒ Municipality or municipal agency
- d. ☐ Indian tribal government (see Note below)
- e. ☐ Other: _____

NOTE: An Indian tribal government may only adopt this Plan if such entity is defined under Code §7701(a)(40), is a subdivision of an Indian tribal government as determined in accordance with Code §7871(d), or is an agency or instrumentality of either, and all of the Participants under this Plan employed by such entity substantially perform services as an Employee in essential governmental functions and not in the performance of commercial activities (whether or not an essential government function).

3. PARTICIPATING EMPLOYERS (Plan Section 1.38). Will any other Employers adopt this Plan as Participating Employers?

- a. ☒ No
- b. ☐ Yes

PLAN INFORMATION

(An amendment to the Adoption Agreement is not needed solely to reflect a change in the information in Questions 9. through 10.)

4. PLAN NAME:

Peachtree City Water & Sewer Authority Money Purchase Plan

5. PLAN STATUS

- a. ☐ New Plan
- b. ☒ Amendment and restatement of existing Plan
PPA RESTATEMENT (leave blank if not applicable)
 - 1. ☐ This is an amendment and restatement to bring a plan into compliance with the Pension Protection Act of 2006 ("PPA") and other legislative and regulatory changes (i.e., the 6-year pre-approved plan restatement).

6. EFFECTIVE DATE (Plan Section 1.16) (complete a. if new plan; complete a. AND b. if an amendment and restatement)

Initial Effective Date of Plan

- a. May 22, 1997 (enter month day, year) (hereinafter called the "Effective Date" unless 6.b. is entered below)

Restatement Effective Date. If this is an amendment and restatement, the effective date of the restatement (hereinafter called the "Effective Date") is:

- b. September 24, 2018 (enter month day, year; may enter a restatement date that is the first day of the current Plan Year. Plan contains appropriate retroactive effective dates with respect to provisions for appropriate laws.)

Governmental Money Purchase Plan

7. PLAN YEAR (Plan Section 1.42) means, except as otherwise provided in d. below:
- a. ☐ the calendar year
- b. ☒ the twelve-month period ending on September 30th (e.g., June 30th)

SHORT PLAN YEAR (Plan Section 1.46). This is a Short Plan Year (if the effective date of participation is based on a Plan Year, then coordinate with Question 14):

- c. ☒ N/A
- d. ☐ beginning on _____ (enter month day, year; e.g., July 1, 2013)
and ending on _____ (enter month day, year).

8. VALUATION DATE (Plan Section 1.52) means:
- a. ☒ every day that the Trustee (or Insurer), any transfer agent appointed by the Trustee (or Insurer) or the Employer, and any stock exchange used by such agent are open for business (daily valuation)
- b. ☐ the last day of each Plan Year
- c. ☐ the last day of each Plan Year quarter
- d. ☐ other (specify day or days): _____ (must be at least once each Plan Year)

NOTE: The Plan always permits interim valuations.

9. TRUSTEE(S) OR INSURER(S) (Plan Sections 1.25 and 1.50):

- a. ☐ **Insurer.** This Plan is funded exclusively with Contracts and the name of the Insurer(s) is:
 (1) _____ (2) _____ (if more than 2,
 add names to signature page).

- b. [X] **Individual Trustee(s).** Individual Trustee(s) who serve as Trustee(s) over assets not subject to control by a corporate Trustee. (add additional Trustees as necessary)

Name(s)	Title(s)
<u>Lawrence Harlan Davis, Jr.</u>	<u>Trustee</u>
<u>Lawrence Harlan Davis, III</u>	<u>Trustee</u>

Address and telephone number

1. ☒ Use Employer address and telephone number
2. ☐ Use address and telephone number below:

Address: _____
Street

City State Zip

Telephone: _____

- c. [] **Corporate Trustee(s)** (add additional Trustees as necessary)

Name: _____

Address: _____

_____ Street

_____ City _____ State _____ Zip

Telephone: _____

Directed/Discretionary Trustee. Unless otherwise specified below, if there is a corporate Trustee, it will serve as a Directed (nondiscretionary) Trustee (Plan Section 1.21) and if there is an individual Trustee, he or she will serve as a Discretionary Trustee (Plan Section 1.22) over all Plan assets (select all that apply; leave blank if defaults apply)

- d. ☐ Directed Trustee exceptions (leave blank if no exceptions):
 Directed Trustee over specified Plan assets (select all that apply; leave blank if none apply)
 1. ☐ The corporate Trustee will serve as Directed Trustee over the following assets: _____
 2. ☐ The individual Trustee(s) will serve as Directed Trustee over the following assets: _____
 Individual Trustee will serve as Directed Trustee (may not be selected with d.1. or d.2.)
 3. ☐ over all Plan assets

Governmental Money Purchase Plan

- e. ☐ Discretionary Trustee exceptions (leave blank if no exceptions):
 Discretionary Trustee over specified Plan assets (select all that apply; leave blank if none apply)
 1. ☐ The individual Trustee(s) will serve as Discretionary Trustee over the following assets: _____
 2. ☐ The corporate Trustee will serve as Discretionary Trustee over the following assets: _____
 Corporate Trustee will serve as Discretionary Trustee (may not be selected with e.1. or e.2.)
 3. ☐ over all Plan assets

Separate trust. Will a separate trust agreement that is approved by the IRS for use with this Plan be used?

- f. [X] No
g. [] Yes

NOTE: If Yes is selected, an executed copy of the trust agreement between the Trustee and the Employer must be attached to this Plan. The Plan and trust agreement will be read and construed together. The responsibilities, rights and powers of the Trustee will be those specified in the trust agreement.

10. ADMINISTRATOR'S NAME, ADDRESS AND TELEPHONE NUMBER

(If none is named, the Employer will be the Administrator (Plan Section 1.2).)

- a. ☐ Employer (use Employer address and telephone number)
b. ☐ Other:

Name: _____

Address: _____
Street

City State Zip

Telephone: _____

11. CONTRIBUTION TYPES

The selections made below must correspond with the selections made under the Contributions and Allocations Section of this Adoption Agreement.

FROZEN PLAN OR CONTRIBUTIONS HAVE BEEN SUSPENDED (Plan Section 4.1(c)) (optional)

- a. ☐ This is a frozen Plan (i.e., all contributions cease) (if this is a temporary suspension, select a.2):
1. ☐ All contributions ceased as of, or prior to, the effective date of this amendment and restatement and the prior Plan provisions are not reflected in this Adoption Agreement (may enter effective date at 3. below and/or select contributions at b. - f. (optional), skip questions 12-18 and 22-29)
2. ☐ All contributions ceased or were suspended and the prior Plan provisions are reflected in this Adoption Agreement (must enter effective date at 3. below and select contributions at b. - f.)

Effective date

3. [] as of _____ (effective date is optional unless a.2. has been selected above or this is the amendment or restatement to freeze the Plan).

CONTRIBUTIONS

The Plan permits the following contributions (select one or more):

- b. ☒ **Employer contributions other than matching** (Questions 24-25)
1. ☐ This Plan qualifies as a Social Security Replacement Plan (Question 24.c. must be selected)
- c. ☒ **Employer matching contributions** (Questions 26-28)
- d. ☐ **Mandatory Employee contributions** (Question 31)
- e. ☒ **After-tax voluntary Employee contributions** (Question 32)
- f. ☒ **Rollover contributions** (Question 39)

ELIGIBILITY REQUIREMENTS

12. ELIGIBLE EMPLOYEES (Plan Section 1.17) means all Employees (including Leased Employees) EXCEPT those Employees

who are excluded below or elsewhere in the Plan:

- a. ☒ **No excluded Employees.** There are no additional excluded Employees under the Plan (skip to Question 13).
- b. ☐ **Exclusions.** The following Employees are not Eligible Employees for Plan purposes (select one or more):
1. ☐ Union Employees (as defined in Plan Section 1.17)
 2. ☐ Nonresident aliens (as defined in Plan Section 1.17)
 3. ☐ Leased Employees (Plan Section 1.28)
 4. ☐ Part-time/temporary/seasonal Employees. A part-time, temporary or seasonal Employee is an Employee whose regularly scheduled service is less than _____ Hours of Service in the relevant eligibility computation period (as defined in Plan Section 1.54). However, if any such excluded Employee actually completes a Year of Service, then such Employee will no longer be part of this excluded class.

5. ☐ Other: _____ (must be definitely determinable under Regulations §1.401-1(b). Exclusions may be employment title specific but may not be by individual name nor result in only a finite group of individuals (e.g., excluding anyone hired after 12/31/12.)

13. **CONDITIONS OF ELIGIBILITY (Plan Section 3.1)**

- a. ☐ **No age or service required.** No age or service required for all Contribution Types (skip to Question 14).
b. ☒ **Eligibility.** An Eligible Employee will be eligible to participate in the Plan upon satisfaction of the following (complete c. and d., select e. and f. if applicable):

Eligibility Requirements

c. ☒ **Age Requirement**

1. ☐ No age requirement
2. ☐ Age 20 1/2
3. ☐ Age 21
4. ☒ Age 18 (may not exceed 26)

d. ☒ **Service Requirement**

1. ☐ No service requirement
2. ☐ _____ (not to exceed 60) months of service (elapsed time)
3. ☐ 1 Year of Service
4. ☐ _____ (not to exceed 5) Years of Service
5. ☐ _____ consecutive month period from the Eligible Employee's employment commencement date and during which at least _____ Hours of Service are completed.
6. ☒ 6 consecutive months of employment from the Eligible Employee's employment commencement date.
7. ☐ Other: _____ (e.g., date on which 1,000 Hours of Service is completed within the computation period) (must satisfy the Notes below)

NOTE: If c.4. or d.7. is selected, the condition must be an age or service requirement that is definitely determinable and may not exceed age 26 and may not exceed 5 Years of Service.

NOTE: Year of Service means Period of Service if elapsed time method is chosen.

Waiver of conditions. The service and/or age requirements specified above will be waived in accordance with the following (leave blank if there are no waivers of conditions):

- e. ☐ If employed on _____ the following requirements, and the entry date requirement, will be waived. The waiver applies to any Eligible Employee unless 3. selected below. Such Employees will enter the Plan as of such date (select 1. and/or 2. AND 3. if applicable):
1. ☐ service requirement (may let part-time Eligible Employees into the Plan)
2. ☐ age requirement
3. ☐ waiver is for: _____

Amendment or restatement to change eligibility requirements

- f. ☐ This amendment or restatement (or a prior amendment and restatement) modified the eligibility requirements and the prior eligibility conditions continue to apply to the Eligible Employees specified below. If this option is NOT selected, then all Eligible Employees must satisfy the eligibility conditions set forth above.
1. ☐ The eligibility conditions above only apply to Eligible Employees who were not Participants as of the effective date of the modification.
2. ☐ The eligibility conditions above only apply to individuals who were hired on or after the effective date of the modification.

14. **EFFECTIVE DATE OF PARTICIPATION (ENTRY DATE) (Plan Section 3.2)**

An Eligible Employee who has satisfied the eligibility requirements will become a Participant in the Plan as of the:

- a. ☒ date such requirements are met
b. ☐ first day of the month coinciding with or next following the date on which such requirements are met
c. ☐ first day of the Plan Year quarter coinciding with or next following the date on which such requirements are met
d. ☐ earlier of the first day of the Plan Year or the first day of the seventh month of the Plan Year coinciding with or next following the date on which such requirements are met
e. ☐ first day of the Plan Year coinciding with or next following the date on which such requirements are met (Eligibility must be six months of service (or 1 1/2 Years (or Periods) of Service if 100% immediate vesting is selected) or less and age must be 20 1/2 or less.)
f. ☐ first day of the Plan Year in which such requirements are met
g. ☐ first day of the Plan Year in which such requirements are met, if such requirements are met in the first 6 months of the Plan Year, or as of the first day of the next succeeding Plan Year if such requirements are met in the last 6 months of the Plan Year.
h. ☐ other: _____ (must be definitely determinable)

SERVICE

15. RECOGNITION OF SERVICE WITH OTHER EMPLOYERS (Plan Sections 1.39 and 1.54)

- a. ☒ No service with other employers is recognized except as otherwise required by law (e.g., the Plan already provides for the recognition of service with Employers who have adopted this Plan as well as service with Affiliated Employers and predecessor Employers who maintained this Plan; skip to Question 16).
- b. ☐ Prior service with the designated employers is recognized as follows (answer c. and select one or more of c.1. - 3.; select d. - f. as applicable) (if more than 3 employers, attach an addendum to the Adoption Agreement or complete option h. under Section B of Appendix A):

Other Employer	Eligibility	Vesting	Contribution Allocation
c. <input type="checkbox"/> Employer name: _____	1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>
d. <input type="checkbox"/> Employer name: _____	1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>
e. <input type="checkbox"/> Employer name: _____	1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>

Limitations

- f. ☐ The following provisions or limitations apply with respect to the recognition of prior service: _____ 1. ☐ 2. ☐ 3. ☐
(e.g., credit service with X only on/following 1/1/13)

NOTE: If the other Employer(s) maintained this qualified Plan, then Years (and/or Periods) of Service with such Employer(s) must be recognized pursuant to Plan Sections 1.39 and 1.54 regardless of any selections above.

16. SERVICE CREDITING METHOD (Plan Sections 1.39 and 1.54)

NOTE: If no selections are made in this Section, then the provisions set forth in the definition of Year of Service in Plan Section 1.54 will apply, including the following defaults:

1. A Year of Service means completion of at least 1,000 Hours of Service during the applicable computation period.
 2. Hours of Service (Plan Section 1.24) will be based on actual Hours of Service.
 3. For eligibility purposes, the computation period will be as defined in Plan Section 1.54 (i.e., shift to the Plan Year if the eligibility condition is one (1) Year of Service or less).
 4. For vesting and allocation purposes, the computation period will be the Plan Year.
- a. ☒ **Elapsed time method.** (Period of Service applies instead of Year of Service) Instead of Hours of Service, elapsed time will be used for:
1. ☒ all purposes (skip to Question 17)
 2. ☐ the following purposes (select one or more):
 - a. ☐ eligibility to participate
 - b. ☐ vesting
 - c. ☐ sharing in allocations or contributions
- b. ☐ **Alternative definitions for the Hours of Service method.** Instead of the defaults, the following alternatives will apply for the Hours of Service method (select one or more):
1. ☐ **Eligibility computation period.** Instead of shifting to the Plan Year, the eligibility computation period after the initial eligibility computation period will be based on each anniversary of the date the Employee first completes an Hour of Service
 2. ☐ **Vesting computation period.** Instead of the Plan Year, the vesting computation period will be the date an Employee first performs an Hour of Service and each anniversary thereof.
 3. ☐ **Equivalency method.** Instead of using actual Hours of Service, an equivalency method will be used to determine Hours of Service for:
 - a. ☐ all purposes
 - b. ☐ the following purposes (select one or more):
 1. ☐ eligibility to participate
 2. ☐ vesting
 3. ☐ sharing in allocations or contributions

Such method will apply to:

 - c. ☐ all Employees
 - d. ☐ Employees for whom records of actual Hours of Service are not maintained or available (e.g., salaried Employees)
 - e. ☐ other: _____ (e.g., per-diem Employees only)

Hours of Service will be determined on the basis of:

- f. ☐ days worked (10 hours per day)
- g. ☐ weeks worked (45 hours per week)
- h. ☐ semi-monthly payroll periods worked (95 hours per semi-monthly pay period)
- i. ☐ months worked (190 hours per month)
- j. ☐ bi-weekly payroll periods worked (90 hours per bi-weekly pay period)
- k. ☐ other: _____ (e.g., option f. is used for per-diem Employees and option g. is used for on-call Employees).

- 4. ☐ **Number of Hours of Service required.** Instead of 1,000 Hours of Service, Year of Service means the applicable computation period during which an Employee has completed at least _____ (not to exceed 1,000) Hours of Service for:
 - a. ☐ all purposes
 - b. ☐ the following purposes (select one or more):
 - 1. ☐ eligibility to participate
 - 2. ☐ vesting
 - 3. ☐ sharing in allocations or contributions

VESTING

17. VESTING OF PARTICIPANT'S INTEREST – EMPLOYER CONTRIBUTIONS (Plan Section 6.4(b))

- a. ☐ N/A (no Employer contributions; skip to Question 19)
- b. ☒ The vesting provisions selected below apply. Section B of Appendix A can be used to specify any exceptions to the provisions below.

NOTE: The Plan provides that contributions for converted sick leave and/or vacation leave are fully Vested.

Vesting for Employer contributions other than matching contributions

- c. ☐ N/A (no Employer contributions (other than matching contributions); skip to f.)
- d. ☐ 100% vesting. Participants are 100% Vested in Employer contributions (other than matching contributions) upon entering Plan.
- e. ☒ The following vesting schedule, based on a Participant's Years of Service (or Periods of Service if the elapsed time method is selected), applies to Employer contributions (other than matching contributions):
 - 1. ☐ 6 Year Graded: 0-1 year-0%; 2 years-20%; 3 years-40%; 4 years-60%; 5 years-80%; 6 years-100%
 - 2. ☐ 4 Year Graded: 1 year-25%; 2 years-50%; 3 years-75%; 4 years-100%
 - 3. ☐ 5 Year Graded: 1 year-20%; 2 years-40%; 3 years-60%; 4 years-80%; 5 years-100%
 - 4. ☒ Cliff: 100% vesting after 5 (not to exceed 15) years
 - 5. ☐ Other graded vesting schedule (must provide for full vesting no later than 15 years of service; add additional lines as necessary)

Years (or Periods) of Service	Percentage
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

Vesting for Employer matching contributions

- f. ☐ N/A (no Employer matching contributions)
- g. ☒ The schedule above will also apply to Employer matching contributions.
- h. ☐ 100% vesting. Participants are 100% Vested in Employer matching contributions upon entering Plan.
- i. ☐ The following vesting schedule, based on a Participant's Years of Service (or Periods of Service if the elapsed time method is selected), applies to Employer matching contributions:
 - 1. ☐ 6 Year Graded: 0-1 year-0%; 2 years-20%; 3 years-40%; 4 years-60%; 5 years-80%; 6 years-100%
 - 2. ☐ 4 Year Graded: 1 year-25%; 2 years-50%; 3 years-75%; 4 years-100%
 - 3. ☐ 5 Year Graded: 1 year-20%; 2 years-40%; 3 years-60%; 4 years-80%; 5 years-100%
 - 4. ☐ Cliff: 100% vesting after _____ (not to exceed 15) years
 - 5. ☐ Other graded vesting schedule (must provide for full vesting no later than 15 years of service; add additional lines as necessary)

Years (or Periods) of Service	Percentage
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

18. VESTING OPTIONS

Excluded vesting service. The following Years of Service will be disregarded for vesting purposes (select all that apply; leave blank if none apply):

- a. ☐ Service prior to the initial Effective Date of the Plan or a predecessor plan (as defined in Regulations §1.411(a)-5(b)(3))
- b. ☐ Service prior to the computation period in which an Employee has attained age _____.
- c. ☐ Service during a period for which an Employee did not make mandatory Employee contributions.

Vesting for death, Total And Permanent Disability and Early Retirement Date. Regardless of the vesting schedule, a Participant will become fully Vested upon (select all that apply; leave blank if none apply):

- d. ☒ Death
- e. ☒ Total and Permanent Disability
- f. ☐ Early Retirement Date

RETIREMENT AGES

19. NORMAL RETIREMENT AGE ("NRA") (Plan Section 1.32) means:

- a. ☒ **Specific age.** The date a Participant attains age 65 (may not exceed 65)
- b. ☐ **Age/participation.** The later of the date a Participant attains age _____ (may not exceed 65) or the _____ (may not exceed 10th) anniversary of the first day of the Plan Year in which participation in the Plan commenced

NOTE: Effective for Plan Years beginning on or after the later of (1) January 1, 2015, or (2) the close of the first regular legislative session of the legislative body with the authority to amend the plan that begins on or after the date that is three months after the final regulations are published in the Federal Register, Normal Retirement Age of less than age 62 must meet Regulation §1.401(a)-1(b)(2).

Qualified police or firefighters. Normal Retirement Age for qualified public safety employees (as defined in Code §72(t)(1)) (leave blank if not applicable)

- c. ☐ Age _____ (may not be less than 50)

20. NORMAL RETIREMENT DATE (Plan Section 1.33) means, with respect to any Participant, the:

- a. ☒ date on which the Participant attains "NRA"
- b. ☐ first day of the month coinciding with or next following the Participant's "NRA"
- c. ☐ first day of the month nearest the Participant's "NRA"
- d. ☐ Anniversary Date coinciding with or next following the Participant's "NRA"
- e. ☐ Anniversary Date nearest the Participant's "NRA"
- f. ☐ Other: _____ (e.g., first day of the month following the Participant's "NRA").

21. EARLY RETIREMENT DATE (Plan Section 1.15)

- a. ☒ N/A (no early retirement provision provided)
- b. ☐ Early Retirement Date means the:
 - 1. ☐ date on which a Participant satisfies the early retirement requirements
 - 2. ☐ first day of the month coinciding with or next following the date on which a Participant satisfies the early retirement requirements
 - 3. ☐ Anniversary Date coinciding with or next following the date on which a Participant satisfies the early retirement requirements

Early retirement requirements

- 4. ☐ Participant attains age _____
AND, completes.... (leave blank if not applicable)
 - a. ☐ at least _____ Years (or Periods) of Service for vesting purposes
 - b. ☐ at least _____ Years (or Periods) of Service for eligibility purposes
- c. ☐ Early Retirement Date means: _____ (must be definitely determinable)

COMPENSATION

22. COMPENSATION with respect to any Participant is defined as follows (Plan Sections 1.10 and 1.23).

Base definition

- a. ☐ Wages, tips and other compensation on Form W-2
- b. ☒ Code §3401(a) wages (wages for withholding purposes)
- c. ☐ 415 safe harbor compensation

NOTE: Plan Section 1.23(c) provides that the base definition of Compensation includes deferrals that are not included in income due to Code §§401(k), 125, 132(f)(4), 403(b), 402(h)(1)(B)(SEP), 414(h)(2), & 457(b).

Determination period. Compensation will be based on the following "determination period" (this will also be the Limitation Year unless otherwise elected at option f. under Section B of Appendix A):

- d. ☒ the Plan Year
- e. ☐ the Fiscal Year coinciding with or ending within the Plan Year
- f. ☐ the calendar year coinciding with or ending within the Plan Year

Adjustments to Compensation (for Plan Section 1.10). Compensation will be adjusted by:

- g. ☐ **No adjustments** (skip to i. below)
- h. ☒ **Adjustments.** Compensation will be adjusted by (select all that apply):
 - 1. ☐ excluding salary reductions (401(k), 125, 132(f)(4), 403(b), SEP, 414(h)(2) pickup, & 457(b))
 - 2. ☐ excluding reimbursements or other expense allowances, fringe benefits (cash or non-cash), moving expenses, deferred compensation (other than deferrals specified in 1. above) and welfare benefits.
 - 3. ☐ excluding Compensation paid during the "determination period" while not a Participant in the Plan.
 - 4. ☐ excluding Military Differential Pay
 - 5. ☒ excluding overtime
 - 6. ☒ excluding bonuses
 - 7. ☐ other: _____ (e.g., describe Compensation from the elections available above or a combination thereof as to a Participant group (e.g., no exclusions as to Division A Employees and exclude bonuses as to Division B Employees); and/or describe another exclusion (e.g., exclude shift differential pay)).

Military Differential Pay Special Effective Date (leave blank if not applicable)

- i. ☐ If this is a PPA restatement and the provisions above regarding Military Differential Pay (included unless h.4. is selected) have a later effective date than Plan Years beginning after December 31, 2008, then enter the date such provisions were first effective: _____ (may not be earlier than January 1, 2009; for Plan Years beginning prior to January 1, 2009, Military Differential Pay is treated in accordance with the post-severance Compensation provisions in the following Question).

23. POST-SEVERANCE COMPENSATION (415 REGULATIONS)

The following optional provision of the 415 Regulations will apply to Limitation Years beginning on or after July 1, 2007 unless otherwise elected below:

415 Compensation (post-severance compensation adjustments) (select all that apply at a.; leave blank if none apply)

NOTE: Unless otherwise elected under a. below, the following defaults apply: 415 Compensation will **include** (to the extent provided in Plan Section 1.23), post-severance regular pay, leave cash-outs and payments from nonqualified unfunded deferred compensation plans.

- a. ☐ The defaults listed above apply except for the following (select one or more):
 - 1. ☐ Leave cash-outs will be **excluded**
 - 2. ☐ Nonqualified unfunded deferred compensation will be **excluded**
 - 3. ☐ Military Differential Pay will be **included** (Plan automatically includes for Limitation Years beginning after December 31, 2008)
 - 4. ☐ Disability continuation payments will be **included**

Plan Compensation (post-severance compensation adjustments)

- b. ☒ **Defaults apply.** Compensation will **include** (to the extent provided in Plan Section 1.10 and to the extent such amounts would be included in Compensation if paid prior to severance of employment) post-severance regular pay, leave cash-outs, and payments from nonqualified unfunded deferred compensation plans.
- c. ☐ **Exclude all post-severance compensation.** Exclude all post-severance compensation for allocation purposes.
- d. ☐ **Post-severance adjustments.** The defaults listed at b. apply except for the following (select one or more):
 - 1. ☐ Exclude all post-severance compensation
 - 2. ☐ Regular pay will be **excluded**
 - 3. ☐ Leave cash-outs will be **excluded**
 - 4. ☐ Nonqualified unfunded deferred compensation will be **excluded**
 - 5. ☐ Military Differential Pay will be **included**
 - 6. ☐ Disability continuation payments will be **included**

NOTE: The above treatment of Military Differential Pay only applies to Plan Years beginning prior to January 1, 2009. For Plan Years beginning after such date, Military Differential Pay is not considered post-severance compensation and the provisions of Question 22 apply.

Post-severance compensation special effective date (leave blank if not applicable)

- e. ☐ If this is a PPA restatement and the post-severance compensation adjustments above for 415 Compensation or Plan Compensation applied other than the first day of the Plan Year beginning on or after July 1, 2007, then enter the date such provisions were first effective: _____

CONTRIBUTIONS AND ALLOCATIONS

24. **EMPLOYER CONTRIBUTIONS (OTHER THAN MATCHING CONTRIBUTIONS)** (Plan Section 4.1(a)(2)) (skip to Question 26 if Employer contributions are NOT selected at Question 11.b.)

CONTRIBUTION FORMULA (select one or more of the following contribution formulas:)

- a. ☒ **Fixed contribution** equal to (only select one):
1. ☒ 8 % of each Participant's Compensation for each:
 - a. ☐ Plan Year
 - b. ☐ calendar quarter
 - c. ☐ month
 - d. ☒ pay period
 - e. ☐ week
 2. ☐ \$ _____ per Participant.
 3. ☐ \$ _____ per Hour of Service worked while an Eligible Employee
 - a. ☐ up to _____ hours (leave blank if no limit)
 4. ☐ other: _____ (the formula described must satisfy the definitely determinable requirement under Regulations §1.401-1(b)).
- b. ☐ **Sick leave/vacation leave conversion.** The Employer will contribute an amount equal to an Employee's current hourly rate of pay multiplied by the Participant's number of unused accumulated sick leave and/or vacation days (as selected below). Only unpaid sick and vacation leave for which the Employee has no right to receive in cash may be included. In no event will the Employer's contribution for the Plan Year exceed the maximum contribution permitted under Code §415(c).

The following may be converted under the Plan: (select one or both):

1. ☐ Sick leave
2. ☐ Vacation leave

Eligible Employees. Only the following Participants shall receive the Employer contribution for sick leave and/or vacation leave (select 3. and/or 4; leave blank if no limitations provided, however, that this Plan may not be used to only provide benefits for terminated Employees)

3. ☐ **Former Employees.** All Employees terminating service with the Employer during the Plan Year and who have satisfied the eligibility requirements based on the terms of the Employer's accumulated benefits plans checked below (select all that apply; leave blank if no exclusions):
 - a. ☐ The Former Employee must be at least age _____ (e.g., 55)
 - b. ☐ The value of the sick and/or vacation leave must be at least \$ _____ (e.g., \$2,000)
 - c. ☐ A contribution will only be made if the total hours is over _____ (e.g., 10) hours
 - d. ☐ A contribution will not be made for hours in excess of _____ (e.g., 40) hours
4. ☐ **Active Employees.** Active Employees who have not terminated service during the Plan Year and who meet the following requirements (select all that apply; leave blank if no exclusions):
 - a. ☐ The Employee must be at least age _____ (e.g., 55)
 - b. ☐ The value of the sick and/or vacation leave must be at least \$ _____ (e.g., \$2,000)
 - c. ☐ A contribution will only be made if the total hours is over _____ (e.g., 10) hours
 - d. ☐ A contribution will not be made for hours in excess of _____ (e.g., 40) hours
- c. ☐ **Social Security Replacement Plan.** An amount equal to 7.5% of the Participant's Compensation for the entire Plan Year, reduced by Employee and Employer contributions to this Plan actually contributed to the Participant's Account during such Plan Year. (may only be selected if Question 11.b.1. has also been selected)
Include only part-time, seasonal and temporary Employees (leave blank if not applicable)
 1. ☐ Regardless of any other provision in this to the contrary, the contribution above will only be made for part-time, seasonal, or temporary Employees who are not otherwise covered by another qualifying public retirement system as defined for purposes of Regulation §31.3121(b)(7)-2.

25. ALLOCATION CONDITIONS (Plan Section 4.3). If 24.a. is selected above, indicate requirements to share in allocations of Employer contributions (select a. OR b. and all that apply at c. - e.)
- a. ☒ **No conditions.** All Participants share in the allocations regardless of service completed during the Plan Year or employment status on the last day of the Plan Year (skip to Question 26).
- b. ☐ **Allocation conditions apply** (select one of 1. - 5. AND one of 6. - 9. below)
- Conditions for Participants NOT employed on the last day of the Plan Year**
1. ☐ A Participant must complete at least _____ (not to exceed 1,000) Hours of Service (or _____ (not to exceed 12) months of service if the elapsed time method is selected).
 2. ☐ A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
 3. ☐ Participants will NOT share in the allocations, regardless of service.
 4. ☐ Participants will share in the allocations, regardless of service.
 5. ☐ Other: _____ (must be definitely determinable, not subject to Employer discretion and may not require more than one Year of Service (or Period of Service if the elapsed time method is selected)).
- Conditions for Participants employed on the last day of the Plan Year**
6. ☐ No service requirement.
 7. ☐ A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
 8. ☐ A Participant must complete at least _____ (not to exceed 1,000) Hours of Service during the Plan Year.
 9. ☐ Other: _____ (must be definitely determinable, not subject to Employer discretion and may not require more than one Year of Service (or Period of Service if the elapsed time method is selected)).
- Waiver of conditions for Participants NOT employed on the last day of the Plan Year.** If b.1., 2., 3., or 5. is selected, Participants who are not employed on the last day of the Plan Year in which one of the following events occur will be eligible to share in the allocations regardless of the above conditions (select all that apply; leave blank if none apply):
- c. ☐ Death
 - d. ☐ Total and Permanent Disability
 - e. ☐ Termination of employment on or after Normal Retirement Age
 1. ☐ or Early Retirement Date
26. EMPLOYER MATCHING CONTRIBUTIONS (Plan Section 4.1(a)(3)). (skip to Question 29 if matching contributions are NOT selected at Question 11.c.) The Employer will make the following matching contributions:
- A. **Elective deferrals taken into account.** For purposes of applying the matching contribution provisions below, elective deferrals include elective deferral (pre-tax and Roth) contributions to the following Employer plan(s) (insert name of Plan(s) to which the elective deferral contributions being matched will be made):
- a. ☒ **457 plan(s).** Enter Plan name: Peachtree City Water & Sewer Authority 457 Plan Deferred Compensation Plan
 - b. ☐ **403(b) plan(s).** Enter Plan name: _____
- NOTE:** If selected at Question 32, after-tax voluntary Employee contributions are also considered elective deferrals for purposes of matching contributions.
- B. **Matching Formula.** (select one)
- c. ☒ **Fixed - uniform rate/amount.** The Employer will make matching contributions equal to 100 % (e.g., 50) of the Participant's elective deferrals
 1. ☒ that do not exceed 8 % of a Participant's Compensation (leave blank if no limit)
 - d. ☐ **Fixed - tiered.** The Employer will make matching contributions equal to a uniform percentage of each tier of each Participant's elective deferrals, determined as follows:

NOTE: Fill in only percentages or dollar amounts, but not both. If percentages are used, each tier represents the amount of the Participant's applicable contributions that equals the specified percentage of the Participant's Compensation (add additional tiers if necessary):

Tiers of Contributions (indicate \$ or %)	Matching Percentage
First _____	_____ %
Next _____	_____ %
Next _____	_____ %
Next _____	_____ %

- e. ☐ **Fixed - Years of Service.** The Employer will make matching contributions equal to a uniform percentage of each Participant's elective deferrals based on the Participant's Years of Service (or Periods of Service if the elapsed time method is selected), determined as follows (add additional tiers if necessary):

Years (or Periods) of Service	Matching Percentage
_____	_____ %
_____	_____ %
_____	_____ %

For purposes of the above matching contribution formula, a Year (or Period) of Service means a Year (or Period) of Service for:

1. ☐ vesting purposes
 2. ☐ eligibility purposes
 f. ☐ Other: _____ (the formula described must satisfy the definitely determinable requirement under Regulations §1.401-1(b))

27. MATCHING CONTRIBUTION PROVISIONS

- A. **Maximum matching contribution.** The total matching contribution made on behalf of any Participant for any Plan Year will not exceed:
- a. ☒ N/A (no Plan specific limit on the amount of matching contribution)
 b. ☐ \$ _____.
 c. ☐ _____ % of Compensation.
- B. **Period of determination.** The matching contribution formula will be applied on the following basis (and elective deferrals and any Compensation or dollar limitation used in determining the matching contribution will be based on the applicable period):
- d. ☐ the Plan Year
 e. ☒ each payroll period
 f. ☐ each month
 g. ☐ each Plan Year quarter
 h. ☐ each payroll unit (e.g., hour)

28. ALLOCATION CONDITIONS FOR MATCHING CONTRIBUTIONS (Plan Section 4.3). Select a. OR b. and all that apply of c. - h.

- a. ☒ **No conditions.** All Participants share in the allocations regardless of service completed during the Plan Year or employment status on the last day of the Plan Year (skip to Question 29).
- b. ☐ **Allocation conditions apply** (select one of 1. -5. AND one of 6. - 9. below)
Conditions for Participants NOT employed on the last day of the Plan Year.
1. ☐ A Participant must complete at least _____ (not to exceed 1,000) Hours of Service (or _____ (not to exceed 12) months of service if the elapsed time method is selected).
 2. ☐ A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
 3. ☐ Participants will NOT share in the allocations, regardless of service.
 4. ☐ Participants will share in the allocations, regardless of service.
 5. ☐ Other: _____ (must be definitely determinable, not subject to Employer discretion and may not require more than one Year of Service (or Period of Service if the elapsed time method is selected)).

Conditions for Participants employed on the last day of the Plan Year

6. ☐ No service requirement.
 7. ☐ A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
 8. ☐ A Participant must complete at least _____ (not to exceed 1,000) Hours of Service during the Plan Year.
 9. ☐ Other: _____ (must be definitely determinable, not subject to Employer discretion and may not require more than one Year of Service (or Period of Service if the elapsed time method is selected)).

Waiver of conditions for Participants NOT employed on the last day of the Plan Year. If b.1., 2., 3., or 5. is selected, Participants who are not employed on the last day of the Plan Year in which one of the following events occur will be eligible to share in the allocations regardless of the above conditions (select all that apply; leave blank if none apply):

- c. ☐ Death
 d. ☐ Total and Permanent Disability
 e. ☐ Termination of employment on or after Normal Retirement Age
 1. ☐ or Early Retirement Date

Conditions based on period other than Plan Year. The allocation conditions above will be applied based on the Plan Year unless otherwise selected below. If selected, the above provisions will be applied by substituting the term Plan Year with the specified period (e.g., if Plan Year quarter is selected below and the allocation condition is 250 Hours of Service per quarter, enter 250 hours (not 1000) at b.8. above).

- f. ☐ The Plan Year quarter.
- g. ☐ Payroll period.
- h. ☐ Other: _____ (must be definitely determinable and not subject to Employer discretion and may not be longer than a twelve month period).

29. **FORFEITURES (Plan Sections 1.21 and 4.3(e))**

Forfeitures of Employer contributions other than matching contributions will be:

- a. ☐ added to the Employer contribution and allocated in the same manner
- b. ☒ used to reduce any Employer contribution
- c. ☐ allocated to all Participants eligible to share in the allocations of Employer contributions or Forfeitures in the same proportion that each Participant's Compensation for the Plan Year bears to the Compensation of all Participants for such year
- d. ☐ other: _____ (describe the treatment of Forfeitures in a manner that is definitely determinable and not subject to Employer discretion; e.g., Forfeitures attributable to transferred balances from Plan X are allocated as additional discretionary contributions only to former Plan X Participants)

Forfeitures of Employer matching contributions will be:

- e. ☒ N/A. Same as above or no Employer matching contributions.
- f. ☐ used to reduce the Employer matching contribution.
- g. ☐ used to reduce any Employer contribution.
- h. ☐ other: _____ (describe the treatment of Forfeitures in a manner that is definitely determinable and not subject to Employer discretion; e.g., Forfeitures attributable to transferred balances from Plan X are allocated as additional discretionary contributions only to former Plan X Participants)

30. **ALLOCATION OF EARNINGS (Plan Section 4.3(c))**

Allocation of earnings with respect to amounts which are not subject to Participant investment direction and which are contributed to the Plan after the previous Valuation Date will be determined:

- a. ☒ N/A. (all assets in the Plan are subject to Participant investment direction)
- b. ☐ by using a weighted average based on the amount of time that has passed between the date a contribution or distribution is made and the prior Valuation Date
- c. ☐ by treating one-half of all such contributions as being a part of the Participant's nonsegregated Account balance as of the previous Valuation Date
- d. ☐ by using the method specified in Plan Section 4.3(c) (balance forward method)
- e. ☐ other: _____ (must be a definite predetermined formula)

31. **MANDATORY EMPLOYEE CONTRIBUTIONS (Plan Section 4.8) (skip if mandatory Employee contributions NOT selected at Question 11.d.)**

- a. ☐ An Eligible Employee must contribute to the Plan _____% (not to exceed 25%) of Compensation.
- b. ☐ An Eligible Employee must, prior to his or her first Entry Date, make a one-time irrevocable election to contribute to the Plan from _____% (not less than 1%) to _____% (not to exceed 25%) of Compensation.
- c. ☐ Other: _____ (must be definitely determinable)

Employer pick-up contribution. The mandatory Employee contribution is "picked up" by the Employer under Code §414(h)(2) unless elected below.

- d. ☐ The mandatory Employee contribution is not "picked-up" by the Employer.

32. **AFTER-TAX VOLUNTARY EMPLOYEE CONTRIBUTIONS (Plan Section 4.9) (skip if after-tax voluntary Employee contributions NOT selected at Question 11.e.)**

Matching after-tax voluntary Employee contributions. There are no Employer matching contributions on after-tax voluntary Employee contributions unless elected below.

- a. ☐ After-tax voluntary Employee contributions are considered elective deferrals for purposes of applying any matching contributions under the Plan.

DISTRIBUTIONS

33. **FORM OF DISTRIBUTIONS (Plan Sections 6.5 and 6.6)**

Distributions under the Plan may be made in (select all that apply; must select at least one):

- a. ☒ lump-sums
- b. ☐ substantially equal installments
- c. ☐ partial withdrawals, provided the minimum withdrawal is \$_____ (leave blank if no minimum)

- d. ☐ partial withdrawals or installments are only permitted for Participants or Beneficiaries who must receive required minimum distributions under Code §401(a)(9) except for the following (e.g., partial is not permitted for death benefits; leave blank if no exceptions):
 1. ☐ _____
- e. ☐ annuity: _____ (describe the form of annuity or annuities)
- f. ☐ other: _____ (must be definitely determinable and not subject to Employer discretion)

NOTE: Regardless of the above, a Participant is not required to request a withdrawal of his or her total Account for an in-service distribution, a hardship distribution, or a distribution from the Participant's Rollover Account.

Cash or property. Distributions may be made in:

- g. ☒ cash only, except for (select all that apply; leave blank if none apply):
 1. ☐ insurance Contracts
 2. ☐ annuity Contracts
 3. ☐ Participant loans
- h. ☐ cash or property, except that the following limitation(s) apply: (leave blank if there are no limitations on property distributions):
 1. ☐ _____ (must be definitely determinable and not subject to Employer discretion)

34. **CONDITIONS FOR DISTRIBUTIONS UPON SEVERANCE OF EMPLOYMENT.** Distributions upon severance of employment pursuant to Plan Section 6.4(a) will not be made unless the following conditions have been satisfied:

A. Accounts in excess of \$5,000

- a. ☒ Distributions may be made as soon as administratively feasible following severance of employment.
- b. ☐ Distributions may be made as soon as administratively feasible after the last day of the Plan Year coincident with or next following severance of employment.
- c. ☐ Distributions may be made as soon as administratively feasible after the last day of the Plan Year quarter coincident with or next following severance of employment.
- d. ☐ Distributions may be made as soon as administratively feasible after the Valuation Date coincident with or next following severance of employment.
- e. ☐ Distributions may be made as soon as administratively feasible after _____ months have elapsed following severance of employment.
- f. ☐ No distributions may be made until a Participant has reached Early or Normal Retirement Date.
- g. ☐ Other: _____ (must be objective conditions which are ascertainable and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

B. Accounts of \$5,000 or less

- h. ☒ Same as above
- i. ☐ Distributions may be made as soon as administratively feasible following severance of employment.
- j. ☐ Distributions may be made as soon as administratively feasible after the last day of the Plan Year coincident with or next following severance of employment.
- k. ☐ Other: _____ (must be objective conditions which are ascertainable and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

C. Timing after initial distributable event. If a distribution is not made in accordance with the above provisions upon the occurrence of the distributable event, then a Participant may elect a subsequent distribution at any time after the time the amount was first distributable (assuming the amount is still distributable), unless otherwise selected below (may not be selected with 34.f. and 34.h.):

- l. ☐ Other: _____ (e.g., a subsequent distribution request may only be made in accordance with l. above (i.e., the last day of another Plan Year); must be objective conditions which are ascertainable and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

D. Participant consent (i.e., involuntary cash-outs). Should Vested Account balances less than a certain dollar threshold be automatically distributed without Participant consent (mandatory distributions)?

NOTE: The Plan provides that distributions of amounts of \$5,000 or less are only paid as lump-sums.

- m. ☐ No, Participant consent is required for all distributions.
- n. ☒ Yes, Participant consent is required only if the distribution is over:
 1. ☐ \$5,000
 2. ☒ \$1,000
 3. ☐ \$_____ (less than \$1,000)

NOTE: If 2. or 3. is selected, rollovers will be included in determining the threshold for Participant consent.

Automatic IRA rollover. With respect to mandatory distributions of amounts that are \$1,000 or less, if a Participant makes no election, the amount will be distributed as a lump-sum unless selected below.

4. ☐ If a Participant makes no election, then the amount will be automatically rolled over to an IRA provided the amount is at least \$_____ (e.g., \$200).

- E. **Rollovers in determination of \$5,000 threshold.** Unless otherwise elected below, amounts attributable to rollover contributions (if any) will be **included** in determining the \$5,000 threshold for timing of distributions, form of distributions, or consent rules.
- o. ☐ Exclude rollovers (rollover contributions will be **excluded** in determining the \$5,000 threshold)

NOTE: Regardless of the above election, if the Participant consent threshold is \$1,000 or less, then the Administrator must include amounts attributable to rollovers for such purpose. In such case, an election to exclude rollovers above will apply for purposes of the timing and form of distributions.

35. DISTRIBUTIONS UPON DEATH (Plan Section 6.8(b)(2))

Distributions upon the death of a Participant prior to the "required beginning date" will:

- a. ☐ be made pursuant to the election of the Participant or "designated Beneficiary"
- b. ☒ begin within 1 year of death for a "designated Beneficiary" and be payable over the life (or over a period not exceeding the "life expectancy") of such Beneficiary, except that if the "designated Beneficiary" is the Participant's Spouse, begin prior to December 31st of the year in which the Participant would have attained age 70 1/2
- c. ☐ be made within 5 (or if lesser _____) years of death for all Beneficiaries
- d. ☐ be made within 5 (or if lesser _____) years of death for all Beneficiaries, except that if the "designated Beneficiary" is the Participant's Spouse, begin prior to December 31st of the year in which the Participant would have attained age 70 1/2 and be payable over the life (or over a period not exceeding the "life expectancy") of such "surviving Spouse"

NOTE: The elections above must be coordinated with the Form of distributions (e.g., if the Plan only permits lump-sum distributions, then options a., b. and d. would not be applicable).

36. OTHER PERMITTED DISTRIBUTIONS (select all that apply; leave blank if none apply)

A. IN-SERVICE DISTRIBUTIONS (Plan Section 6.11)

In-service distributions will NOT be allowed (except as otherwise permitted under the Plan without regard to this provision) unless selected below (if applicable, answer a. - e.; leave blank if not applicable):

- a. ☐ In-service distributions may be made to a Participant who has not separated from service provided the following has been satisfied:
1. ☐ Age. The Participant has reached:
 - a. ☐ Normal Retirement Age
 - b. ☐ age 62
 - c. ☐ age _____(may not be earlier than age 62)

Special effective date (may be left blank if same as Plan or Restatement Effective Date)

- d. ☐ _____ (if this is a PPA restatement and the provisions were effective prior to the Restatement Effective Date, then enter the date such provisions were first effective; may not be earlier than the first day of the Plan Year beginning in 2007)

Account restrictions. In-service distributions are permitted from the following Participant Accounts:

- b. ☐ all Accounts
- c. ☐ only from the following Accounts (select one or more):
1. ☐ Account attributable to Employer matching contributions
 2. ☐ Account attributable to Employer contributions other than matching contributions
 3. ☐ Rollover Account
 4. ☐ Transfer Account
 5. ☐ Other: _____ (specify Account(s) and conditions in a manner that satisfies the definitely determinable requirement under Regulations §1.401-1(b) and is not subject to Employer discretion)

Limitations. The following limitations apply to in-service distributions:

- d. ☐ N/A (no additional limitations)
- e. ☐ Additional limitations (select one or more):
1. ☐ The minimum amount of a distribution is \$_____.
 2. ☐ No more than _____ distribution(s) may be made to a Participant during a Plan Year.
 3. ☐ Distributions may only be made from Accounts which are fully Vested.
 4. ☐ In-service distributions may be made subject to the following provisions: _____ (must satisfy the definitely determinable requirement under Regulations §1.401-1(b) and not be subject to Employer discretion).

37. HEART ACT PROVISIONS (Plan Section 6.17)

Continued benefit accruals.

- a. ☒ Continued benefit accruals will NOT apply
- b. ☐ Continued benefit accruals will apply

Special effective date. If this is a PPA restatement and the provision applied other than as of the first day of the 2007 Plan Year, then enter the date such provision was first effective: (leave blank if not applicable)

c. ☐ _____ (may not be earlier than the first day of the 2007 Plan Year)

Distributions for deemed severance of employment

d. ☒ The Plan does NOT permit distributions for deemed severance of employment

e. ☐ The Plan permits distributions for deemed severance of employment

Special effective date (may be left blank if same as Plan or Restatement Effective Date)

1. ☐ _____ (if this is a PPA restatement and the provisions were effective prior to the Restatement Effective Date, then enter the date such provisions were first effective; may not be earlier than January 1, 2007)

MISCELLANEOUS

38. LOANS TO PARTICIPANTS (Plan Section 7.6)

a. ☐ New loans are NOT permitted.

b. ☒ New loans are permitted.

NOTE: Regardless of whether new loans are permitted, if the Plan permits rollovers, then the Administrator may, in a uniform manner, accept rollovers of loans into this Plan.

39. ROLLOVERS (Plan Section 4.6) (skip if rollover contributions are NOT selected at 11.f.)

Eligibility. Rollovers may be accepted from all Participants who are Employees as well as the following (select all that apply; leave blank if not applicable):

a. ☐ Any Eligible Employee, even prior to meeting eligibility conditions to be a Participant

b. ☐ Participants who are Former Employees

Distributions. When may distributions be made from a Participant's Rollover Account?

c. ☐ At any time

d. ☒ Only when the Participant is otherwise entitled to a distribution under the Plan

PPA TRANSITION RULES

The following questions only apply if this is a PPA restatement (i.e., Question 5.b.1. is selected). If this is not a PPA restatement, then this Plan will not be considered an individually designed plan merely because the following questions are deleted from the Adoption Agreement.

NOTE: The following provisions are designed to be left unanswered if the selections do not apply to the Plan.

40. WRERA - RMD WAIVERS FOR 2009 (Plan Section 6.8(f))

Suspension/continuation of RMDs. Unless otherwise elected below, required minimum distributions (RMDs) for 2009 were suspended unless a Participant or Beneficiary elected to receive such distributions:

a. ☐ RMDs for 2009 were suspended for any Participant or Beneficiary who was scheduled to receive his/her first RMD for 2009 or who did not make a continuing election prior to 2009 to receive his/her RMD (unless the Participant or Beneficiary made an election to receive such distribution). RMDs for 2009 were continued for any Participant or Beneficiary who had made a continuing election to receive an RMD prior to 2009 (unless the Participant or Beneficiary made an election to suspend such distribution).

b. ☐ RMDs continued unless otherwise elected by a Participant or Beneficiary.

c. ☐ RMDs continued in accordance with the terms of the Plan (i.e., no election available to Participants or Beneficiaries).

d. ☐ Other: _____

Direct rollovers. The Plan also treated the following as "eligible rollover distributions" in 2009 (If no election is made, then a "direct rollover" was only offered for "2009 RMDs"):

e. ☐ "2009 RMDs" and "Extended 2009 RMDs."

f. ☐ "2009 RMDs" but only if paid with an additional amount that is an "eligible rollover distribution" without regard to Code §401(a)(9)(H).

41. NON-SPOUSAL ROLLOVERS (Plan Section 6.14(d)). Non-spousal rollovers are permitted effective for distributions after December 31, 2006 unless an alternative effective date is selected at a. below:

a. ☐ Non-spousal rollovers are allowed effective _____ (may not be earlier than January 1, 2007 and not later than January 1, 2010; the Plan already provides for non-spousal rollovers effective as of January 1, 2010)

Governmental Money Purchase Plan

The adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under Code §401 only to the extent provided in Rev. Proc. 2011-49 or subsequent guidance.

The Employer may not rely on the advisory letter in certain other circumstances or with respect to certain qualification requirements, which are specified in the advisory letter issued with respect to the Plan and in Rev. Proc. 2011-49 or subsequent guidance. In order to have reliance in such circumstances or with respect to such qualification requirements, application for a determination letter must be made to Employee Plans Determinations of the Internal Revenue Service.

This Adoption Agreement may be used only in conjunction with the Volume Submitter basic Plan document #09. This Adoption Agreement and the basic Plan document will together be known as FIS Business Systems LLC Governmental Volume Submitter Money Purchase Plan #09-002.

The adoption of this Plan, its qualification by the IRS, and the related tax consequences are the responsibility of the Employer and its independent tax and legal advisors.

FIS Business Systems LLC will notify the Employer of any amendments made to the Plan or of the discontinuance or abandonment of the Plan. Furthermore, in order to be eligible to receive such notification, the Employer agrees to notify FIS Business Systems LLC of any change in address. In addition, this Plan is provided to the Employer either in connection with investment in a product or pursuant to a contract or other arrangement for products and/or services. Upon cessation of such investment in a product or cessation of such contract or arrangement, as applicable, the Employer is no longer considered to be an adopter of this Plan and FIS Business Systems LLC no longer has any obligations to the Employer that relate to the adoption of this Plan.

With regard to any questions regarding the provisions of the Plan, adoption of the Plan, or the effect of an advisory letter from the IRS, call or write (this information must be completed by the sponsor of this Plan or its designated representative):

Name: Pension Financial Services

Address: 3700 Crestwood Pkwy, Ste 550

Duluth Georgia 30096

Telephone: 678-924-8888

The Employer and Trustee (or Insurer) hereby cause this Plan to be executed on the date(s) specified below:

EMPLOYER: Peachtree City Water & Sewer Authority

By: _____ DATE SIGNED _____

TRUSTEE (OR INSURER):

☐ The signature of the Trustee or Insurer appears on a separate agreement or Contract,

OR (add additional Trustee signature lines as necessary)

Lawrence Harlan Davis, Jr.

TRUSTEE OR INSURER DATE SIGNED _____

Lawrence Harlan Davis, III

TRUSTEE OR INSURER DATE SIGNED _____

**APPENDIX A
SPECIAL EFFECTIVE DATES AND OTHER PERMITTED ELECTIONS**

A. Special effective dates (leave blank if not applicable):

- a. ☐ **Special effective date(s):** _____. For periods prior to the specified special effective date(s), the Plan terms in effect prior to its restatement under this Adoption Agreement will control for purposes of the designated provisions. A special effective date may not result in the delay of a Plan provision beyond the permissible effective date under any applicable law.

B. Other permitted elections (the following elections are optional):

- a. ☒ **No other permitted elections**

The following elections apply (select one or more):

- b. ☐ **Deemed 125 compensation** (Plan Section 1.23). Deemed 125 compensation will be included in Compensation and 415 Compensation.
- c. ☐ **Reemployed after five (5) 1-Year Breaks in Service ("rule of parity" provisions)** (Plan Section 3.5(d)). The "rule of parity" provisions in Plan Section 3.5(d) will apply for (select one or both):
 1. ☐ eligibility purposes
 2. ☐ vesting purposes
- d. ☐ **Beneficiary if no beneficiary elected by Participant** (Plan Section 6.2(e)). In the event no valid designation of Beneficiary exists, then in lieu of the order set forth in Plan Section 6.2(e), the following order of priority will be used: _____ (specify an order of beneficiaries; e.g., children per stirpes, parents, and then step-children).
- e. ☐ **Common, collective or pooled trust funds** (Plan Sections 7.2(c)(5) and/or 7.3(b)(6)). The name(s) of the common, collective or pooled trust funds available under the Plan is (are): _____.
- f. ☐ **Limitation Year** (Plan Section 1.29). The Limitation Year for Code §415 purposes will be _____ (must be a consecutive twelve month period) instead of the "determination period" for Compensation.
- g. ☐ **415 Limits when 2 defined contribution plans are maintained** (Plan Section 4.4). If any Participant is covered under another qualified defined contribution plan maintained by the Employer or an Affiliated Employer, or if the Employer or an Affiliated Employer maintains a welfare benefit fund, as defined in Code §419(e), or an individual medical account, as defined in Code §415(l)(2), under which amounts are treated as "annual additions" with respect to any Participant in this Plan, then the provisions of Plan Section 4.4(b) will apply unless otherwise specified below:
 1. ☐ Specify, in a manner that precludes Employer discretion, the method under which the plans will limit total "annual additions" to the "maximum permissible amount" and will properly reduce any "excess amounts": _____.
- h. ☐ **Recognition of Service with other employers** (Plan Sections 1.39 and 1.54). Service with the following employers (in addition to those specified at Question 15) will be recognized as follows (select one or more):

	Eligibility	Vesting	Contribution Allocation
1. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
2. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
3. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
4. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
5. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
6. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>

Limitations

7. ☐ The following provisions or limitations apply with respect to the recognition of prior service: _____
 (e.g., credit service with X only on/following 1/1/13)

- i. ☐ **Other vesting provisions.** The following vesting provisions apply to the Plan (select one or more):
1. ☐ **Special vesting provisions.** The following special provisions apply to the vesting provisions of the Plan: _____ (must be definitely determinable and satisfy the parameters set forth at Question 17)
 2. ☐ **Pre-amendment vesting schedule.** (Plan Section 6.4(b)). If the vesting schedule has been amended and a different vesting schedule other than the schedule at Question 17 applies to any Participants, then the following provisions apply (must select one of a. – d. AND complete e.):

Applicable Participants. The vesting schedules in Question 17 only apply to:

- a. ☐ Participants who are Employees as of _____ (enter date).
- b. ☐ Participants in the Plan who have an Hour of Service on or after _____ (enter date).
- c. ☐ Participants (even if not an Employee) in the Plan on or after _____ (enter date).
- d. ☐ Other: _____ (e.g., Participants in division A)

Vesting schedule

- e. The schedule that applies to Participants not subject to the vesting schedule in Question 17 is:

Years (or Periods) of Service	Percentage
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

- j. ☐ **Minimum distribution transitional rules** (Plan Section 6.8(e)(5))

NOTE: This Section does not apply to (1) a new Plan, (2) an amendment or restatement of an existing Plan that never contained the provisions of Code §401(a)(9) as in effect prior to the amendments made by the Small Business Job Protection Act of 1996 (SBJPA), or (3) a Plan where the transition rules below do not affect any current Participants.

The "required beginning date" for a Participant is:

1. ☐ April 1st of the calendar year following the year in which the Participant attains age 70 1/2. (pre-SBJPA rules continue to apply)
2. ☐ April 1st of the calendar year following the later of the year in which the Participant attains age 70 1/2 or retires (the post-SBJPA rules), with the following exceptions (select one or both; leave blank if both applied effective as of January 1, 1996):
 - a. ☐ A Participant who was already receiving required minimum distributions under the pre-SBJPA rules as of _____ (may not be earlier than January 1, 1996) was allowed to stop receiving distributions and have them recommence in accordance with the post-SBJPA rules. Upon the recommencement of distributions, if the Plan permits annuities as a form of distribution then the following apply:
 1. ☐ N/A (annuity distributions are not permitted)
 2. ☐ Upon the recommencement of distributions, the original Annuity Starting Date will be retained.
 3. ☐ Upon the recommencement of distributions, a new Annuity Starting Date is created.
 - b. ☐ A Participant who had not begun receiving required minimum distributions as of _____ (may not be earlier than January 1, 1996) may elect to defer commencement of distributions until retirement. The option to defer the commencement of distributions (i.e., to elect to receive in-service distributions upon attainment of age 70 1/2) applies to all such Participants unless selected below:
 1. ☐ The in-service distribution option was eliminated with respect to Participants who attained age 70 1/2 in or after the calendar year that began after the later of (1) December 31, 1998, or (2) the adoption date of the restatement to bring the Plan into compliance with the SBJPA.

- k. ☐ **Other spousal provisions** (select one or more)

1. ☐ **Definition of Spouse.** The term Spouse includes a spouse under federal law as well as the following: _____
2. ☐ **Automatic revocation of spousal designation** (Plan Section 6.2(f)). The automatic revocation of a spousal Beneficiary designation in the case of divorce does not apply.
3. ☐ **Timing of QDRO payment.** A distribution to an Alternate Payee shall not be permitted prior to the time a Participant would be entitled to a distribution.

- l. ☐ **Applicable law.** Instead of using the applicable laws set forth in Plan Section 9.4(a), the Plan will be governed by the laws of: _____

- m. ☐ **Total and Permanent Disability.** Instead of the definition at Plan Section 1.49, Total and Permanent Disability means: _____ (must be definitely determinable).

Governmental Money Purchase Plan

- n. ☐ **Permissible Trust (or Custodian) modifications.** The Employer makes the following modifications to the Trust (or Custodial) provisions as permitted under Rev. Proc. 2011-49 (or subsequent IRS guidance) (select one or more of 1. - 3. below):

NOTE: Any elections below must not: (i) conflict with any Plan provision unrelated to the Trust or Trustee; or (ii) cause the Plan to violate Code §401(a). In addition, this may not be used to substitute all of the Trust provisions in the Plan.

1. ☐ **Investments.** The Employer amends the Trust provisions relating to Trust investments as follows:

2. ☐ **Duties.** The Employer amends the Trust provisions relating to Trustee (or Custodian) duties as follows:

3. ☐ **Other administrative provisions.** The Employer amends the other administrative provisions of the Trust as follows:

ADMINISTRATIVE PROCEDURES

The following are optional administrative provisions. The Administrator may implement procedures that override any elections in this Section without a formal Plan amendment. In addition, modifications to these procedures will not affect an Employer's reliance on the Plan.

A. **Loan Limitations.** (complete only if loans to Participants are permitted; leave blank if none apply)

- a. ☒ Limitations (select one or more):
 1. ☒ Loans will be treated as Participant directed investments.
 2. ☐ Loans will only be made for hardship or financial necessity as specified below (select i. or ii.)
 - a. ☐ hardship reasons specified in Plan Section 6.12
 - b. ☐ financial necessity (as defined in the loan program).
 3. ☐ The minimum loan will be \$_____.
 4. ☒ A Participant may only have one (1) (e.g., one (1)) loan(s) outstanding at any time.
 5. ☒ All outstanding loan balances will become due and payable in their entirety upon the occurrence of a distributable event (other than satisfaction of the conditions for an in-service distribution (including a hardship distribution), if applicable).
 6. ☐ **Account restrictions.** Loans will only be permitted from the following Participant Accounts (select all that apply or leave blank if no limitations apply):
 - a. ☐ Account(s) attributable to Employer matching contributions
 - b. ☐ Account attributable to Employer contributions other than matching contributions
 - c. ☐ Rollover Account
 - d. ☐ Transfer Account
 - e. ☐ Other: _____
- AND**, if loans are restricted to certain accounts, the limitations of Code §72(p) will be applied:
- f. ☐ by determining the limits by only considering the restricted accounts.
 - g. ☐ by determining the limits taking into account a Participant's entire interest in the Plan.

Additional Loan Provisions (select all that apply; leave blank if none apply)

- b. ☒ **Loan payments.** Loans are repaid by (if left blank, then payroll deduction applies unless Participant is not subject to payroll (e.g., partner who only has a draw)):
 1. ☒ payroll deduction
 2. ☒ ACH (Automated Clearing House)
 3. ☐ check
 - a. ☐ Only for prepayment
- c. ☒ **Interest rate.** Loans will be granted at the following interest rate (if left blank, then 3. below applies):
 1. ☒ 0 percentage points over the prime interest rate
 2. ☐ _____%
 3. ☐ the Administrator establishes the rate at the time the loan is made
- d. ☒ **Refinancing.** Loan refinancing is allowed.

B. **Life Insurance.** (Plan Section 7.5)

- a. ☒ Life insurance may not be purchased.
- b. ☐ Life insurance may be purchased...
 1. ☐ at the option of the Administrator
 2. ☐ at the option of the Participant

Limitations

3. ☐ N/A (no limitations)
4. ☐ The purchase of initial or additional life insurance will be subject to the following limitations (select one or more):
 - a. ☐ Each initial Contract will have a minimum face amount of \$_____.
 - b. ☐ Each additional Contract will have a minimum face amount of \$_____.
 - c. ☐ The Participant has completed _____ Years (or Periods) of Service.
 - d. ☐ The Participant has completed _____ Years (or Periods) of Service while a Participant in the Plan.
 - e. ☐ The Participant is under age _____ on the Contract issue date.
 - f. ☐ The maximum amount of all Contracts on behalf of a Participant may not exceed \$_____.
 - g. ☐ The maximum face amount of any life insurance Contract will be \$_____.

C. **Plan Expenses.** Will the Plan assess against an individual Participant's Account certain Plan expenses that are incurred by, or are attributable to, a particular Participant based on use of a particular Plan service?

- a. ☐ No
- b. ☒ Yes

D. **Directed investments**

- a. ☐ Participant directed investments are NOT permitted.
- b. ☒ Participant directed investments are permitted from the following Participant Accounts:
 - 1. ☒ all Accounts
 - 2. ☐ only from the following Accounts (select one or more):
 - a. ☐ Account attributable to Employer contributions
 - b. ☐ Rollover Account
 - c. ☐ Transfer Account
 - d. ☐ Other: _____ (specify Account(s) and conditions in a manner that is definitely determinable and not subject to Employer discretion)

E. **Rollover Limitations.** Will the Plan accept rollover contributions and/or direct rollovers from the sources specified below?

- a. ☐ No, Administrator determines in operation which sources will be accepted.
- b. ☒ Yes

Rollover sources. Indicate the sources of rollovers that will be accepted (select one or more)

- 1. ☒ **Direct Rollovers.** The Plan will accept a direct rollover of an eligible rollover distribution from (select one or more):
 - a. ☒ a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan), excluding after-tax employee contributions
 - b. ☐ a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan), including after-tax employee contributions
 - c. ☒ a plan described in Code §403(a) (an annuity plan), excluding after-tax employee contributions
 - d. ☐ a plan described in Code §403(a) (an annuity plan), including after-tax employee contributions
 - e. ☒ a plan described in Code §403(b) (a tax-sheltered annuity), excluding after-tax employee contributions
 - f. ☐ a plan described in Code §403(b) (a tax-sheltered annuity), including after-tax employee contributions
 - g. ☒ a plan described in Code §457(b) (eligible deferred compensation plan)

Direct Rollovers of Participant Loan. The Plan will NOT accept a direct rollover of a Participant loan from another plan unless selected below (leave blank if default applies)

- h. ☐ The Plan will accept a direct rollover of a Participant loan
- i. ☐ The Plan will only accept a direct rollover of a Participant loan only in the following situation(s): _____ (e.g., only from Participants who were employees of an acquired organization).

- 2. ☒ **Participant Rollover Contributions from Other Plans (i.e., not via a direct plan-to-plan transfer).** The Plan will accept a contribution of an eligible rollover distribution (select one or more):
 - a. ☒ a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan)
 - b. ☒ a plan described in Code §403(a) (an annuity plan)
 - c. ☒ a plan described in Code §403(b) (a tax-sheltered annuity)
 - d. ☒ a governmental plan described in Code §457(b) (eligible deferred compensation plan)
- 3. ☐ **Participant Rollover Contributions from IRAs:** The Plan will accept a rollover contribution of the portion of a distribution from a traditional IRA that is eligible to be rolled over and would otherwise be includible in gross income. Rollovers from Roth IRAs or a Coverdell Education Savings Account (formerly known as an Education IRA) are not permitted because they are not traditional IRAs. A rollover from a SIMPLE IRA is allowed if the amounts are rolled over after the individual has been in the SIMPLE IRA for at least two years.

FIS BUSINESS SYSTEMS LLC VOLUME SUBMITTER MODIFICATIONS

PEACHTREE CITY WATER & SEWER AUTHORITY
MONEY PURCHASE PLAN

The enclosed Plan is being submitted for expedited review as a Volume Submitter Plan.

No modifications from the approved specimen plan have been made to this Plan.

ADOPTING RESOLUTION

The undersigned authorized representative of Peachtree City Water & Sewer Authority (the Employer) hereby certifies that the following resolution was duly adopted by the Employer on _____, and that such resolution has not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended Plan and Trust effective September 24, 2018, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The undersigned further certifies that attached hereto are true copies of Peachtree City Water & Sewer Authority Money Purchase Plan as amended and restated, and the Summary of Plan Provisions, which are hereby approved and adopted.

Date: _____

Signed: _____

[print name/title]

Governmental Money Purchase Plan

The adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under Code §401 only to the extent provided in Rev. Proc. 2011-49 or subsequent guidance.

The Employer may not rely on the advisory letter in certain other circumstances or with respect to certain qualification requirements, which are specified in the advisory letter issued with respect to the Plan and in Rev. Proc. 2011-49 or subsequent guidance. In order to have reliance in such circumstances or with respect to such qualification requirements, application for a determination letter must be made to Employee Plans Determinations of the Internal Revenue Service.

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The adoption of this Plan, its qualification by the IRS, and the related tax consequences are the responsibility of the Employer and its independent tax and legal advisors.

FIS Business Systems LLC will notify the Employer of any amendments made to the Plan or of the discontinuance or abandonment of the Plan. Furthermore, in order to be eligible to receive such notification, the Employer agrees to notify FIS Business Systems LLC of any change in address. In addition, this Plan is provided to the Employer either in connection with investment in a product or pursuant to a contract or other arrangement for products and/or services. Upon cessation of such investment in a product or cessation of such contract or arrangement, as applicable, the Employer is no longer considered to be an adopter of this Plan and FIS Business Systems LLC no longer has any obligations to the Employer that relate to the adoption of this Plan.

With regard to any questions regarding the provisions of the Plan, adoption of the Plan, or the effect of an advisory letter from the IRS, call or write (this information must be completed by the sponsor of this Plan or its designated representative):

Name: Pension Financial Services

Address: 3700 Crestwood Pkwy, Ste 550

Duluth Georgia 30096

Telephone: 678-924-8888

The Employer and Trustee (or Insurer) hereby cause this Plan to be executed on the date(s) specified below:

EMPLOYER: Peachtree City Water & Sewer Authority

By: _____ DATE SIGNED _____

TRUSTEE (OR INSURER):

[] The signature of the Trustee or Insurer appears on a separate agreement or Contract,

OR (add additional Trustee signature lines as necessary)

Lawrence Harlan Davis, Jr.

TRUSTEE OR INSURER DATE SIGNED _____

Lawrence Harlan Davis, III

TRUSTEE OR INSURER DATE SIGNED _____

**PEACHTREE CITY WATER & SEWER AUTHORITY
MONEY PURCHASE PLAN
SUMMARY OF PLAN PROVISIONS**

TABLE OF CONTENTS

INTRODUCTION TO YOUR PLAN

What kind of Plan is this?	1
What information does this Summary provide?	1

ARTICLE I PARTICIPATION IN THE PLAN

How do I participate in the Plan?	1
What service is counted for purposes of Plan eligibility?	1
What happens if I'm a participant, terminate employment and then I'm rehired?	2

ARTICLE II EMPLOYEE CONTRIBUTIONS

What are after-tax voluntary contributions?	2
What are rollover contributions?	2

ARTICLE III EMPLOYER CONTRIBUTIONS

What is the Employer matching contribution and how is it allocated?	2
What is the Employer nonelective contribution and how is it allocated?	2
What are forfeitures and how are they allocated?	3

ARTICLE IV COMPENSATION AND ACCOUNT BALANCE

What compensation is used to determine my Plan benefits?	3
Is there a limit on the amount of compensation which can be considered?	3
Is there a limit on how much can be contributed to my account each year?	3
How is the money in the Plan invested?	3
Will Plan expenses be deducted from my account balance?	4

ARTICLE V VESTING

What is my vested interest in my account?	4
How is my service determined for vesting purposes?	5
What service is counted for vesting purposes?	5
When will the non-vested portion of my account balance be forfeited?	5

ARTICLE VI BENEFITS AND DISTRIBUTIONS UPON TERMINATION OF EMPLOYMENT

When can I get money out of the Plan?	5
What happens if I terminate employment before death, disability or retirement?	5
What happens if I terminate employment at Normal Retirement Date?	6
What happens if I terminate employment due to disability?	6
How will my benefits be paid to me?	6

**ARTICLE VII
BENEFITS AND DISTRIBUTIONS UPON DEATH**

What happens if I die while working for the Employer?	6
Who is the beneficiary of my death benefit?	6
How will the death benefit be paid to my beneficiary?	7
When must the last payment be made to my beneficiary?	7
What happens if I'm a participant, terminate employment and die before receiving all my benefits?	7

**ARTICLE VIII
TAX TREATMENT OF DISTRIBUTIONS**

What are my tax consequences when I receive a distribution from the Plan?	7
Can I elect a rollover to reduce or defer tax on my distribution?	7

**ARTICLE IX
LOANS**

Is it possible to borrow money from the Plan?	8
What are the loan rules and requirements?	8

**ARTICLE X
PROTECTED BENEFITS AND CLAIMS PROCEDURES**

Are my benefits protected?	9
Are there any exceptions to the general rule?	9
Can the Plan be amended?	9
What happens if the Plan is discontinued or terminated?	9
How do I submit a claim for Plan benefits?	9
What if my benefits are denied?	9

**ARTICLE XI
GENERAL INFORMATION ABOUT THE PLAN**

Plan Name	9
Plan Effective Dates	9
Other Plan Information	10
Employer Information	10
Administrator Information	10
Plan Trustee Information and Plan Funding Medium	10

**PEACHTREE CITY WATER & SEWER AUTHORITY
MONEY PURCHASE PLAN**

SUMMARY OF PLAN PROVISIONS

INTRODUCTION TO YOUR PLAN

What kind of Plan is this?

Peachtree City Water & Sewer Authority Money Purchase Plan ("Plan") has been adopted to provide you with the opportunity to save for retirement on a tax-advantaged basis. This Plan is a type of qualified retirement plan. Generally you are not taxed on the amounts we contribute to the Plan until you withdraw these amounts from the Plan.

What information does this Summary provide?

This Summary of Plan Provisions contains information regarding your Plan benefits, your distribution options, and many other features of the Plan. You should take the time to read this summary to get a better understanding of your rights and obligations under the Plan.

If you have any questions about the Plan, please contact the Administrator or other plan representative. The Administrator is responsible for responding to questions and making determinations related to the administration, interpretation, and application of the Plan. The name and address of the Administrator can be found at the end of this summary in the Article entitled "General Information About the Plan."

This summary describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language and is designed to comply with applicable legal requirements. If the non-technical language in this summary conflicts with the language of the Plan document, then the Plan document always governs.

The Plan and your rights under the Plan are subject to various laws, including the Internal Revenue Code. The provisions of the Plan are subject to revision due to a change in laws. Your Employer may also amend or terminate this Plan.

Types of Contributions. The Plan includes provisions for the following types of contributions:

- Employer nonelective contributions
- Employer matching contributions
- After-tax voluntary employee contributions
- Employee rollover contributions

**ARTICLE I
PARTICIPATION IN THE PLAN**

How do I participate in the Plan?

You may begin participating under the Plan once you have satisfied the eligibility requirements and reached your "Entry Date." The following describes the eligibility requirements and Entry Dates that apply. You should contact the Administrator if you have questions about the timing of your Plan participation.

Excluded Employees. There are no Excluded Employees for purposes of the Plan.

Eligibility Conditions. You will be eligible to participate in the Plan when you have satisfied the following eligibility condition(s). However, you will actually become a Participant in the Plan once you reach the Entry Date as described below.

- attainment of age 18.
- completion of 6 consecutive month(s) of employment.

Entry Date. Your Entry Date will be the date on which you satisfy the eligibility requirements.

What service is counted for purposes of Plan eligibility?

Service with the Employer. In determining whether you satisfy the minimum service requirements to participate under the Plan, all service you perform for the Employer will generally be counted.

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. If you may be affected by this law, ask the Administrator for further details.

What happens if I'm a participant, terminate employment and then I'm rehired?

If you are no longer a participant because you terminated employment, and you are rehired, then you will be able to participate in the Plan on your date of rehire provided you are otherwise eligible to participate in the Plan.

ARTICLE II EMPLOYEE CONTRIBUTIONS

What are after-tax voluntary contributions?

Voluntary contributions. As a participant under the Plan, you may make voluntary contributions to the Plan on an after-tax basis. After-tax contributions are subject to current taxation even though they are contributed to the Plan. However, any earnings you receive on your voluntary contributions made to the Plan will generally not be taxed until you withdraw those amounts from the Plan. When you retire or otherwise become eligible for Plan benefits, the value of your voluntary contribution account will be used to provide additional benefits for you or your beneficiaries.

You will always be 100% vested in your voluntary contributions (see the Article in this summary entitled "Vesting"). This means that you will always be entitled to all of your voluntary contributions. Your voluntary contributions will, however, be affected by any investment gains or losses.

Withdrawal of voluntary contributions. You may withdraw amounts in your voluntary contribution account at any time. You will only be taxed on the portion of a distribution that consists of investment gains. You should see the Article entitled "Benefits and Distributions Upon Termination of Employment" for an explanation of how benefits (including your voluntary contribution account) are paid from the Plan.

What are rollover contributions?

Rollover contributions. At the discretion of the Administrator, if you are a Participant who is currently employed, you may be permitted to deposit into the Plan distributions you have received from other retirement plans. Such a deposit is called a "rollover" and may result in tax savings to you. You may ask the Administrator or Trustee of the other plan to directly transfer (a "direct rollover") to this Plan all or a portion of any amount that you are entitled to receive as a distribution from such plan. Alternatively, you may elect to deposit any amount eligible to be rolled over within 60 days of your receipt of the distribution. You should consult qualified counsel to determine if a rollover is in your best interest.

Rollover account. Your rollover will be accounted for in a "rollover account." You will always be 100% vested in your "rollover account" (see the Article in this summary entitled "Vesting"). This means that you will always be entitled to all amounts in your rollover account. Rollover contributions will be affected by any investment gains or losses.

Withdrawal of rollover contributions. You may withdraw the amounts in your "rollover account" only when you are otherwise entitled to a distribution under the Plan. See "When can I get money out of the Plan?"

ARTICLE III EMPLOYER CONTRIBUTIONS

This Article describes Employer contributions that will be made to the Plan.

What is the Employer matching contribution and how is it allocated?

Matching Contribution. Matching contributions are Employer contributions that are based on contributions you make to Peachtree City Water & Sewer Authority 457 Plan Deferred Compensation Plan. All of these contributions that you make are collectively referred to as "salary deferrals" for purposes of the applying the matching contribution described below.

Matching Contribution. Your Employer will make a matching contribution equal to 100% of your salary deferrals that do not exceed 8% of your Compensation.

Allocation conditions. You will always share in the matching contribution regardless of the amount of service you complete during the Plan Year.

What is the Employer nonelective contribution and how is it allocated?

Nonelective contribution. Your Employer will make a nonelective contribution equal to 8% of your Compensation for each pay period.

Allocation conditions. You will always share in the nonelective contribution regardless of the amount of service you complete during the Plan Year.

What are forfeitures and how are they allocated?

Definition of forfeitures. In order to reward employees who remain employed with the Employer for a long period of time, the law permits a "vesting schedule" to be applied to certain contributions that your Employer makes to the Plan. This means that you will not be "vested" in (entitled to) all of the contributions until you have been employed with the Employer for a specified period of time (see the Article entitled "Vesting"). If a participant terminates employment before being fully vested, then the non-vested portion of the terminated participant's account balance remains in the Plan and is called a forfeiture.

Allocation of forfeitures. Forfeitures will be allocated as follows:

- Forfeitures may first be used to pay any administrative expenses.
- Any remaining forfeitures will be added to any Employer matching contribution and allocated as an additional matching contribution.

ARTICLE IV COMPENSATION AND ACCOUNT BALANCE

What compensation is used to determine my Plan benefits?

Definition of compensation. For the purposes of the Plan, compensation has a special meaning. Compensation is generally defined as your total compensation that is subject to income tax withholding and paid to you by your Employer during the Plan Year.

Adjustments to compensation. The following adjustments to compensation will be made:

- overtime will be excluded.
- bonuses will be excluded.
- compensation paid after you terminate is generally excluded for Plan purposes. However, the following amounts will be included in compensation even though they are paid after you terminate employment, provided these amounts would otherwise have been considered compensation as described above and provided they are paid within 2 1/2 months after you terminate employment, or if later, the last day of the Plan Year in which you terminate employment:
 - compensation for services performed during your regular working hours, or for services outside your regular working hours (such as overtime or shift differential) or other similar payments that would have been made to you had you continued employment
 - compensation paid for unused accrued bona fide sick, vacation or other leave, if such amounts would have been included in compensation if paid prior to your termination of employment and you would have been able to use the leave if employment had continued
 - nonqualified unfunded deferred compensation if the payment is includible in gross income and would have been paid to you had you continued employment

Is there a limit on the amount of compensation which can be considered?

The Plan, by law, cannot recognize annual compensation in excess of a certain dollar limit. The limit for the Plan Year beginning in 2018 is \$275,000. After 2018, the dollar limit may increase for cost-of-living adjustments.

Is there a limit on how much can be contributed to my account each year?

Generally, the law imposes a maximum limit on the amount of contributions that may be made to your account and any other amounts allocated to any of your accounts during the Plan Year, excluding earnings. Beginning in 2018, this total cannot exceed the lesser of \$55,000 or 100% of your annual compensation. After 2018, the dollar limit may increase for cost-of-living adjustments.

How is the money in the Plan invested?

The Trustee of the Plan has been designated to hold the assets of the Plan for the benefit of Plan participants and their beneficiaries in accordance with the terms of this Plan. The trust fund established by the Plan's Trustee will be the funding medium used for the accumulation of assets from which Plan benefits will be distributed.

Participant directed investments. You will be able to direct the investment of your entire interest in the Plan. The Administrator will provide you with information on the investment choices available to you, the procedures for making investment elections, the frequency with which you can change your investment choices and other important information. You need to follow the procedures for making investment elections and you should carefully review the information provided to you before you give investment directions. If you do not direct the investment of your applicable Plan accounts, then your accounts will be invested in accordance with the default investment alternatives established under the Plan.

Earnings or losses. When you direct investments, your accounts are segregated for purposes of determining the earnings or losses on these investments. Your account does not share in the investment performance of other participants who have directed their own investments. You should remember that the amount of your benefits under the Plan will depend in part upon your choice of investments. Gains as well as losses can occur and your Employer, the Administrator, and the Trustee will not provide investment advice or guarantee the performance of any investment you choose.

Will Plan expenses be deducted from my account balance?

Expenses allocated to all accounts. The Plan permits the payment of Plan expenses to be made from the Plan's assets. The method of allocating the expenses depends on the nature of the expense itself. For example, certain administrative (or recordkeeping) expenses would typically be allocated proportionately to each participant. If the Plan pays \$1,000 in expenses and there are 100 participants, your account balance would be charged \$10 (\$1,000/100) of the expense.

Terminated employee. After you terminate employment, your Employer reserves the right to charge your account for your pro rata share of the Plan's administration expenses, regardless of whether your Employer pays some of these expenses on behalf of current employees.

Expenses allocated to individual accounts. There are certain other expenses that may be paid just from your account. These are expenses that are specifically incurred by, or attributable to, you. For example, if you are married and get divorced, the Plan may incur additional expenses if a court mandates that a portion of your account be paid to your ex-spouse. These additional expenses may be paid directly from your account (and not the accounts of other participants) because they are directly attributable to you under the Plan. The Administrator can inform you when there will be a charge (or charges) directly to your account.

Your Employer may, from time to time, change the manner in which expenses are allocated.

ARTICLE V VESTING

What is my vested interest in my account?

In order to reward employees who remain employed with the Employer for a long period of time, the law permits a "vesting schedule" to be applied to certain contributions that your Employer makes to the Plan. This means that you will not be entitled ("vested") in all of the contributions until you have been employed with the Employer for a specified period of time.

100% vested contributions. You are always 100% vested (which means that you are entitled to all of the amounts) in your accounts attributable to the following contributions:

- rollover contributions
- after-tax voluntary contributions

Vesting schedules. Your "vested percentage" for certain Employer contributions is based on vesting Periods of Service. This means at the time you stop working, your account balance attributable to contributions subject to a vesting schedule is multiplied by your vested percentage. The result, when added to the amounts that are always 100% vested as shown above, is your vested interest in the Plan, which is what you will actually receive from the Plan.

Employer Contributions other than Matching Contributions

Your "vested percentage" in your account attributable to Employer contributions other than matching contributions is determined under the following schedule. You will always, however, be 100% vested in these contributions if you are employed on or after your Normal Retirement Age or if you die or become disabled.

Vesting Schedule Nonelective Contributions	
Periods of Service	Percentage
Less than 5	0%
5	100%

Matching Contributions

Your "vested percentage" in your account attributable to matching contributions is determined under the following schedule. You will always, however, be 100% vested in your matching contributions if you are employed on or after your Normal Retirement Age or if you die or become disabled.

Vesting Schedule Matching Contributions	
Periods of Service	Percentage

How is my service determined for vesting purposes?

Period of Service. You will be credited with a Period of Service for each twelve-month period from your date of employment until the date you terminate employment. The Administrator will track your service and will credit you with a Period of Service in accordance with the terms of the Plan. If you have any questions regarding your vesting service, you should contact the Administrator.

What service is counted for vesting purposes?

Service with the Employer. In calculating your vested percentage, all service you perform for the Employer will generally be counted.

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. If you may be affected by this law, ask the Administrator for further details.

When will the non-vested portion of my account balance be forfeited?

If you are partially vested in your account balance when you leave, the non-vested portion of your account balance will be forfeited on the earlier of the date:

- (a) of the distribution of your vested account balance, or
- (b) when you incur five consecutive 1-year Breaks in Service.

ARTICLE VI BENEFITS AND DISTRIBUTIONS UPON TERMINATION OF EMPLOYMENT

When can I get money out of the Plan?

You may receive a distribution of the vested portion of some or all of your accounts in the Plan for the following reasons:

- termination of employment for reasons other than death, disability or retirement
- normal retirement
- disability
- death

This Plan is designed to provide you with retirement benefits. However, distributions are permitted if you die or become disabled. In addition, certain payments are permitted when you terminate employment for any other reason. The rules under which you can receive a distribution are described in this Article. The rules regarding the payment of death benefits to your beneficiary are described in "Benefits and Distributions Upon Death."

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. There may also be benefits for employees who die or become disabled while on active duty. Employees who receive wage continuation payments while in the military may benefit from various changes in the law. If you think you may be affected by these rules, ask the Administrator for further details.

What happens if I terminate employment before death, disability or retirement?

If your employment terminates for reasons other than death, disability or normal retirement, you will be entitled to receive only the "vested percentage" of your account balance.

You may elect to have your vested account balance distributed to you as soon as administratively feasible following your termination of employment. However, if the value of your vested account balance does not exceed \$1,000, then a distribution will be made to you

regardless of whether you consent to receive it. (See the question entitled "How will my benefits be paid to me?" for additional information.)

Treatment of rollovers for consent to distribution. In determining if the value of your vested account balance exceeds the \$1,000 threshold described above used to determine whether you must consent to a distribution, your rollover account will be considered as part of your benefit.

What happens if I terminate employment at Normal Retirement Date?

Normal Retirement Date. You will attain your Normal Retirement Age when you reach age 65. Your Normal Retirement Date is the date on which you attain your Normal Retirement Age.

Payment of benefits. You will become 100% vested in all of your accounts under the Plan if you retire on or after your Normal Retirement Age. However, the actual payment of benefits generally will not begin until you have terminated employment and reached your Normal Retirement Date. In such event, a distribution will be made, at your election, as soon as administratively feasible. If you remain employed past your Normal Retirement Date, you may generally defer the receipt of benefits until you actually terminate employment. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

What happens if I terminate employment due to disability?

Definition of disability. Under the Plan, disability is defined as a physical or mental condition resulting from bodily injury, disease, or mental disorder which renders you incapable of continuing any gainful occupation and which has lasted or can be expected to last for a continuous period of at least twelve (12) months. Your disability must be determined by a licensed physician. However, if your condition constitutes total disability under the federal Social Security Act, then the Administrator may deem that you are disabled for purposes of the Plan.

Payment of benefits. If you become disabled while an employee, you will become 100% vested in all of your accounts under the Plan. Payment of your disability benefits will be made to you as if you had retired. However, if the value of your account balance does not exceed \$1,000, then a distribution of your account balance will be made to you, regardless of whether you consent to receive it. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

How will my benefits be paid to me?

Lump-sum distributions. All distributions from the Plan will be made in a single lump-sum payment. If your vested account balance exceeds \$1,000, you must consent to the distribution before it may be made.

Delaying distributions. You may delay the distribution of your vested account balance unless a distribution is required to be made, as explained earlier, because your vested account balance does not exceed \$1,000. However, if you elect to delay the distribution of your vested account balance, there are rules that require that certain minimum distributions be made from the Plan. Distributions are required to begin not later than the April 1st following the later of the end of the year in which you reach age 70 1/2 or retire.

Medium of payment. Benefits under the Plan will generally be paid to you in cash only.

ARTICLE VII BENEFITS AND DISTRIBUTIONS UPON DEATH

What happens if I die while working for the Employer?

If you die while still employed by the Employer, then your vested account balance will be used to provide your beneficiary with a death benefit.

Who is the beneficiary of my death benefit?

Beneficiary designation. You may designate a beneficiary for your death benefit. The designation must be made in accordance with the procedures set forth by the Administrator. You should periodically review your designation to ensure it continues to meet your goals.

Divorce. If you have designated your spouse as your beneficiary for all or a part of your death benefit, then upon your divorce, the designation is no longer valid. This means that if you do not select a new beneficiary after your divorce, then you are treated as not having a beneficiary for that portion of the death benefit (unless you have remarried).

No beneficiary designation. At the time of your death, if you have not designated a beneficiary or your beneficiary is also not alive, the death benefit will be paid in the following order of priority to:

- (a) your surviving spouse

- (b) your children, including adopted children in equal shares (and if a child is not living, that child's share will be distributed to that child's heirs)
- (c) your surviving parents, in equal shares
- (d) your estate

How will the death benefit be paid to my beneficiary?

Lump-sum distributions. The death benefit will be paid to your beneficiary in a single lump-sum payment.

When must the last payment be made to my beneficiary?

The law generally restricts the ability of a retirement plan to be used as a method of retaining money for purposes of your death estate. Thus, there are rules that are designed to ensure that death benefits are distributable to beneficiaries within certain time periods.

If your designated beneficiary is a person (rather than your estate or most trusts) then minimum distributions of your death benefit must generally begin within one year of your death and must be paid over a period not extending beyond your beneficiary's life expectancy. If your spouse is the beneficiary, the start of payments may be delayed until the year in which you would have attained age 70 1/2. Generally, if your beneficiary is not a person, then your entire death benefit must be paid within five years after your death.

What happens if I'm a participant, terminate employment and die before receiving all my benefits?

If you terminate employment with the Employer and subsequently die, your beneficiary will be entitled to your remaining interest in the Plan at the time of your death. The provision in the Plan providing for full vesting of your benefit upon death does not apply if you die after terminating employment.

ARTICLE VIII TAX TREATMENT OF DISTRIBUTIONS

What are my tax consequences when I receive a distribution from the Plan?

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution. Certain distributions made to you when you are under age 59 1/2 could be subject to an additional 10% tax. You will not be taxed on your after-tax voluntary contributions to the Plan when they are distributed from the Plan. You will, however, be taxed on income attributable to those contributions.

Can I elect a rollover to reduce or defer tax on my distribution?

Rollover or Direct Transfer. You may reduce, or defer entirely, the tax due on your distribution through use of one of the following methods:

- (a) **60-day rollover.** The rollover of all or a portion of the distribution to an Individual Retirement Account or Annuity (IRA) or another employer retirement plan willing to accept the rollover. This will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, **MUST** be made within strict time frames (normally, within 60 days after you receive your distribution). Under certain circumstances, all or a portion of a distribution may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. For this reason, if you wish to roll over all or a portion of your distribution amount, then the direct transfer option described in paragraph (b) below would be the better choice.
- (b) **Direct rollover.** For most distributions, you may request that a direct transfer (sometimes referred to as a direct rollover) of all or a portion of a distribution be made to either an Individual Retirement Account or Annuity (IRA) or another employer retirement plan willing to accept the transfer. A direct transfer will result in no tax being due until you withdraw funds from the IRA or other employer plan. Like the rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct transfer. If you elect to actually receive the distribution rather than request a direct transfer, then in most cases 20% of the distribution amount will be withheld for federal income tax purposes.

Tax Notice. WHENEVER YOU RECEIVE A DISTRIBUTION THAT IS AN ELIGIBLE ROLLOVER DISTRIBUTION, THE ADMINISTRATOR WILL DELIVER TO YOU A MORE DETAILED EXPLANATION OF THESE OPTIONS. HOWEVER, THE RULES WHICH DETERMINE WHETHER YOU QUALIFY FOR FAVORABLE TAX TREATMENT ARE VERY COMPLEX. YOU SHOULD CONSULT WITH QUALIFIED TAX COUNSEL BEFORE MAKING A CHOICE.

ARTICLE IX LOANS

Is it possible to borrow money from the Plan?

Yes, you may request a participant loan from all your accounts using an application form provided by the Administrator. Your ability to obtain a participant loan depends on several factors. The Administrator will determine whether you satisfy these factors.

What are the loan rules and requirements?

There are various rules and requirements that apply to any loan, which are outlined in this question. In addition, your Employer has established a written loan program which explains these requirements in more detail. You can request a copy of the loan program from the Administrator. Generally, the rules for loans include the following:

- Loans are available to participants on a reasonably equivalent basis. Loans will be made to participants who are creditworthy. The Administrator may request that you provide additional information, such as financial statements, tax returns and credit reports to make this determination.
- All loans must be adequately secured. You must sign a promissory note along with a loan pledge. Generally, you must use your vested interest in the Plan as security for the loan, provided the outstanding balance of all your loans does not exceed 50% of your vested interest in the Plan. In certain cases, the Administrator may require you to provide additional collateral to receive a loan.
- You will be charged an interest rate equal to 0% above the prime rate. The interest rate will be fixed for the duration of the loan.
- Loan refinancing is permitted.
- If approved, your loan will provide for level amortization with payments to be made not less frequently than quarterly. Generally, the term of your loan may not exceed five (5) years. However, if the loan is for the purchase of your principal residence, the Administrator may permit a longer repayment term. Generally, the Administrator will require that you repay your loan by agreeing to either payroll deduction or payment by ACH (automated clearing house system for electronic funds transfer). If you have an unpaid leave of absence or go on military leave while you have an outstanding loan, please contact the Administrator to find out your repayment options.
- All loans will be considered a directed investment of your account under the Plan. All payments of principal and interest by you on a loan will be credited to your account.
- The amount the Plan may loan to you is limited by rules under the Internal Revenue Code. Any new loans, when added to the outstanding balance of all other loans from the Plan, will be limited to the lesser of:
 - (a) \$50,000 reduced by the excess, if any, of your highest outstanding balance of loans from the Plan during the one-year period ending on the day before the date of the new loan over your current outstanding balance of loans as of the date of the new loan; or
 - (b) 1/2 of your vested interest in the Plan.
- The maximum number of Plan loans that you may have outstanding at any one time is one (1).
- If you fail to make payments when they are due under the terms of the loan, you will be considered to be "in default." The Administrator will consider your loan to be in default if any scheduled loan repayment is not made by the end of the calendar quarter following the calendar quarter in which the missed payment was due. The Plan would then have authority to take all reasonable actions to collect the balance owed on the loan. This could include filing a lawsuit or foreclosing on the security for the loan. Under certain circumstances, a loan that is in default may be considered a distribution from the Plan and could be considered taxable income to you. In any event, your failure to repay a loan will reduce the benefit you would otherwise be entitled to from the Plan.
- If you become entitled to a distribution from the Plan, or if you terminate employment, your loan generally becomes due and payable in full immediately. You may repay the entire outstanding balance of the loan (including any accrued interest). If you do not repay the entire outstanding loan balance, your vested account balance will be reduced by the remaining outstanding balance of the loan.

The Administrator may periodically revise the Plan's loan policy. If you have any questions on participant loans or the current loan policy, please contact the Administrator.

ARTICLE X PROTECTED BENEFITS AND CLAIMS PROCEDURES

Are my benefits protected?

As a general rule, your interest in your account, including your "vested interest," may not be alienated. This means that your interest may not be sold, used as collateral for a loan (other than for a Plan loan), given away or otherwise transferred. In addition, your creditors (other than the IRS) may not attach, garnish or otherwise interfere with your benefits under the Plan.

Are there any exceptions to the general rule?

There are three exceptions to this general rule. The Administrator must honor a "qualified domestic relations order." A "qualified domestic relations order" is defined as a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, children or other dependents. If a qualified domestic relations order is received by the Administrator, all or a portion of your benefits may be used to satisfy that obligation. The Administrator will determine the validity of any domestic relations order received. You and your beneficiaries can obtain from the Administrator, without charge, a copy of the procedure used by the Administrator to determine whether a qualified domestic relations order is valid.

The second exception applies if you are involved with the Plan's operation. If you are found liable for any action that adversely affects the Plan, the Administrator can offset your benefits by the amount that you are ordered or required by a court to pay the Plan. All or a portion of your benefits may be used to satisfy any such obligation to the Plan.

The last exception applies to Federal tax levies and judgments. The Federal government is able to use your interest in the Plan to enforce a Federal tax levy and to collect a judgment resulting from an unpaid tax assessment.

Can the Plan be amended?

Your Employer has the right to amend the Plan at any time. In no event, however, will any amendment authorize or permit any part of the Plan assets to be used for purposes other than the exclusive benefit of participants or their beneficiaries. Additionally, no amendment will cause any reduction in the amount credited to your account.

What happens if the Plan is discontinued or terminated?

Although your Employer intends to maintain the Plan indefinitely, your Employer reserves the right to terminate the Plan at any time. Upon termination, no further contributions will be made to the Plan and all amounts credited to your accounts will become 100% vested. Your Employer will direct the distribution of your accounts in a manner permitted by the Plan as soon as practicable. (See the question entitled "How will my benefits be paid to me?" for a further explanation.) You will be notified if the Plan is terminated.

How do I submit a claim for Plan benefits?

Benefits will generally be paid to you and your beneficiaries without the necessity for formal claims. Contact the Administrator if you are entitled to benefits or if you think an error has been made in determining your benefits. Any such request should be in writing.

If the Administrator determines the claim is valid, then you will receive a statement describing the amount of benefit, the method or methods of payment, the timing of distributions and other information relevant to the payment of the benefit.

What if my benefits are denied?

Your request for Plan benefits will be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Administrator will provide you with notification of the Plan's adverse determination. This written or electronic notification will be provided to you within a reasonable period of time.

ARTICLE XI GENERAL INFORMATION ABOUT THE PLAN

There is certain general information which you may need to know about the Plan. This information has been summarized for you in this Article.

Plan Name

The full name of the Plan is Peachtree City Water & Sewer Authority Money Purchase Plan.

Plan Effective Dates

This Plan was originally effective on May 22, 1997. The amended and restated provisions of the Plan become effective on September 24, 2018.

Other Plan Information

Valuations of the Plan assets are generally made every business day. Certain distributions are based on the Anniversary Date of the Plan. This date is the last day of the Plan Year.

The Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year ends on September 30th.

Employer Information

Your Employer's name, address and identification number are:

Peachtree City Water & Sewer Authority
1127 Highway 74 S
Peachtree City, Georgia 30269
58-2307284

Administrator Information

The Administrator is responsible for the day-to-day administration and operation of the Plan. For example, the Administrator maintains the Plan records, including your account information, provides you with the forms you need to complete for Plan participation, and directs the payment of your account at the appropriate time. The Administrator will also allow you to review the formal Plan document and certain other materials related to the Plan. If you have any questions about the Plan or your participation, you should contact the Administrator. The Administrator may designate other parties to perform some duties of the Administrator.

The Administrator has the complete power, in its sole discretion, to determine all questions arising in connection with the administration, interpretation, and application of the Plan (and any related documents and underlying policies). Any such determination by the Administrator is conclusive and binding upon all persons.

The name, address and business telephone number of the Plan's Administrator are:

Peachtree City Water & Sewer Authority
1127 Highway 74 S
Peachtree City, Georgia 30269
770-487-7993

Plan Trustee Information and Plan Funding Medium

All money that is contributed to the Plan is held in a trust fund. The Trustees are responsible for the safekeeping of the trust fund and must hold and invest Plan assets in a prudent manner and in the best interest of you and your beneficiaries. The trust fund established by the Plan's Trustee(s) will be the funding medium used for the accumulation of assets from which benefits will be distributed. While all the Plan assets are held in a trust fund, the Administrator separately accounts for each Participant's interest in the Plan.

The Plan's Trustees are:

Lawrence Harlan Davis, Jr., Trustee
Lawrence Harlan Davis, III, Trustee
1127 Highway 74 S
Peachtree City, Georgia 30269
770-487-7993

The Trustees shall collectively be referred to as Trustee throughout this Summary of Plan Provisions.

**ACTION BY THE BOARD OF DIRECTORS OF
Peachtree City Water & Sewer Authority (“Corporation”)**

The undersigned, hereby certifies that the following extract of resolutions below was taken from a duly called meeting of the Board of Directors of the Corporation:

RESOLVED, that the Board of Directors has previously approved and adopted the Peachtree City Water & Sewer Authority Money Purchase Plan (“Plan”) to provide employees of the corporation with retirement benefits.

RESOLVED, that the Board of Directors does hereby declare the intention of the Corporation to continue the Plan but reserves the right to terminate or amend the Plan at any time.

RESOLVED, the Board of Directors of the Corporation hereby removes Susan Lee, as Trustee of the Plan effective September 24, 2018.

RESOLVED, the Board of Directors of the Corporation hereby appoints Lawrence Harlan Davis, Jr. and Lawrence Harlan Davis, III, as Trustees of the Plan.

RESOLVED, that the Board of Directors of the Corporation are hereby jointly and severally authorized to take such actions and to execute such documents as they deem necessary or desirable in order to carry out the intent of the foregoing resolutions and required under the Plan to make the Plan fully effective in accordance with its terms and intent.

I DO HEREBY CERTIFY that I am the Chairman of the Corporation, and the keeper of its records and corporate seal.

I FURTHER CERTIFY that the above is a true, correct and complete extract of resolutions adopted at a duly called and held meeting of the Board of Directors of this Corporation, and that said resolutions are still in effect and have not been modified or revised and are not in conflict with the by laws of this Corporation.

IN WITNESS WHEREOF, I have set my hand and the corporate seal of the Corporation.

Chairman

Proposed FY19 Budget

Budget Workshop *September 17, 2018*



Proposed FY19 Budget

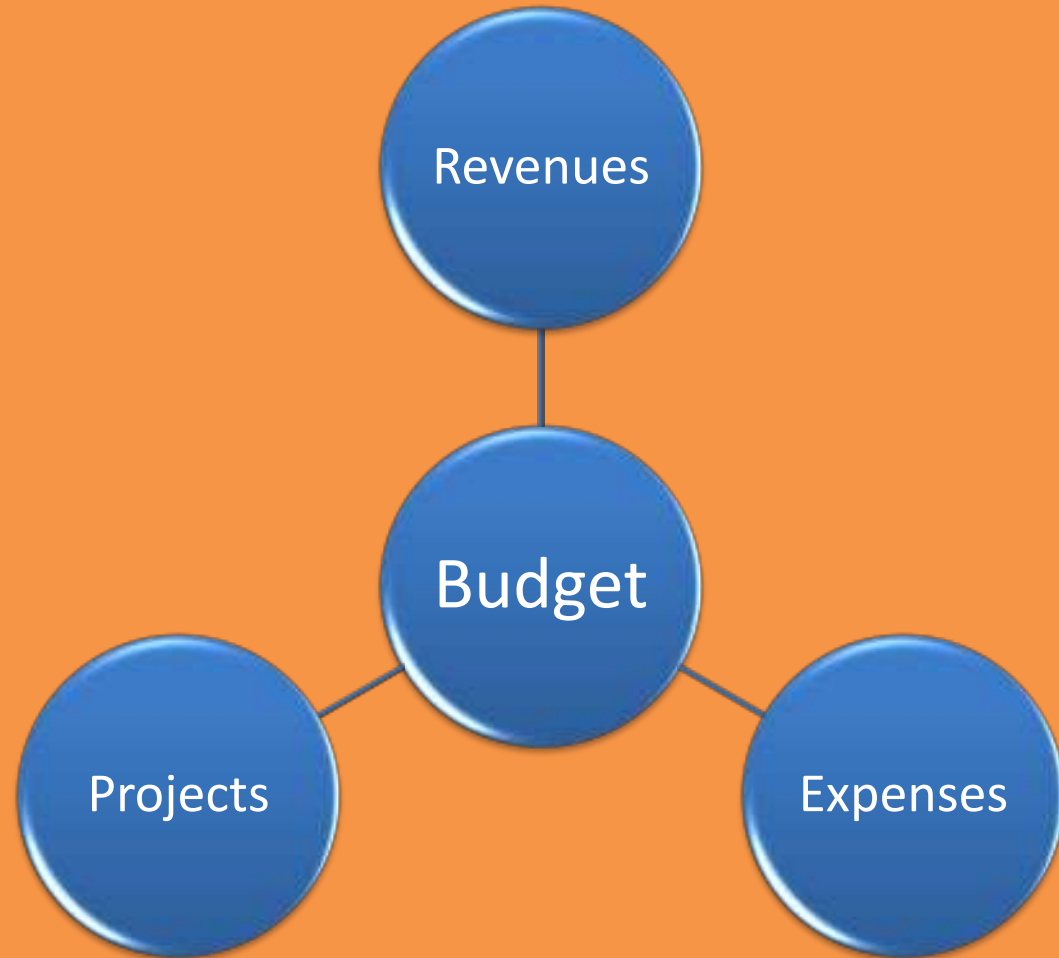
Objectives

- Continued safe, efficient, effective operation of the Authority
- Operate within the Authority's means (no deficit spending)
- Keep debt service ratio at or above 1.50
 - Requirements change when below 1.50
 - Offers greater flexibility



Proposed FY19 Budget

Three Sections

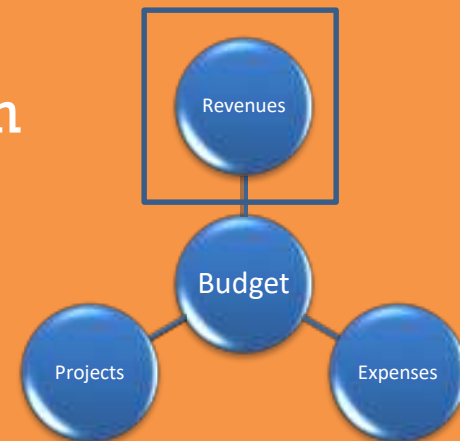


Proposed FY19 Budget



Revenues

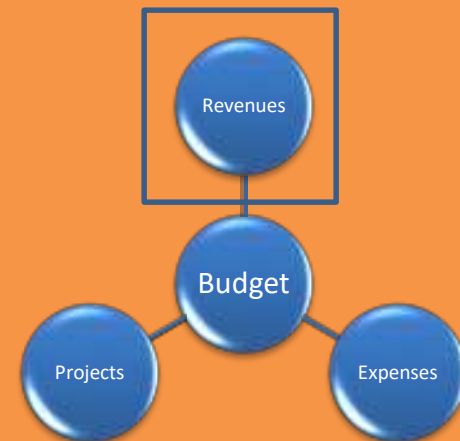
- Looked at FY 2014 through FY 2017
- Looked at current FY 2018
- Looked at West Village development
 - Provided absorption of new residences
 - over several years based on permitting cycle
 - Did not add all homes at once
 - Averaged over the year
- Inclusive of tapping fees and plan review fees



Proposed FY19 Budget

Revenues

- FY 2018 approved budget: \$9,894,500
- Proposed FY 2019 budget: \$9,995,459
 - 1.0% increase



Proposed FY19 Budget

Expenses

- Materials, Supplies & Expenses
- Labor



Proposed FY19 Budget

Materials, Supplies & Services

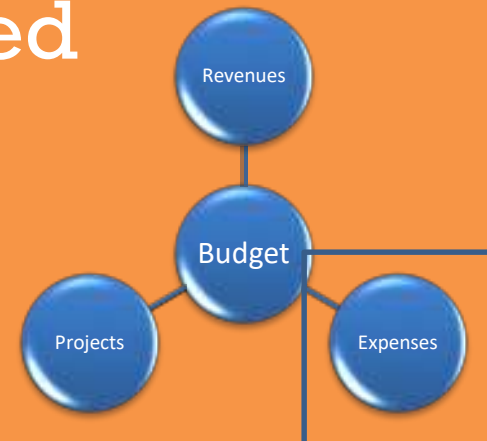
- FY 2018 approved: \$2,737,350
- FY 2019 proposed: \$2,903,240
 - 6.1% increase



Proposed FY19 Budget

Labor

- All employees assumed to participate in
 - Health care
 - Retirement
- Longevity pay included
- Cost of living increase included
- Some open positions filled



Proposed FY19 Budget

Labor

- FY 2018 approved budget: \$2,837,363
- Proposed FY 2019 budget: \$2,516,170
 - 11.3% decrease



Proposed FY19 Budget

Expenses

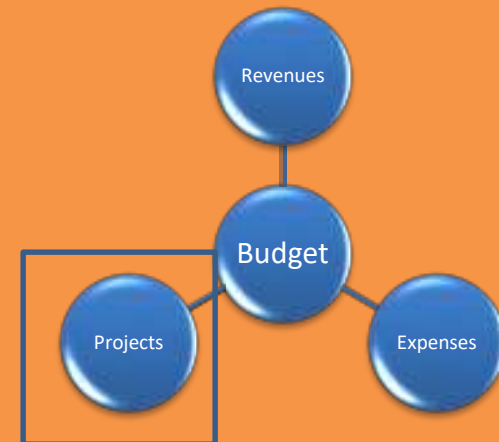
- FY 2018 approved budget: \$5,574,713
- Proposed FY 2019 budget: \$5,419,410
 - 2.8% decrease



Proposed FY19 Budget

Projects

- Split between two areas:
 - Renewal and Extension
 - Capital Projects



Proposed FY19 Budget



Projects

Renewal & Extension Projects	Estimated Budget
Annual Contract (Construction, repair, and replacement)	\$ 300,000.00
Emergency Services Contract	\$ 50,000.00
LBT Control Building Improvement	\$ 47,000.00
Replace Lift Station 15 Starrs Mill	\$ 415,600.00
Replace (1) VFD - Turner	\$ 15,000.00
Filter Bags (72 LBT)	\$ 17,208.00
Filter Bag Racks (5) LBT	\$ 2,660.00
Line Creek 144 UV Lamps	\$ 42,480.00
Rockaway Blower #3 Replacement	\$ 20,000.00
Rockaway 96 UV Lamps	\$ -
Spare parts UV LBT/Rockaway	\$ 20,000.00
Small Blowers (3) Rockaway	\$ 7,500.00
Sludge Pumps (3) Rockaway	\$ 7,500.00
Computer Replacements	\$ 17,000.00
Windows 2016 Upgrade / Licenses / Server	\$ 12,000.00
Two Factor Authentication for VPN	\$ 3,540.00
Fiber to City	\$ 7,200.00
Tape Drive (Server Data Back-up)	\$ 15,000.00
Cyber Security Upgrade (SOPHOS FIREWALL)	\$ 9,060.00
Sub-total	\$ 1,008,748.00
On-Going FY 2018 Projects	
Manhole Rehab	\$ -
Replace Turner Upper Main Emergency Backup 450 kW Generator	\$ 220,000.00

Proposed FY19 Budget



Projects

Capital Projects	Estimated Budget
Backhoe Trailer	\$ 15,000.00
Small Flusher Unit	\$ -
Flow Study / Temp/Perm Flow Monitoring	\$ -
Rockaway UV Expansion	\$ 228,000.00
	\$ 243,000.00
2018 Approved Projects	
Solar Power Project	\$ 850,000.00
Correct and widen driveway - Turner	\$ 225,000.00
Site Preparation - Rockaway Site	\$ 200,000.00
Master Priority Plan - Engineering	\$ 200,000.00
RedZone Robotics (Year 7 of 7) FINAL	\$ 180,000.00
Add enclosure walls and doors to existing equipment storage building	\$ 75,000.00
Security improvements - Rockaway WRF	\$ 75,000.00
Sewer Flow Monitoring - Permanent Meter Installation	\$ 50,000.00
Security improvements - Turner WRF	\$ 50,000.00
Install Audio Visual (AV) equipment in Conference /Board Room	\$ 20,000.00
New Trailer for Backhoe - 25,000#; tandem axle w/air brakes; pintle hitch	\$ 12,000.00
	\$ 1,937,000.00

Proposed FY19 Budget



Summary

	FY 2018 Approved Budget	FY 2019 Proposed Budget
Operating Fund Revenues	\$9,894,500	\$9,995,459
Operation Expenditures	<u>\$5,574,713</u>	<u>\$5,419,410</u>
Operating Surplus (Deficit)	\$4,319,787	\$4,576,049
Transfer- Sinking Fund (Debt Service)	\$3,030,450	\$3,030,540
Transfer- Renewal and Extension	\$3,270,000	\$1,228,748
Transfer- Capital	<u>\$1,937,000</u>	<u>\$243,000</u>
Subtotal	\$8,237,450	\$4,502,288
Total All Expenditures	\$13,812,253	\$9,921,698
Net Surplus (Deficit)	(\$3,917,753)	\$73,761
Other Income	\$0	\$10,000
Total Surplus (Deficit)	(\$3,917,753)	\$83,761
Debt Service Coverage	1.43	1.51

Peachtree City Water and Sewerage Authority
FY 2019 Operating Budget

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	APPROVED FY 2018 BUDGET	INITIAL PROPOSED FY 2019 BUDGET	REVISED PROPOSED FY 2019 BUDGET
Revenues - Rate	\$8,988,000	\$9,048,000	\$9,538,811
Revenues - Fee	\$906,500	\$770,900	\$456,648
Operating Fund Revenues	\$9,894,500	\$9,818,900	\$9,995,459
Salaries, Wages, & Benefits	\$2,837,363	\$2,694,288	\$2,516,170
Materials, Supplies, & Services	\$2,737,350	\$2,586,240	\$2,903,240
Operation Expenditures	\$5,574,713	\$5,280,528	\$5,419,410
Operating Surplus (Deficit)	\$4,319,787	\$4,538,372	\$4,576,049
Oper Trfr-Sinking Fund	\$3,030,540	\$3,030,540	\$3,030,540
Oper Trfr-Ren & Ext	\$3,270,000	\$1,268,528	\$1,228,748
Oper Trfr-Capital	\$1,937,000	\$977,000	\$243,000
Sub-Total	\$8,237,540	\$5,276,068	\$4,502,288
Total All Expenditures	\$13,812,253	\$10,556,596	\$9,921,698
Net Surplus (Deficit)	(\$3,917,753)	(\$737,696)	\$73,761
Other Income (Expenditures)	\$0	\$0	\$10,000
Total Surplus (Deficit)	(\$3,917,753)	(\$737,696)	\$83,761
Debt Service Coverage	1.43	1.50	1.51

Peachtree City Water and Sewerage Authority
FY 2019 Operating Budget
REVENUES

	APPROVED FY 2018 BUDGET	*PROPOSED FY 2019 BUDGET	INCREASE (DECREASE) PREV YEAR	PERCENT CHANGE PREV YEAR
Revenues				
Residential - Sewerage Use	\$6,300,000	\$6,687,132	\$387,132	6.1%
Commercial - General	\$950,000	\$1,469,192	\$519,192	54.7%
Commercial - Water Intense	\$65,000	\$60,000	(\$5,000)	-7.7%
Industrial	\$350,000	\$362,517	\$12,517	3.6%
Multi-Family	\$755,000	\$731,970	(\$23,030)	-3.1%
Foods/Restaurants	\$360,000	\$0	(\$360,000)	-100.0%
Chemical	\$8,000	\$8,000	\$0	0.0%
Billing Collection Adjustments	\$200,000	\$220,000	\$20,000	10.0%
Rate Sub-total	\$8,988,000	\$9,538,811	\$550,811	6.1%
Plan Reviews/Inspec Fees	\$20,000	\$20,000	\$0	0.0%
Residential-Sewerage Tap	\$550,000	\$270,000	(\$280,000)	-50.9%
Commercial-General	\$135,000	\$64,712	(\$70,288)	-52.1%
Restaurant/Food	\$40,000	\$0	(\$40,000)	-100.0%
Industrial	\$0	\$11,036	\$11,036	0.0%
Interest Earnings	\$4,000	\$25,000	\$21,000	525.0%
Septage	\$100,000	\$50,000	(\$50,000)	-50.0%
Water Reuse	\$1,500	\$1,500	\$0	0.0%
Tyrone Maintenance Billing	\$16,000	\$14,400	(\$1,600)	-10.0%
(Moved) Other Misc. Rev	\$40,000	\$0	(\$40,000)	-100.0%
Fee Sub-total	\$906,500	\$456,648	(\$449,852)	-49.6%
Operating Fund Revenues	\$9,894,500	\$9,995,459	\$100,959	1.0%

* Based on information provided by WASA Staff in Budget Meeting, 08/15/18.

Peachtree City Water and Sewerage Authority
FY 2019 Operating Budget
SUMMARY EXPENSES

	APPROVED FY 2018 BUDGET	*PROPOSED FY 2019 BUDGET	INCREASE (DECREASE) PREV YEAR	PERCENT CHANGE PREV YEAR
Salaries, Wages, & Benefits				
Regular Salaries	\$1,772,255	\$1,606,499	(\$165,756)	-9.4%
Overtime Salaries	\$55,000	\$55,000	\$0	0.0%
Health Ins	\$402,504	\$479,021	\$76,517	19.0%
Payroll Taxes	\$145,923	\$122,897	(\$23,026)	-15.8%
Retirement	\$265,412	\$128,520	(\$136,892)	-51.6%
Tuition Reimb	\$3,000	\$3,000	\$0	0.0%
Employee Relations	\$10,000	\$10,000	\$0	0.0%
Longevity	\$95,211	\$80,710	(\$14,501)	-15.2%
Cost of Living	\$35,224	\$30,523	(\$4,701)	-13.3%
Merit	\$52,834	\$0	(\$52,834)	-100.0%
Salaries, Wages, & Benefits	\$2,837,363	\$2,516,170	(\$321,193)	-11.3%
Materials, Supplies, & Services				
Prof. Services	\$155,000	\$534,340	\$89,340	244.7%
Prof. Services/Engineer	\$175,000	\$120,000	(\$5,000)	-31.4%
Prof. Services/Legal	\$72,000	\$150,000	(\$7,000)	108.3%
SCADA Maintenance & Consulting	\$40,000	\$19,300	\$0	-51.8%
Contractual Services	\$5,000	\$13,200	\$0	164.0%
Prof. Services/Other	\$40,000	\$25,000	(\$15,000)	-37.5%
Prof. Services/Other -Public Outreach	\$25,000	\$15,000	(\$10,000)	-40.0%
Prof. Services/Other - Auditor	\$16,500	\$25,000	(\$500)	51.5%
Utilities Protection Center	\$7,500	\$8,200	\$700	9.3%
Landscape	\$9,500	\$5,000	(\$4,500)	-47.4%
Repairs & Maint Equip	\$227,200	\$226,700	(\$500)	-0.2%
Repairs & Maint- Bldg	\$98,000	\$93,000	(\$5,000)	-5.1%
Repairs & Maintenance - Veh	\$20,000	\$20,000	\$0	0.0%
Street Repair	\$1,000	\$1,000	\$0	0.0%
Rentals	\$5,650	\$5,500	(\$150)	-2.7%
Insurance	\$125,000	\$145,000	\$20,000	16.0%
Communications	\$57,500	\$55,500	(\$2,000)	-3.5%
Printing & Binding	\$2,500	\$2,000	(\$500)	-20.0%
Advertising	\$1,500	\$1,500	\$0	0.0%
Postage	\$2,000	\$1,500	(\$500)	-25.0%
Travel	\$9,000	\$9,000	\$0	0.0%
Dues & Fees	\$10,000	\$8,500	(\$1,500)	-15.0%
Bank Service Charges	\$3,000	\$3,000	\$0	0.0%
Fayette Cty Billing Fee	\$220,000	\$222,000	\$2,000	0.9%
Regulatory Monitor Fee	\$6,000	\$5,000	(\$1,000)	-16.7%
Industrial Monitoring	\$2,500	\$2,500	\$0	0.0%
Lift Station	\$0	\$0	\$0	0.0%
Processing Chemicals	\$307,000	\$220,500	(\$86,500)	-28.2%
Chemical Root Control	\$25,000	\$10,000	(\$15,000)	-60.0%
R/W Spraying Service	\$4,000	\$0	(\$4,000)	-100.0%
CCTV Services	\$20,000	\$0	(\$20,000)	-100.0%
Sludge Hauling	\$265,000	\$230,000	(\$35,000)	-13.2%
Education & Training	\$13,000	\$10,000	(\$3,000)	-23.1%
Licenses	\$3,500	\$3,000	(\$500)	-14.3%
Contract Labor	\$3,500	\$5,000	\$1,500	42.9%
Office Supplies	\$6,250	\$6,500	\$250	4.0%
Office Equipment	\$12,000	\$10,000	(\$2,000)	-16.7%
Safety Equip/Supplies	\$16,550	\$11,300	(\$5,250)	-31.7%
Operating Supplies	\$89,500	\$91,000	\$1,500	1.7%
Water	\$3,000	\$3,000	\$0	0.0%
Natural Gas	\$5,000	\$4,000	(\$1,000)	-20.0%
Electricity	\$533,000	\$492,000	(\$41,000)	-7.7%
Gasoline	\$21,000	\$22,000	\$1,000	4.8%
Diesel Fuel	\$30,000	\$30,000	\$0	0.0%
Lubricants	\$2,000	\$2,000	\$0	0.0%
Small Tools & Equip	\$19,300	\$15,000	(\$4,300)	-22.3%
Miscellaneous	\$5,500	\$5,000	\$4,000	-9.1%
Uniforms	\$16,900	\$16,200	(\$700)	-4.1%
Materials, Supplies, & Services	\$2,737,350	\$2,903,240	(\$151,110)	6.1%
Operating Expenditures	\$5,574,713	\$5,419,410	(\$472,303)	-2.8%
Oper Trfr-Sinking Fund	\$3,030,540	\$3,030,540	\$0	0.0%
Oper Trfr-Ren & ext	\$3,270,000	\$1,228,748	(\$2,041,252)	-62.4%
Oper Trfr-Capital	\$1,937,000	\$243,000	(\$1,694,000)	-87.5%
Sub-total	\$8,237,540	\$4,502,288	(\$3,735,252)	-45.3%
Total Expenditures	\$13,812,253	\$9,921,698	(\$4,207,555)	-28%

* Based on information provided by WASA Staff in Budget Meeting, 08/15/18.

Peachtree City Water and Sewerage Authority
FY 2019 Operating Budget
ADMIN SERVICES

	APPROVED FY 2018 BUDGET	*PROPOSED FY 2019 BUDGET	INCREASE (DECREASE) PREV YEAR	PERCENT CHANGE PREV YEAR
Salaries, Wages, & Benefits				
Regular Salaries	\$218,493	\$152,922	(\$65,571)	-30.0%
Overtime Salaries	\$0	\$0	\$0	#DIV/0!
Health Ins	\$36,000	\$33,036	(\$2,964)	-8.2%
Payroll Taxes	\$18,000	\$11,698	(\$6,302)	-35.0%
Retirement	\$46,444	\$12,234	(\$34,210)	-73.7%
Tuition Reimb	\$3,000	\$3,000	\$0	0.0%
Employee Relations	\$10,000	\$10,000	\$0	0.0%
Longevity	\$9,195	\$8,787	(\$408)	-4.4%
Cost of Living	\$4,299	\$2,906	(\$1,393)	-32.4%
Merit	\$6,449	\$0	(\$6,449)	-100.0%
Salaries, Wages, & Benefits	\$351,880	\$234,582	(\$117,298)	-33.3%
Materials, Supplies, & Services				
Prof. Services	\$0	\$290,000	\$290,000	
Prof. Services/Engineer	\$175,000	\$120,000	(\$55,000)	-31.4%
Prof. Services/Legal	\$72,000	\$150,000	\$78,000	108.3%
SCADA Maintenance & Consulting	\$0	\$0	\$0	#DIV/0!
Contractual Services	\$5,000	\$5,000	\$0	0.0%
Prof. Services/Other	\$40,000	\$25,000	(\$15,000)	-37.5%
Prof. Services/Other -Public Outreach	\$25,000	\$15,000	(\$10,000)	-40.0%
Prof. Services/Other - Auditor	\$16,500	\$25,000	\$8,500	51.5%
Utilities Protection Center	\$0	\$0	\$0	#DIV/0!
Landscape	\$0	\$0	\$0	#DIV/0!
Repairs & Maint Equip	\$0	\$0	\$0	#DIV/0!
Repairs & Maint- Bldg	\$55,000	\$50,000	(\$5,000)	-9.1%
Repairs & Maintenance - Veh	\$0	\$0	\$0	#DIV/0!
Street Repair	\$0	\$0	\$0	#DIV/0!
Rentals	\$650	\$500	(\$150)	-23.1%
Insurance	\$125,000	\$145,000	\$20,000	16.0%
Communications	\$57,500	\$55,500	(\$2,000)	-3.5%
Printing & Binding	\$2,500	\$2,000	(\$500)	-20.0%
Advertising	\$1,500	\$1,500	\$0	0.0%
Postage	\$1,000	\$1,000	\$0	0.0%
Travel	\$9,000	\$9,000	\$0	0.0%
Dues & Fees	\$10,000	\$8,500	(\$1,500)	-15.0%
Bank Service Charges	\$3,000	\$3,000	\$0	0.0%
Fayette Cty Billing Fee	\$220,000	\$222,000	\$2,000	0.9%
Regulatory Monitor Fee	\$0	\$0	\$0	#DIV/0!
Industrial Monitoring	\$0	\$0	\$0	#DIV/0!
Lift Station	\$0	\$0	\$0	#DIV/0!
Processing Chemicals	\$0	\$0	\$0	#DIV/0!
Chemical Root Control	\$0	\$0	\$0	#DIV/0!
R/W Spraying Service	\$0	\$0	\$0	#DIV/0!
CCTV Services	\$0	\$0	\$0	#DIV/0!
Sludge Hauling	\$0	\$0	\$0	#DIV/0!
Education & Training	\$13,000	\$10,000	(\$3,000)	-23.1%
Licenses	\$3,500	\$3,000	(\$500)	-14.3%
Contract Labor	\$3,500	\$5,000	\$1,500	42.9%
Office Supplies	\$4,500	\$5,000	\$500	11.1%
Office Equipment	\$12,000	\$10,000	(\$2,000)	-16.7%
Safety Equip/Supplies	\$500	\$500	\$0	0.0%
Operating Supplies	\$10,000	\$8,500	(\$1,500)	-15.0%
Water	\$0	\$0	\$0	#DIV/0!
Natural Gas	\$5,000	\$4,000	(\$1,000)	-20.0%
Electricity	\$18,000	\$12,000	(\$6,000)	-33.3%
Gasoline	\$0	\$0	\$0	#DIV/0!
Diesel Fuel	\$0	\$0	\$0	#DIV/0!
Lubricants	\$0	\$0	\$0	#DIV/0!
Small Tools & Equip	\$0	\$0	\$0	#DIV/0!
Miscellaneous	\$3,000	\$2,500	(\$500)	-16.7%
Uniforms	\$0	\$0	\$0	#DIV/0!
Materials, Supplies, & Services	\$891,650	\$1,188,500	\$296,850	33.3%
Total Expenditures	\$1,243,530	\$1,423,082	\$179,552	14.4%

* Based on information provided by WASA Staff in Budget Meeting, 08/15/18.

Peachtree City Water and Sewerage Authority
FY 2019 Operating Budget
LARRY B TURNER

	APPROVED FY 2018 BUDGET	*PROPOSED FY 2019 BUDGET	INCREASE (DECREASE) PREV YEAR	PERCENT CHANGE PREV YEAR
Materials, Supplies, & Services				
Prof. Services	\$0	\$0	\$0	
Prof. Services/Engineer	\$0	\$0	\$0	#DIV/0!
Prof. Services/Legal	\$0	\$0	\$0	#DIV/0!
SCADA Maintenance & Consulting	\$0	\$0	\$0	#DIV/0!
Contractual Services	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other -Public Outreach	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other - Auditor	\$0	\$0	\$0	#DIV/0!
Utilities Protection Center	\$0	\$0	\$0	#DIV/0!
Landscape	\$5,000	\$1,500	(\$3,500)	-70.0%
Repairs & Maint Equip	\$50,000	\$50,000	\$0	0.0%
Repairs & Maint- Bldg	\$15,000	\$15,000	\$0	0.0%
Repairs & Maintenance - Veh	\$0	\$0	\$0	#DIV/0!
Street Repair	\$0	\$0	\$0	#DIV/0!
Rentals	\$1,500	\$1,500	\$0	0.0%
Insurance	\$0	\$0	\$0	#DIV/0!
Communications	\$0	\$0	\$0	#DIV/0!
Printing & Binding	\$0	\$0	\$0	#DIV/0!
Advertising	\$0	\$0	\$0	#DIV/0!
Postage	\$0	\$0	\$0	#DIV/0!
Travel	\$0	\$0	\$0	#DIV/0!
Dues & Fees	\$0	\$0	\$0	#DIV/0!
Bank Service Charges	\$0	\$0	\$0	#DIV/0!
Fayette Cty Billing Fee	\$0	\$0	\$0	#DIV/0!
Regulatory Monitor Fee	\$2,000	\$2,000	\$0	0.0%
Industrial Monitoring	\$0	\$0	\$0	#DIV/0!
Lift Station	\$0	\$0	\$0	#DIV/0!
Processing Chemicals	\$12,000	\$10,500	(\$1,500)	-12.5%
Chemical Root Control	\$0	\$0	\$0	#DIV/0!
R/W Spraying Service	\$0	\$0	\$0	#DIV/0!
CCTV Services	\$0	\$0	\$0	#DIV/0!
Sludge Hauling	\$140,000	\$110,000	(\$30,000)	-21.4%
Education & Training	\$0	\$0	\$0	#DIV/0!
Licenses	\$0	\$0	\$0	#DIV/0!
Contract Labor	\$0	\$0	\$0	#DIV/0!
Office Supplies	\$0	\$0	\$0	#DIV/0!
Office Equipment	\$0	\$0	\$0	#DIV/0!
Safety Equip/Supplies	\$750	\$750	\$0	0.0%
Operating Supplies	\$5,000	\$7,000	\$2,000	40.0%
Water	\$0	\$0	\$0	#DIV/0!
Natural Gas	\$0	\$0	\$0	#DIV/0!
Electricity	\$170,000	\$150,000	(\$20,000)	-11.8%
Gasoline	\$0	\$0	\$0	#DIV/0!
Diesel Fuel	\$0	\$0	\$0	#DIV/0!
Lubricants	\$0	\$0	\$0	#DIV/0!
Small Tools & Equip	\$2,800	\$2,500	(\$300)	-10.7%
Miscellaneous	\$250	\$250	\$0	0.0%
Uniforms	\$0	\$0	\$0	#DIV/0!
Materials, Supplies, & Services	\$404,300	\$351,000	(\$53,300)	-13.2%
Total Expenditures	\$404,300	\$351,000	(\$53,300)	-13.2%

* Based on information provided by WASA Staff in Budget Meeting, 08/15/18.

Peachtree City Water and Sewerage Authority
FY 2019 Operating Budget
ROCK-A-WAY

	APPROVED FY 2018 BUDGET	*PROPOSED FY 2019 BUDGET	INCREASE (DECREASE) PREV YEAR	PERCENT CHANGE PREV YEAR
Materials, Supplies, & Services				
Prof. Services	\$0	\$0	\$0	
Prof. Services/Engineer	\$0	\$0	\$0	#DIV/0!
Prof. Services/Legal	\$0	\$0	\$0	#DIV/0!
SCADA Maintenance & Consulting	\$0	\$0	\$0	#DIV/0!
Contractual Services	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other -Public Outreach	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other - Auditor	\$0	\$0	\$0	#DIV/0!
Utilities Protection Center	\$0	\$0	\$0	#DIV/0!
Landscape	\$2,500	\$1,500	(\$1,000)	-40.0%
Repairs & Maint Equip	\$45,000	\$45,000	\$0	0.0%
Repairs & Maint- Bldg	\$20,000	\$20,000	\$0	0.0%
Repairs & Maintenance - Veh	\$0	\$0	\$0	#DIV/0!
Street Repair	\$0	\$0	\$0	#DIV/0!
Rentals	\$1,500	\$1,500	\$0	0.0%
Insurance	\$0	\$0	\$0	#DIV/0!
Communications	\$0	\$0	\$0	#DIV/0!
Printing & Binding	\$0	\$0	\$0	#DIV/0!
Advertising	\$0	\$0	\$0	#DIV/0!
Postage	\$0	\$0	\$0	#DIV/0!
Travel	\$0	\$0	\$0	#DIV/0!
Dues & Fees	\$0	\$0	\$0	#DIV/0!
Bank Service Charges	\$0	\$0	\$0	#DIV/0!
Fayette Cty Billing Fee	\$0	\$0	\$0	#DIV/0!
Regulatory Monitor Fee	\$4,000	\$3,000	(\$1,000)	-25.0%
Industrial Monitoring	\$0	\$0	\$0	#DIV/0!
Lift Station	\$0	\$0	\$0	#DIV/0!
Processing Chemicals	\$20,000	\$10,000	(\$10,000)	-50.0%
Chemical Root Control	\$0	\$0	\$0	#DIV/0!
R/W Spraying Service	\$0	\$0	\$0	#DIV/0!
CCTV Services	\$0	\$0	\$0	#DIV/0!
Sludge Hauling	\$125,000	\$120,000	(\$5,000)	-4.0%
Education & Training	\$0	\$0	\$0	#DIV/0!
Licenses	\$0	\$0	\$0	#DIV/0!
Contract Labor	\$0	\$0	\$0	#DIV/0!
Office Supplies	\$0	\$0	\$0	#DIV/0!
Office Equipment	\$0	\$0	\$0	#DIV/0!
Safety Equip/Supplies	\$750	\$750	\$0	0.0%
Operating Supplies	\$13,000	\$12,000	(\$1,000)	-7.7%
Water	\$0	\$0	\$0	#DIV/0!
Natural Gas	\$0	\$0	\$0	#DIV/0!
Electricity	\$140,000	\$130,000	(\$10,000)	-7.1%
Gasoline	\$0	\$0	\$0	#DIV/0!
Diesel Fuel	\$0	\$0	\$0	#DIV/0!
Lubricants	\$0	\$0	\$0	#DIV/0!
Small Tools & Equip	\$3,500	\$1,500	(\$2,000)	-57.1%
Miscellaneous	\$1,000	\$1,000	\$0	0.0%
Uniforms	\$0	\$0	\$0	#DIV/0!
Materials, Supplies, & Services	\$376,250	\$346,250	(\$30,000)	-8.0%
Total Expenditures	\$376,250	\$346,250	(\$30,000)	-8.0%

* Based on information provided by WASA Staff in Budget Meeting, 08/15/18.

Peachtree City Water and Sewerage Authority
FY 2019 Operating Budget
LAB-IPP

	APPROVED FY 2018 BUDGET	*PROPOSED FY 2019 BUDGET	INCREASE (DECREASE) PREV YEAR	PERCENT CHANGE PREV YEAR
Salaries, Wages, & Benefits				
Regular Salaries	\$101,582	\$0	(\$101,582)	-100.0%
Overtime Salaries	\$0	\$0	\$0	#DIV/0!
Health Ins	\$27,958	\$0	(\$27,958)	-100.0%
Payroll Taxes	\$8,856	\$0	(\$8,856)	-100.0%
Retirement	\$16,253	\$0	(\$16,253)	-100.0%
Tuition Reimb	\$0	\$0	\$0	#DIV/0!
Employee Relations	\$0	\$0	\$0	#DIV/0!
Longevity	\$9,562	\$0	(\$9,562)	-100.0%
Cost of Living	\$2,032	\$0	(\$2,032)	-100.0%
Merit	\$3,047	\$0	(\$3,047)	-100.0%
Salaries, Wages, & Benefits	\$169,290	\$0	(\$169,290)	-100.0%
Materials, Supplies, & Services				
Prof. Services	\$60,000	\$60,000	\$0	
Prof. Services/Engineer	\$0	\$0	\$0	#DIV/0!
Prof. Services/Legal	\$0	\$0	\$0	#DIV/0!
SCADA Maintenance & Consulting	\$0	\$0	\$0	#DIV/0!
Contractual Services	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other -Public Outreach	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other - Auditor	\$0	\$0	\$0	#DIV/0!
Utilities Protection Center	\$0	\$0	\$0	#DIV/0!
Landscape	\$0	\$0	\$0	#DIV/0!
Repairs & Maint Equip	\$2,000	\$1,500	(\$500)	-25.0%
Repairs & Maint- Bldg	\$0	\$0	\$0	#DIV/0!
Repairs & Maintenance - Veh	\$0	\$0	\$0	#DIV/0!
Street Repair	\$0	\$0	\$0	#DIV/0!
Rentals	\$0	\$0	\$0	#DIV/0!
Insurance	\$0	\$0	\$0	#DIV/0!
Communications	\$0	\$0	\$0	#DIV/0!
Printing & Binding	\$0	\$0	\$0	#DIV/0!
Advertising	\$0	\$0	\$0	#DIV/0!
Postage	\$1,000	\$500	(\$500)	-50.0%
Travel	\$0	\$0	\$0	#DIV/0!
Dues & Fees	\$0	\$0	\$0	#DIV/0!
Bank Service Charges	\$0	\$0	\$0	#DIV/0!
Fayette Cty Billing Fee	\$0	\$0	\$0	#DIV/0!
Regulatory Monitor Fee	\$0	\$0	\$0	#DIV/0!
Industrial Monitoring	\$2,500	\$2,500	\$0	0.0%
Lift Station	\$0	\$0	\$0	#DIV/0!
Processing Chemicals	\$0	\$0	\$0	#DIV/0!
Chemical Root Control	\$0	\$0	\$0	#DIV/0!
R/W Spraying Service	\$0	\$0	\$0	#DIV/0!
CCTV Services	\$0	\$0	\$0	#DIV/0!
Sludge Hauling	\$0	\$0	\$0	#DIV/0!
Education & Training	\$0	\$0	\$0	#DIV/0!
Licenses	\$0	\$0	\$0	#DIV/0!
Contract Labor	\$0	\$0	\$0	#DIV/0!
Office Supplies	\$250	\$250	\$0	0.0%
Office Equipment	\$0	\$0	\$0	#DIV/0!
Safety Equip/Supplies	\$750	\$500	(\$250)	-33.3%
Operating Supplies	\$6,000	\$8,000	\$2,000	33.3%
Water	\$0	\$0	\$0	#DIV/0!
Natural Gas	\$0	\$0	\$0	#DIV/0!
Electricity	\$0	\$0	\$0	#DIV/0!
Gasoline	\$0	\$0	\$0	#DIV/0!
Diesel Fuel	\$0	\$0	\$0	#DIV/0!
Lubricants	\$0	\$0	\$0	#DIV/0!
Small Tools & Equip	\$1,500	\$500	(\$1,000)	-66.7%
Miscellaneous	\$0	\$0	\$0	#DIV/0!
Uniforms	\$0	\$300	\$300	#DIV/0!
Materials, Supplies, & Services	\$74,000	\$74,050	\$50	0.1%
Total Expenditures	\$243,290	\$74,050	(\$169,240)	-69.6%

* Based on information provided by WASA Staff in Budget Meeting, 08/15/18.

Peachtree City Water and Sewerage Authority
FY 2019 Operating Budget
OPERATORS

	APPROVED FY 2018 BUDGET	*PROPOSED FY 2019 BUDGET	INCREASE (DECREASE) PREV YEAR	PERCENT CHANGE PREV YEAR
Salaries, Wages, & Benefits				
Regular Salaries	\$584,268	\$646,326	\$62,058	10.6%
Overtime Salaries	\$35,000	\$35,000	\$0	0.0%
Health Ins	\$96,894	\$214,733	\$117,839	121.6%
Payroll Taxes	\$50,939	\$49,444	(\$1,495)	-2.9%
Retirement	\$85,201	\$51,706	(\$33,495)	-39.3%
Tuition Reimb	\$0	\$0	\$0	#DIV/0!
Employee Relations	\$0	\$0	\$0	#DIV/0!
Longevity	\$27,903	\$37,465	\$9,562	34.3%
Cost of Living	\$11,690	\$12,280	\$590	5.0%
Merit	\$17,535	\$0	(\$17,535)	-100.0%
Salaries, Wages, & Benefits	\$909,430	\$1,046,955	\$137,525	15.1%
Materials, Supplies, & Services				
Prof. Services	\$0	\$0	\$0	
Prof. Services/Engineer	\$0	\$0	\$0	#DIV/0!
Prof. Services/Legal	\$0	\$0	\$0	#DIV/0!
SCADA Maintenance & Consulting	\$0	\$0	\$0	#DIV/0!
Contractual Services	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other -Public Outreach	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other - Auditor	\$0	\$0	\$0	#DIV/0!
Utilities Protection Center	\$0	\$0	\$0	#DIV/0!
Landscape	\$0	\$0	\$0	#DIV/0!
Repairs & Maint Equip	\$0	\$0	\$0	#DIV/0!
Repairs & Maint- Bldg	\$0	\$0	\$0	#DIV/0!
Repairs & Maintenance - Veh	\$0	\$0	\$0	#DIV/0!
Street Repair	\$0	\$0	\$0	#DIV/0!
Rentals	\$0	\$0	\$0	#DIV/0!
Insurance	\$0	\$0	\$0	#DIV/0!
Communications	\$0	\$0	\$0	#DIV/0!
Printing & Binding	\$0	\$0	\$0	#DIV/0!
Advertising	\$0	\$0	\$0	#DIV/0!
Postage	\$0	\$0	\$0	#DIV/0!
Travel	\$0	\$0	\$0	#DIV/0!
Dues & Fees	\$0	\$0	\$0	#DIV/0!
Bank Service Charges	\$0	\$0	\$0	#DIV/0!
Fayette Cty Billing Fee	\$0	\$0	\$0	#DIV/0!
Regulatory Monitor Fee	\$0	\$0	\$0	#DIV/0!
Industrial Monitoring	\$0	\$0	\$0	#DIV/0!
Lift Station	\$0	\$0	\$0	#DIV/0!
Processing Chemicals	\$0	\$0	\$0	#DIV/0!
Chemical Root Control	\$0	\$0	\$0	#DIV/0!
R/W Spraying Service	\$0	\$0	\$0	#DIV/0!
CCTV Services	\$0	\$0	\$0	#DIV/0!
Sludge Hauling	\$0	\$0	\$0	#DIV/0!
Education & Training	\$0	\$0	\$0	#DIV/0!
Licenses	\$0	\$0	\$0	#DIV/0!
Contract Labor	\$0	\$0	\$0	#DIV/0!
Office Supplies	\$0	\$0	\$0	#DIV/0!
Office Equipment	\$0	\$0	\$0	#DIV/0!
Safety Equip/Supplies	\$2,500	\$2,500	\$0	0.0%
Operating Supplies	\$0	\$0	\$0	#DIV/0!
Water	\$0	\$0	\$0	#DIV/0!
Natural Gas	\$0	\$0	\$0	#DIV/0!
Electricity	\$0	\$0	\$0	#DIV/0!
Gasoline	\$0	\$0	\$0	#DIV/0!
Diesel Fuel	\$0	\$0	\$0	#DIV/0!
Lubricants	\$0	\$0	\$0	#DIV/0!
Small Tools & Equip	\$0	\$0	\$0	#DIV/0!
Miscellaneous	\$0	\$0	\$0	#DIV/0!
Uniforms	\$7,000	\$7,000	\$0	0.0%
Materials, Supplies, & Services	\$9,500	\$9,500	\$0	0.0%
Total Expenditures	\$918,930	\$1,056,455	\$137,525	15.0%

* Based on information provided by WASA Staff in Budget Meeting, 08/15/18.

Peachtree City Water and Sewerage Authority
FY 2019 Operating Budget
MAINTENANCE SHOP

	APPROVED FY 2018 BUDGET	*PROPOSED FY 2019 BUDGET	INCREASE (DECREASE) PREV YEAR	PERCENT CHANGE PREV YEAR
Salaries, Wages, & Benefits				
Regular Salaries	\$107,820	\$0	(\$107,820)	-100.0%
Overtime Salaries	\$0	\$0	\$0	#DIV/0!
Health Ins	\$35,090	\$0	(\$35,090)	-100.0%
Payroll Taxes	\$8,748	\$0	(\$8,748)	-100.0%
Retirement	\$16,014	\$0	(\$16,014)	-100.0%
Tuition Reimb	\$0	\$0	\$0	#DIV/0!
Employee Relations	\$0	\$0	\$0	#DIV/0!
Longevity	\$6,209	\$0	(\$6,209)	-100.0%
Cost of Living	\$2,002	\$0	(\$2,002)	-100.0%
Merit	\$3,002	\$0	(\$3,002)	-100.0%
Salaries, Wages, & Benefits	\$178,885	\$0	(\$178,885)	-100.0%
Materials, Supplies, & Services				
Prof. Services	\$0	\$0	\$0	
Prof. Services/Engineer	\$0	\$0	\$0	#DIV/0!
Prof. Services/Legal	\$0	\$0	\$0	#DIV/0!
SCADA Maintenance & Consulting	\$0	\$0	\$0	#DIV/0!
Contractual Services	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other -Public Outreach	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other - Auditor	\$0	\$0	\$0	#DIV/0!
Utilities Protection Center	\$0	\$0	\$0	#DIV/0!
Landscape	\$0	\$0	\$0	#DIV/0!
Repairs & Maint Equip	\$0	\$0	\$0	#DIV/0!
Repairs & Maint- Bldg	\$8,000	\$8,000	\$0	0.0%
Repairs & Maintenance - Veh	\$20,000	\$20,000	\$0	0.0%
Street Repair	\$0	\$0	\$0	#DIV/0!
Rentals	\$0	\$0	\$0	#DIV/0!
Insurance	\$0	\$0	\$0	#DIV/0!
Communications	\$0	\$0	\$0	#DIV/0!
Printing & Binding	\$0	\$0	\$0	#DIV/0!
Advertising	\$0	\$0	\$0	#DIV/0!
Postage	\$0	\$0	\$0	#DIV/0!
Travel	\$0	\$0	\$0	#DIV/0!
Dues & Fees	\$0	\$0	\$0	#DIV/0!
Bank Service Charges	\$0	\$0	\$0	#DIV/0!
Fayette Cty Billing Fee	\$0	\$0	\$0	#DIV/0!
Regulatory Monitor Fee	\$0	\$0	\$0	#DIV/0!
Industrial Monitoring	\$0	\$0	\$0	#DIV/0!
Lift Station	\$0	\$0	\$0	#DIV/0!
Processing Chemicals	\$0	\$0	\$0	#DIV/0!
Chemical Root Control	\$0	\$0	\$0	#DIV/0!
R/W Spraying Service	\$0	\$0	\$0	#DIV/0!
CCTV Services	\$0	\$0	\$0	#DIV/0!
Sludge Hauling	\$0	\$0	\$0	#DIV/0!
Education & Training	\$0	\$0	\$0	#DIV/0!
Licenses	\$0	\$0	\$0	#DIV/0!
Contract Labor	\$0	\$0	\$0	#DIV/0!
Office Supplies	\$0	\$0	\$0	#DIV/0!
Office Equipment	\$0	\$0	\$0	#DIV/0!
Safety Equip/Supplies	\$500	\$500	\$0	0.0%
Operating Supplies	\$5,000	\$5,000	\$0	0.0%
Water	\$0	\$0	\$0	#DIV/0!
Natural Gas	\$0	\$0	\$0	#DIV/0!
Electricity	\$0	\$0	\$0	#DIV/0!
Gasoline	\$21,000	\$22,000	\$1,000	4.8%
Diesel Fuel	\$30,000	\$30,000	\$0	0.0%
Lubricants	\$2,000	\$2,000	\$0	0.0%
Small Tools & Equip	\$3,000	\$2,000	(\$1,000)	-33.3%
Miscellaneous	\$750	\$750	\$0	0.0%
Uniforms	\$400	\$400	\$0	0.0%
Materials, Supplies, & Services	\$90,650	\$90,650	\$0	0.0%
Total Expenditures	\$269,535	\$90,650	(\$178,885)	-66.4%

* Based on information provided by WASA Staff in Budget Meeting, 08/15/18.

Peachtree City Water and Sewerage Authority
FY 2019 Operating Budget
COLLECTION SYSTEM

	APPROVED FY 2018 BUDGET	*PROPOSED FY 2019 BUDGET	INCREASE (DECREASE) PREV YEAR	PERCENT CHANGE PREV YEAR
Salaries, Wages, & Benefits				
Regular Salaries	\$510,647	\$682,051	\$171,404	33.6%
Overtime Salaries	\$20,000	\$20,000	\$0	0.0%
Health Ins	\$155,382	\$198,215	\$42,833	27.6%
Payroll Taxes	\$41,496	\$52,177	\$10,681	25.7%
Retirement	\$61,589	\$54,564	(\$7,025)	-11.4%
Tuition Reimb	\$0	\$0	\$0	#DIV/0!
Employee Relations	\$0	\$0	\$0	#DIV/0!
Longevity	\$24,212	\$25,617	\$1,405	5.8%
Cost of Living	\$10,212	\$12,959	\$2,747	26.9%
Merit	\$15,318	\$0	(\$15,318)	-100.0%
Salaries, Wages, & Benefits	\$838,856	\$1,045,584	\$206,728	24.6%
Materials, Supplies, & Services				
Prof. Services	\$0	\$0	\$0	
Prof. Services/Engineer	\$0	\$0	\$0	#DIV/0!
Prof. Services/Legal	\$0	\$0	\$0	#DIV/0!
SCADA Maintenance & Consulting	\$0	\$0	\$0	#DIV/0!
Contractual Services	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other -Public Outreach	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other - Auditor	\$0	\$0	\$0	#DIV/0!
Utilities Protection Center	\$0	\$0	\$0	#DIV/0!
Landscape	\$2,000	\$2,000	\$0	0.0%
Repairs & Maint Equip	\$130,000	\$130,000	\$0	0.0%
Repairs & Maint- Bldg	\$0	\$0	\$0	#DIV/0!
Repairs & Maintenance - Veh	\$0	\$0	\$0	#DIV/0!
Street Repair	\$1,000	\$1,000	\$0	0.0%
Rentals	\$2,000	\$2,000	\$0	0.0%
Insurance	\$0	\$0	\$0	#DIV/0!
Communications	\$0	\$0	\$0	#DIV/0!
Printing & Binding	\$0	\$0	\$0	#DIV/0!
Advertising	\$0	\$0	\$0	#DIV/0!
Postage	\$0	\$0	\$0	#DIV/0!
Travel	\$0	\$0	\$0	#DIV/0!
Dues & Fees	\$0	\$0	\$0	#DIV/0!
Bank Service Charges	\$0	\$0	\$0	#DIV/0!
Fayette Cty Billing Fee	\$0	\$0	\$0	#DIV/0!
Regulatory Monitor Fee	\$0	\$0	\$0	#DIV/0!
Industrial Monitoring	\$0	\$0	\$0	#DIV/0!
Lift Station	\$0	\$0	\$0	#DIV/0!
Processing Chemicals	\$275,000	\$200,000	(\$75,000)	-27.3%
Chemical Root Control	\$25,000	\$10,000	(\$15,000)	-60.0%
R/W Spraying Service	\$4,000	\$0	(\$4,000)	-100.0%
CCTV Services	\$20,000	\$0	(\$20,000)	-100.0%
Sludge Hauling	\$0	\$0	\$0	#DIV/0!
Education & Training	\$0	\$0	\$0	#DIV/0!
Licenses	\$0	\$0	\$0	#DIV/0!
Contract Labor	\$0	\$0	\$0	#DIV/0!
Office Supplies	\$0	\$0	\$0	#DIV/0!
Office Equipment	\$0	\$0	\$0	#DIV/0!
Safety Equip/Supplies	\$800	\$800	\$0	0.0%
Operating Supplies	\$50,000	\$50,000	\$0	0.0%
Water	\$3,000	\$3,000	\$0	0.0%
Natural Gas	\$0	\$0	\$0	#DIV/0!
Electricity	\$205,000	\$200,000	(\$5,000)	-2.4%
Gasoline	\$0	\$0	\$0	#DIV/0!
Diesel Fuel	\$0	\$0	\$0	#DIV/0!
Lubricants	\$0	\$0	\$0	#DIV/0!
Small Tools & Equip	\$1,500	\$1,500	\$0	0.0%
Miscellaneous	\$500	\$500	\$0	0.0%
Uniforms	\$9,000	\$8,000	(\$1,000)	-11.1%
Materials, Supplies, & Services	\$728,800	\$608,800	(\$120,000)	-16.5%
Total Expenditures	\$1,567,656	\$1,654,384	\$86,728	5.5%

* Based on information provided by WASA Staff in Budget Meeting, 08/15/18.

Peachtree City Water and Sewerage Authority
FY 2019 Operating Budget
TECHNICAL SERVICES

	APPROVED FY 2018 BUDGET	*PROPOSED FY 2019 BUDGET	INCREASE (DECREASE) PREV YEAR	PERCENT CHANGE PREV YEAR
Salaries, Wages, & Benefits				
Regular Salaries	\$249,445	\$125,200	(\$124,245)	-49.8%
Overtime Salaries	\$0	\$0	\$0	#DIV/0!
Health Ins	\$51,180	\$33,036	(\$18,144)	-35.5%
Payroll Taxes	\$17,884	\$9,578	(\$8,306)	-46.4%
Retirement	\$39,911	\$10,016	(\$29,895)	-74.9%
Tuition Reimb	\$0	\$0	\$0	#DIV/0!
Employee Relations	\$0	\$0	\$0	#DIV/0!
Longevity	\$18,130	\$8,840	(\$9,290)	-51.2%
Cost of Living	\$4,989	\$2,379	(\$2,610)	-52.3%
Merit	\$7,483	\$0	(\$7,483)	-100.0%
Salaries, Wages, & Benefits	\$389,022	\$189,049	(\$199,973)	-51.4%
Materials, Supplies, & Services				
Prof. Services	\$95,000	\$184,340	\$89,340	
Prof. Services/Engineer	\$0	\$0	\$0	#DIV/0!
Prof. Services/Legal	\$0	\$0	\$0	#DIV/0!
SCADA Maintenance & Consulting	\$40,000	\$19,300	(\$20,700)	-51.8%
Contractual Services	\$0	\$8,200	\$8,200	#DIV/0!
Prof. Services/Other	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other -Public Outreach	\$0	\$0	\$0	#DIV/0!
Prof. Services/Other - Auditor	\$0	\$0	\$0	#DIV/0!
Utilities Protection Center	\$7,500	\$8,200	\$700	9.3%
Landscape	\$0	\$0	\$0	#DIV/0!
Repairs & Maint Equip	\$200	\$200	\$0	0.0%
Repairs & Maint- Bldg	\$0	\$0	\$0	#DIV/0!
Repairs & Maintenance - Veh	\$0	\$0	\$0	#DIV/0!
Street Repair	\$0	\$0	\$0	#DIV/0!
Rentals	\$0	\$0	\$0	#DIV/0!
Insurance	\$0	\$0	\$0	#DIV/0!
Communications	\$0	\$0	\$0	#DIV/0!
Printing & Binding	\$0	\$0	\$0	#DIV/0!
Advertising	\$0	\$0	\$0	#DIV/0!
Postage	\$0	\$0	\$0	#DIV/0!
Travel	\$0	\$0	\$0	#DIV/0!
Dues & Fees	\$0	\$0	\$0	#DIV/0!
Bank Service Charges	\$0	\$0	\$0	#DIV/0!
Fayette Cty Billing Fee	\$0	\$0	\$0	#DIV/0!
Regulatory Monitor Fee	\$0	\$0	\$0	#DIV/0!
Industrial Monitoring	\$0	\$0	\$0	#DIV/0!
Lift Station	\$0	\$0	\$0	#DIV/0!
Processing Chemicals	\$0	\$0	\$0	#DIV/0!
Chemical Root Control	\$0	\$0	\$0	#DIV/0!
R/W Spraying Service	\$0	\$0	\$0	#DIV/0!
CCTV Services	\$0	\$0	\$0	#DIV/0!
Sludge Hauling	\$0	\$0	\$0	#DIV/0!
Education & Training	\$0	\$0	\$0	#DIV/0!
Licenses	\$0	\$0	\$0	#DIV/0!
Contract Labor	\$0	\$0	\$0	#DIV/0!
Office Supplies	\$1,500	\$1,250	(\$250)	-16.7%
Office Equipment	\$0	\$0	\$0	#DIV/0!
Safety Equip/Supplies	\$10,000	\$5,000	(\$5,000)	-50.0%
Operating Supplies	\$500	\$500	\$0	0.0%
Water	\$0	\$0	\$0	#DIV/0!
Natural Gas	\$0	\$0	\$0	#DIV/0!
Electricity	\$0	\$0	\$0	#DIV/0!
Gasoline	\$0	\$0	\$0	#DIV/0!
Diesel Fuel	\$0	\$0	\$0	#DIV/0!
Lubricants	\$0	\$0	\$0	#DIV/0!
Small Tools & Equip	\$7,000	\$7,000	\$0	0.0%
Miscellaneous	\$0	\$0	\$0	#DIV/0!
Uniforms	\$500	\$500	\$0	0.0%
Materials, Supplies, & Services	\$162,200	\$234,490	\$72,290	44.6%
Total Expenditures	\$551,222	\$423,539	(\$127,683)	-23.2%

* Based on information provided by WASA Staff in Budget Meeting, 08/15/18.

Peachtree City Water and Sewerage Authority
FY 2019 Operating Budget - **DRAFT**
CAPITAL PROJECTS FUND

FY 2019 BUDGET *

1 Backhoe Trailer	\$	15,000.00
2 Small Flusher Unit	\$	-
3 Flow Study / Temp/Perm Flow Monitoring	\$	-
4 Rockaway UV Expansion (engineering only)	\$	228,000.00
	\$	243,000.00

FY 2018 BUDGET

1. Solar Power Project	\$	850,000.00
2. Correct and widen driveway - Turner	\$	225,000.00
3. Site Preparation - Rockaway Site	\$	200,000.00
4. Master Priority Plan - Engineering	\$	200,000.00
5. RedZone Robotics (Year 7 of 7) FINAL	\$	180,000.00
6. Add enclosure walls and doors to existing equipment storage building	\$	75,000.00
7. Security improvements - Rockaway WRF	\$	75,000.00
8. Sewer Flow Monitoring - Permanent Meter Installation	\$	50,000.00
9. Security improvements - Turner WRF	\$	50,000.00
10. Install Audio Visual (AV) equipment in Conference /Board Room	\$	20,000.00
11. New Trailer for Backhoe - 25,000#; tandem axle w/air brakes; pintle hitch	\$	12,000.00
	\$	1,937,000.00

* Based on information provided by WASA Staff in Budget Meeting, 08/15/18.

Peachtree City Water and Sewerage Authority
 FY 2019 Operating Budget - **DRAFT**
 RENEWAL & REPLACEMENT FUND

FY 2019 BUDGET*

1 Annual Contract (Construction, repair, and replacement)	\$	300,000.00
2 Emergency Servcies Contract	\$	50,000.00
3 LBT Control Building Improvement	\$	47,000.00
4 Repalce Lift Station 15 Starrs Mill	\$	415,600.00
5 Replace (1) VFD - Turner	\$	15,000.00
6 Filter Bags (72 LBT)	\$	17,208.00
7 Filter Bag Racks (5) LBT	\$	2,660.00
8 Line Creek 144 UV Lamps	\$	42,480.00
8.1 Rockaway Blower #3 Replacement	\$	20,000.00
9 Rockaway 96 UV Lamps	\$	-
10 Spare parts UV LBT/Rockaway	\$	20,000.00
11 Small Blowers (3) Rockaway	\$	7,500.00
12 Sludge Pumps (3) Rockaway	\$	7,500.00
13 Computer Replacements	\$	17,000.00
14 Windows 2016 Upgrade / Licenses / Server	\$	12,000.00
15 Two Factor Authentication for VPN	\$	3,540.00
16 Fiber to City	\$	7,200.00
17 Tape Drive (Server Data Back-up)	\$	15,000.00
18 Cyber Security Upgrade (SOPHOS FIREWALL)	\$	9,060.00

Sub-total \$ **1,008,748.00**

On-Going FY 2018 Projects

15 Manhole Rehab	\$	-
16 Replace Turner Upper Main Emergency Backup 450 kW Generator	\$	220,000.00

Sub-total \$ 220,000.00

Total	\$	1,228,748.00
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* Based on information provided by WASA Staff in Budget Meeting, 08/15/18.