

b. In the event of an involuntary termination, the members of the Governing Authority shall become successor trustees for the Plan.

c. The Board shall notify the Governing Authority, Participants, and Beneficiaries in writing of an involuntary termination and the reasons therefor. Said notice shall also fix a termination date. Payment of benefits to Retired Participants and Beneficiaries shall become the responsibility of the Governing Authority, as successor trustees, as of the termination date.

d. The Board, in accordance with its current rules and regulations, shall cause to be prepared, an audit of the JMEBS Investment Fund in accordance with generally accepted accounting practices to determine the value of the Trust Fund as of the termination date. The Board shall then deduct from the Trust Fund the total expenses incurred or to be incurred by JMEBS in terminating the Plan. Distribution of assets to the Governing Authority, as successor trustees, shall then occur within the time limits specified in Article XII of the Declaration of Trust.

ARTICLE XIII

MISCELLANEOUS

Section 1. Construction.

a. In the construction of the Plan all masculine shall include the feminine and the singular the plural in all cases where such meanings would be appropriate.

b. The Plan shall be construed in accordance with the Laws of the State of Georgia.

c. In the event that any section, subsection, sentence, clause or phrase of this agreement shall be declared or adjudged invalid or unconstitutional, such adjudication shall in no manner affect the previously existing provisions or the other section or sections, subsections, sentences, clauses or phrases of this agreement, which shall remain in full force and effect, as if the section, subsection, sentence, clause or phrase so declared or adjudicated invalid or unconstitutional were not originally a part hereof. The Governing Authority hereby declares that it would have passed the remaining parts of this agreement or retained the previously existing provisions if it had known that such part or parts hereof would be declared or adjudicated invalid or unconstitutional.

Section 2. Non-Alienation of Benefits. None of the benefits, payments, proceeds, or distributions payable under the Plan shall be subject to the claim of any creditor of any Participant or to the claim of any creditor of any Beneficiary hereunder, or to any legal process of levy or attachment by any creditor of any such Participant or Beneficiary; and no such benefits shall be in any manner liable for or subject to the debts, liabilities, engagements, or torts of any Participant or Beneficiary; and neither any such Participant or Beneficiary shall have any right to alienate, commute, anticipate, transfer, encumber, pledge, or assign any of the benefits, payments, proceeds, or distributions under the Plan.

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

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

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

Section 6. Limitation of Liability; Legal Actions.

a. It is expressly understood and agreed by each Employee who becomes a Participant hereunder that, except for willful

neglect or fraud, neither the Employer, the Pension Committee, nor the Board of Trustees shall be in any way subject to any suit or litigation, or to any legal liability, for any cause or reason or thing whatsoever, in connection with the Plan or its operation, and each such Participant hereby releases the Employer, all its employees and agents, the Pension Committee, and the Board of Trustees from any and all liability or obligation.

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

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

Section 8. Application for Benefits. Any provision in the Plan to the contrary notwithstanding, benefits may become payable only after the Participant, Beneficiary, or their legal representative, whichever is applicable, has made written application therefor to the Pension Committee. Benefits to which a Terminated Participant is entitled for which no such application has been made within three (3) years of his Normal Retirement Date shall be forfeited. Benefits to which a Beneficiary is entitled for which no such application has been made within three (3) years of the Participant's date of death shall be forfeited. In no event shall any forfeitures be applied to increase the benefits any Participant or Beneficiary would otherwise receive under this Plan.

Section 9. Intent. The Employer hereby agrees to abide by the bylaws and the rules and regulations of the Board of Trustees of JMEBS in all matters pertaining to the operation and administration of the Agreement. It is intended that the Act creating the Board of Trustees of JMEBS, the bylaws of the Board, the rules and regulations of the Board, and this Agreement are to be construed in harmony with each other. In the event of a conflict between the provisions of any of the foregoing, they shall govern in the following order:

- a. The Act creating the Board of Trustees of the Joint Municipal Employees Benefit System, O.C.G.A. Section 47-5-1 et seq.;
- b. The bylaws of the Board;
- c. The rules and regulations of the Board;
- d. This Agreement.

Section 10. Fraud, Embezzlement, Theft, and Dismissal for Cause. In the event the Employer shall receive prior to a Participant's actual Retirement date, written confession by such Participant, or proof satisfactory to the Governing Authority that such Participant has committed or has been convicted of having committed an act of fraud, embezzlement, or theft in connection with his duties or in the course of his employment with the Employer, or in connection with the Plan, his participation in the Plan shall be forthwith terminated, and any vested interest that said Participant may have in the fund shall be forfeited.

Section 11. Errors in Computation of Benefits. Any overpayments or underpayments from the Trust Fund to a Retired Participant or to a Beneficiary caused by errors of computation shall be adjusted with interest at the rate of five percent (5%) per year compounded annually. Overpayments shall be charged against Retirement payments next succeeding the correction. Underpayments shall be made up from the Trust Fund.

PART II

DECLARATION OF TRUST

This declaration by the municipality named in Part III of this Agreement, hereby establishes the Retirement Trust (hereinafter referred to as the "Trust") to carry into effect the provisions of the Retirement Plan contained in Part I and any subsequent amendments thereto.

ARTICLE I

TRUSTEE

The Board of Trustees of the Joint Municipal Employees Benefit System, a public corporation established by O.C.G.A. Section 47-5-1 et seq. (hereinafter referred to as the "Board") is hereby designated as Trustee of the Trust Fund to take, hold, invest, reinvest, administer, and distribute in accordance with the following provisions, all contributions and administrative fees paid to it pursuant to the Plan.

ARTICLE II

TRUST FUND

Section 1.

a. Payments to the Board shall be remitted from time to time in accordance with the terms of the Retirement Plan and said

moneys which are the subject of this Trust, shall be held, administered, invested, reinvested, and distributed, all in accordance with this Trust instrument.

b. The Board's responsibilities shall be as fixed by the said Act creating the Board of Trustees of the Joint Municipal Employees Benefit System, by this instrument, and by the said Agreement. The Board is specifically held harmless by the Employer from any liability to any Participating Employee for benefits under the Employer's Plan, but shall be responsible only to the Employer for the proper administration of the moneys paid to the Board and payment of such moneys as directed by the Employer or its Pension Committee.

Section 2. It is the intent and purpose of this Agreement that this Trust be one of several trusts executed under authority of an Act creating the Board of Trustees of the Joint Municipal Employees Benefit System. It is understood by the parties to this Trust Agreement that it be similar in nature to other trust instruments executed with the Board of Trustees of the Joint Municipal Employees Benefit System, and the Board is hereby authorized to co-mingle assets of this Trust Fund with assets of other such Trust Funds of a similar nature in a common fund known as the JMEBS Investment Fund.

ARTICLE III

POWERS

Section 1. The Board may place assets held by it with banks or trust companies having corporate trust powers and authorized to do business in the State of Georgia, and to authorize any such bank or trust company to invest and reinvest such assets for its account, subject to the provisions relating to permissible investments in Chapter 5 of Title 47 of the Official Code of Georgia Annotated. The Board may employ such banks and trust companies as agents for the keeping of records and the receipt and disbursement of moneys held by or due the Board.

Section 2. The Board may place assets held by it with insurance companies authorized to do business in the State of Georgia for the purpose of investment at guaranteed or anticipated rates of interest. The Board may purchase insurance contracts on the lives of Participating Employees and may purchase annuity contracts to provide Retirement benefits to Participating or Retired Employees and pay all premiums thereon. The Board may employ such insurance companies to provide actuarial advice and to provide services in the keeping of records and the receipt and disbursement of moneys held by or due the Board.

Section 3. The Board is authorized to invest and reinvest assets held by it in any investments which are legal investments for domestic insurance companies under the Laws of Georgia, or in

any investments authorized for trustees of private retirement plans by the Employees Retirement Income Security Act of 1974, as amended, or in any investments which may become such legal investments by future amendment to the applicable laws, and to purchase, acquire, hold, lease, sell and convey real and personal property.

ARTICLE IV

MANAGEMENT OF TRUST FUND

Section 1. The Board shall maintain:

a. A Contribution account for the Employer, to which shall be credited its Contributions and Interest, if any, under the Plan, and

b. Such other accounts, if any, as may be reasonably required in the discretion of the Board.

Section 2. There shall be charged against the above accounts all payments made therefrom pursuant to the terms of the Agreement and the rules and regulations of JMEBS.

Section 3. The interest of the Employer in the JMEBS Investment Fund shall be represented by units which shall constitute equal shares in such fund. The Board may, from time to time, establish new or additional funds and separate and place therein new Contributions rather than adding to the existing funds, and units therein shall represent equal shares in the respective funds.

Section 4. The Board shall prescribe in its rules and regulations the method of valuation of assets.

ARTICLE V

VALUATION OF FUNDS

Section 1. The Board shall determine the principal and Interest of the Trust Fund on periodic valuation dates, established by the Board, but at least each twelve (12) months. Interest shall be determined by the Board in accordance with an established method which it may prescribe in its rules and regulations. The Interest shall be added to and become a part of the principal of the Trust Fund on such valuation date as established by the Board, but at least each twelve (12) months.

Section 2. The principal value on any valuation date of each unit into which the fund is divided, as hereinbefore provided, shall be determined by dividing the then principal value of the fund by the number of units into which the fund is then divided.

ARTICLE VI

AUDIT OF FUNDS

At least once during each period of twelve (12) months, an audit shall be made of the JMEBS Investment Fund by independent public accountants responsible only to and appointed by the

Board. The accountants appointed shall include in each audit a statement of the accounts of the Board, a list of investments, and other assets comprising the JMEBS Investment Fund as of the date of the audit, which shall mean the last day of the period covered, and shall show the valuation placed on each item in accordance with the valuation method adopted by the Board, as of the date of the audit, a statement of all Interest and disbursements since the last audit, and appropriate comments as to any investment in default as to principal or interest. Promptly upon receipt by the Board of each audit, the Board shall send to each Employer a copy thereof.

ARTICLE VII

ANNUAL REPORT

The Board shall file with the Employer a written annual report showing pertinent transactions affecting its respective account since the last previous such report. Within ninety (90) days of the receipt of such report, the Employer may file written objections with the Board, with respect to any transaction regarding its account as shown in such report.

ARTICLE VIII

EXPENSES

The Employer hereby agrees to pay, in addition to its Contributions, and the Board is authorized to charge the

Employer, an administrative fee based upon a uniform schedule of expense charges adopted by the Board of Trustees and applicable to all members subscribing to the Master Retirement Plan. It is understood that such schedule may be amended from time to time by the Board, but the Board shall base such schedule on the total amount of administrative expenses necessary to administer the System, based on a realistic budget adopted and approved by the Board at periodic intervals.

ARTICLE IX

INVESTMENT LIMIT

Funds deposited by the Board with any one bank or trust company shall not exceed twenty-five percent (25%) of the combined capital and surplus of such bank or trust company. Such bank or trust company shall give bond or pledge sufficient federal or municipal securities to secure the deposit of the Board.

ARTICLE X

DISBURSEMENTS FROM TRUST FUND

Section 1. Upon receipt of a written application on a form designated for such purpose and signed by the Pension Committee Secretary, the Board shall issue checks for benefits calculated in accordance with the provisions of the Plan.

Section 2. The Board shall not be liable for any action taken at the direction of the Employer, Pension Committee, or Pension Committee Secretary. If action by the Board can reasonably be taken only after receipt of direction from the Employer, Pension Committee, or Pension Committee Secretary, the Board may request, in writing, direction from the Employer, Pension Committee, or Pension Committee Secretary, and the Board shall not be liable for failure to act pending the receipt of such direction.

Section 3. The Board shall not be responsible for the failure of the Employer to perform any of its obligations under the Plan, including the duty to remit payments to the Board, to provide necessary records concerning Participating Employees and their Earnings to the Board, or failure to abide by any other procedures required by the rules and regulations of the Board.

Section 4. The Board shall not be responsible to the Employer or to any Participating Employee for any obligations beyond the extent of the Trust Fund. The Board shall not incur any liability as a result of the voluntary or involuntary termination of the Plan by the Employer.

ARTICLE XI

FAILURE TO MAKE CONTRIBUTIONS

If the Employer does not make a Contribution within ninety (90) days of the due date of said Contribution, and if in the opinion of the Board such failure jeopardizes the accruing rights of Participating Employees, the Board shall notify each Participating Employee in writing at his last known place of residence of the delinquency. Under such conditions, the Board shall continue to manage the Trust Fund, unless the Employer or the Board exercises its termination rights, so long as the assets attributable to the Employer are sufficient to cover the expenses of JMEBS and to meet the cost of retirees as Participants retire. When the Trust Fund is no longer adequate to meet these obligations, the Plan shall automatically terminate in accordance with Part I, Article XII of the Plan. When the total amount of the Trust Fund subject to withdrawal has been paid in accordance herewith, this trust shall terminate and the Board shall have no further responsibility hereunder.

ARTICLE XII

WITHDRAWAL AND TRANSFER OF TOTAL TRUST FUND

The Employer may direct the Board in writing to transfer the amount of the Trust Fund subject to withdrawal to a successor trustee or trustees. From the date of receipt of such request,

the Board shall, within a period not to exceed six (6) months, return at least one-twelfth (1/12) of the amount subject to withdrawal, and shall continue returning one-twelfth (1/12) of such transferable amount on the first day of each month thereafter until the total amount subject to withdrawal is transferred. When the total amount of the Trust Fund subject to withdrawal has been paid in accordance herewith, this trust shall terminate and the Board shall have no further responsibility hereunder. Such transfer shall constitute an amendment and termination of the Plan and as such shall be subject to the provisions of Part I, Article XII of the Plan.

ARTICLE XIII

TERMINATION

Either the Employer or the Board may terminate this Trust Agreement at any time in accordance with Part I, Article XII of the Plan.

PART III

MEMBERSHIP AGREEMENT

Master Retirement Plan for the Employees of the City of Hahira, Georgia. The Effective Date of this Plan is June 1, 1988 .

The City establishes the above named Retirement Plan and the Effective Date thereof pursuant to the provisions of Part I of this Agreement - Retirement Plan, and Part II - Declaration of Trust, which the Governing Authority has received, read, accepts and specifically incorporates herein by this reference with the following additional terms and conditions.

ARTICLE I

TRUSTEE AND TRUST

The Governing Authority appoints the Board of Trustees of the Joint Municipal Employees Benefit System, a public corporation established by O.C.G.A. Section 47-5-1 et seq., to serve as Trustee in accordance with Part II - Declaration of Trust, and pursuant to the provisions of Part I - Retirement Plan, effective as of the date the Governing Authority signs this Membership Agreement and upon acceptance by the Board of Trustees in writing below. The Trust herein created shall terminate, if it has not

sooner terminated, upon the death of the last of the Participants entitled to benefits who is living at the time of the execution of this trust indenture. However, upon the death of this last survivor if this Trust may continue for a longer period without the violation of any rule of law, then this Trust shall not be terminated by the death of this last survivor. In no event shall this Trust continue for a longer period than is permitted by the laws against perpetuities or any other applicable law. Should it be determined that the term of this Trust does not violate any such law, then this Trust shall be deemed for the longest term permitted by law, but subject to the specific provisions of the Declaration of Trust. This Trust may also be terminated in accordance with the provisions of Part II, Articles XI or XII.

ARTICLE II

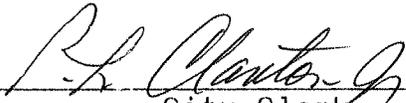
NORMAL RETIREMENT BENEFIT

The Normal Retirement Benefit shall be the product of one and one-fourth percent (1-1/4%) times the Participant's Final Average Earnings multiplied by the Participant's years of Credited Service.

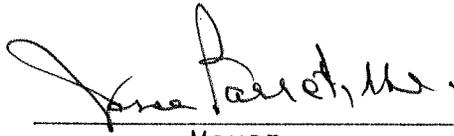
IN WITNESS WHEREOF, the City has caused its Seal and Signatures of its authorized officers to be affixed this 5th day of May, 1988.

Attest:

City of Hahira, Georgia



City Clerk



Mayor

(SEAL)

Approved as to Form and Substance:



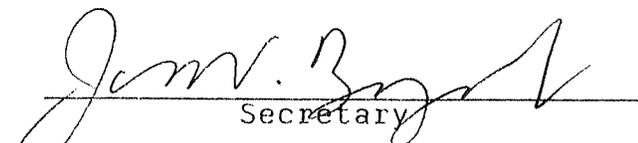
City Attorney

The terms and conditions of the foregoing Agreement are hereby accepted and agreed to.

IN WITNESS WHEREOF, the Board of Trustees of the Joint Municipal Employees Benefit System has caused its Seal and the Signatures of its duly authorized officers to be affixed this 25th day of July, 1988.

Attest:

Board of Trustees
Joint Municipal Employees
Benefit System



Secretary
(SEAL)



Chairman