

**GENERAL ADDENDUM TO THE  
GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM  
DEFINED BENEFIT RETIREMENT PLAN  
ADOPTION AGREEMENT**

**This is an Addendum to the Adoption Agreement completed by the City of Cartersville, Georgia, as follows (complete one or more sections, as applicable):**

**\*\*\*Items (1) through (5) of pre-approved Addendum - Not Applicable\*\*\***

**(6) Modified Definition of Earnings. For purposes of determining any Employee contributions and Final Average Earnings, Earnings as defined in Section 2.26 of the Master Plan shall be modified as follows (check all that apply):**

- (a) excluding overtime pay.
- (b) excluding bonuses.
- (c) excluding holiday pay (specify type of excluded earnings).
- (d) including perquisites or allowances for use of a car or house rent.
- (e) including severance payments; provided that the following limitations shall apply (must specify):  
\_\_\_\_\_.
- (f) including \_\_\_\_\_ (specify type of included earnings).

**This definition of Earnings applies to (check one):**

- All Participants.**

- Only the following Participants (must specify): Overtime and bonus payments are excluded with respect to all Participants. Holiday pay is excluded with respect to police and fire personnel as defined in subsection 16(d) below.

**NOTE: The Employer is responsible for providing any and all documentation to the Administrator relating to payments that are *included* in the definition of Earnings pursuant to this Section, including but not limited to the amount(s) paid and the date of such payment(s).**

[Repeat above subsection as necessary for each applicable definition and Participant class covered under the Plan.]

- (7) **Modified Definition of Final Average Earnings.** Final Average Earnings is defined as the monthly average of Earnings paid to a Participant by the Adopting Employer for the 36 (insert number not to exceed 60) consecutive months of (check one):  Credited Service,  employment, during the last 120 (insert number not to exceed 120) consecutive month period preceding the Participant's most recent Termination in which the Participant's Earnings were the highest, multiplied by 12. Note: GMEBS has prescribed forms for calculation of Final Average Earnings that must be used for this purpose.

This definition of Final Average Earnings applies to (check one):

- All Participants.  
 Only the following Participants (must specify): \_\_\_\_\_.

[Repeat above subsection as necessary.]

\*\*\*Items (8) through (15) of pre-approved Addendum - Not Applicable\*\*\*

- (16) **Other** (May include, but shall not be limited to, provisions relating to Master Plan Sections 6.03, 6.06, 8.04, 8.06, 8.08, 8.09, 8.10, 8.12, 9.01, and 9.02) (must specify):

- (a) **Plan Background.** This is a continuation of the “City of Cartersville 2017 Pension Plan” (“2017 Plan” or “Plan”), which

originally became effective January 1, 2017, for Eligible Regular Employees of the City initially employed or reemployed on or after January 1, 2017, and has been amended from time to time. Effective September 1, 2023, the City of Cartersville transferred administration of the 2017 Plan and all assets in the trust fund of the 2017 Plan to GMEBS. All rights and benefits of Participants who Terminated employment prior to September 1, 2023, shall be determined solely by the provisions in effect as of their respective Termination dates unless otherwise specifically provided herein.

- (i) Relationship with Original City of Cartersville Pension Plan. Employees who were initially employed prior to January 1, 2017, participated in the “City of Cartersville Pension Plan” (“Original Plan”). On January 1, 2017, the Original Plan was closed to new entrants; all future employees, including those who previously participated in the Original Plan but returned to employment on or after January 1, 2017, were ineligible to participate in that Plan and instead became participants in the 2017 Plan with respect to all service after their dates of employment or reemployment occurring on or after January 1, 2017. All Credited Service under the Original Plan Shall count for the purpose of satisfying the requirements for Vesting and benefit eligibility under the 2017 Plan; however, the Participant’s Service and Earnings under the Original Plan shall not count for the purpose of benefit computation under the 2017 Plan.
  
- (ii) Waiting Period prior to July 1, 2023. Prior to July 1, 2023, each Employee who satisfied the eligibility requirements for participation in the 2017 Plan (i.e., any person initially employed or reemployed by the City on a regular full-time basis on or after January 1, 2017), became a Participant in the Plan on the first day of the month coinciding with or next following the date on which he or she had completed six (6) consecutive months of employment with the City, provided that such Employee was at least 18 years of age. For purposes of this subparagraph, “employment” is deemed to have begun on the first day of the month if the Employee commenced working on or before the first non-

holiday weekday of the month as indicated by the City's employment policy. Notwithstanding the foregoing, an Employee described herein who was employed prior to July 1, 2023, but who had not satisfied the six-month waiting period (as applicable) prior to such date, commenced participation in the Plan effective July 1, 2023. Participants described herein shall have a one-time opportunity to purchase Credited Service with respect to their service as an Employee during the waiting period. Otherwise, Participants will not receive Credited Service under the Plan for their employment during the waiting period (e.g., service during the waiting period will not otherwise count for the purpose of benefit computation). However, see subsection 16(e) below concerning determination of Vesting and benefit eligibility for Participants who commenced participation in the Plan prior to July 1, 2023. See also Service Credit Purchase Addendum.

- (b) **Transfer of Assets and Administration.** Administration of this Plan was transferred to GMEBS effective September 1, 2023, with the express intent that a minimum of 85% of Plan assets be transferred to GMEBS no later than September 11, 2023, with the remainder of the Plan's assets, less the amount of any outstanding checks, to be transferred to GMEBS no later than October 10, 2023, to allow GMEBS to make Retirement benefit payments to Retired Participants (and their beneficiaries) on October 1, 2023, and each month thereafter. The trustee, custodian, fund administrator, third party administrator, and other employees or agents of the City of Cartersville who were responsible for the administration of the City's Plan immediately prior to September 1, 2023, are authorized and directed to take any and all reasonably necessary actions to effect the transfer of at least 85% of Retirement Plan assets to GMEBS by September 11, 2023, and the remainder (less the amount of any outstanding checks) by October 10, 2023.
- (i) **Required Data.** On or before September 1, 2023, the City of Cartersville will provide (or will ensure its employees or agents provide) GMEBS with records and information reasonably requested or necessary to facilitate the timely

transfer of plan administration (plan administration will include the payment of current retirees and beneficiaries in pay status as of October 1, 2023). Information and records to be provided include, but are not limited to the following concerning active Participants, Terminated Vested Participants, Retired Participants and beneficiaries: name, address, social security number, birth date, years and months of credited service for Vesting and benefit eligibility purposes, years and months of credited service for benefit computation purposes, 36-month Earnings history, Employee Contribution history and equity account balances, accrued monthly Normal Retirement benefits, beneficiary designation forms, Retirement applications, and direct deposit forms, tax withholding forms, and 1099 tax reporting information for current retirees and beneficiaries.

- (ii) **Treatment of Terminated Vested Participants and Retired Participants.** In particular with respect to Vested Participants who Terminated prior to September 1, 2023, but had not Retired as of such date, the City will ensure GMEBS is provided with a listing indicating the amount of each such Terminated Vested Participant's accrued Normal Retirement benefit and Normal Retirement eligibility date. Retirement benefits for said Terminated Vested Participants will be paid based upon said information in accordance with the Retirement benefit payment options (including factors used to determine benefit reductions associated with survivor beneficiaries and/or Early Retirement benefits, and factors used to determine Actuarial Equivalent amounts) available under the GMEBS Master Plan or the City's pre-GMEBS plan document, as applicable, in effect as of each said Participant's effective Retirement date. See also subsection 16(c) below regarding treatment of Terminated Vested Participants.
- (iii) **Continuation of Benefits for Retirees (and Their Beneficiaries) in Pay Status as of September 1, 2023.** Benefits will continue be paid to Retired Participants (and their beneficiaries, if applicable) in pay status prior to September 1, 2023, in accordance with the form of benefit

payment required or selected by the Retired Participant under the applicable terms of the retirement plan in effect prior to September 1, 2023, and based upon the benefit payment amounts determined prior to September 1, 2023, and furnished to GMEBS.

- (iv) Effect of Failure to Timely Transfer Assets. Notwithstanding any provision to the contrary, the terms of this paragraph shall apply in the event the City fails to liquidate (or have liquidated) all assets invested in the City of Cartersville 2017 Pension Plan trust fund immediately prior to September 1, 2023, and transfer (or have transferred) at least 85% of such liquidated assets to the GMEBS Retirement Trust by September 11, 2023. In such event, the City (or its third-party administrator, as applicable), and not GMEBS, will be responsible for processing and distributing all October 1, 2023, benefit payments under the Plan to Participants (and their beneficiaries) in pay status as of such date. Thereafter, the City (or its third-party administrator, as applicable) shall remain responsible for processing benefit payments under the Plan until the first day of the first month that begins at least 20 days after the date on which at least 85% of the liquidated assets describe in this paragraph 16(b)(iv) have been transferred to GMEBS. GMEBS shall otherwise be responsible for administering the Plan effective September 1, 2023, including but not limited to processing Retirement benefit applications and requests for death benefits and determining the amounts of any benefits newly payable under the Plan, and will notify the City of the amounts of any benefits which become newly payable after September 1, 2023, and until the date on which GMEBS assumes responsibility for processing benefit payments. The City (or its third-party administrator, as applicable) shall process payments of any benefits which become newly payable after September 1, 2023, until the date GMEBS assumes responsibility for processing benefit payments (i.e., the first day of the first month that begins at least 20 days after the date on which at least 85% of the liquidated assets

described in this paragraph 16(b)(iv) have been transferred to GMEBS) in accordance with the information provided by GMEBS.

- (v) Notwithstanding any provision to the contrary, the City, and not GMEBS, shall make Retirement benefit payments to Retired Participants (and their beneficiaries) on September 1, 2023, prior to the transfer of assets to the GMEBS Retirement Trust Fund. Further, the City, and not GMEBS shall issue any necessary tax forms (e.g., Form 1099-R) relating to benefits paid pursuant to the Plan from January 1, 2023 – September 1, 2023. GMEBS shall issue any necessary tax forms (e.g., Form 1099-R) relating to benefits paid pursuant to the Plan from October 1, 2023 – December 31, 2023.

(c) **Administration of Benefits to Terminated Vested Participants Who Terminated Prior to September 1, 2023; Insufficient Information Relating to Calculation of Benefits under Prior Plan.**

Recognizing that documentation by previous plan administrators of the accrued benefits of Participants who Terminated prior to September 1, 2023, may not provide adequate information relating to the computation of Retirement benefits under the Plan for GMEBS to accurately determine a Participant's Vested status, eligibility for benefits, or the amount of a Participant's monthly Retirement benefit, as applicable, the following provisions shall govern the administration of Retirement benefits with respect to a Participant who Terminated employment with the City prior to September 1, 2023 (i.e., the effective date of the City's first GMEBS Plan) and who applies for Retirement benefits on or after such date.

- (i) GMEBS shall accept the City's determination regarding whether a Participant who Terminated prior to September 1, 2023, was deemed Terminated Vested as of such date, provided, however, that in the event the City deemed such a Participant not Vested and information is subsequently presented suggesting that such Participant was Vested, GMEBS shall, in its sole discretion determine whether said

**Participant was Vested upon his or her Termination prior to September 1, 2023.**

- (ii) Where sufficient information necessary for GMEBS to compute such a Participant's benefit is available, including applicable prior plan documents, GMEBS will compute the Participant's Retirement benefits in accordance with such plan documents and supporting information.**
  
- (iii) Where sufficient information necessary to compute such a Participant's benefit is not available, if the accrued benefits of such a Participant were calculated by the plan administrator in place at the time of the Participant's termination, and GMEBS has written documentation of such calculation, GMEBS will administer Retirement benefits, as applicable, to the Participant in accordance with the greater of:
  - (A) The prior administrator's calculation of the Participant's Retirement benefits, applying the GMEBS Retirement factors and the Plan's Early Retirement factors (if applicable) in effect at the time of the Participant's Retirement to determine the monthly Retirement benefit amount payable to the Participant; or**
  - (B) GMEBS's calculation of the Participant's Retirement benefits, using the terms of the GMEBS Plan in effect at the time of the Participant's Retirement, including the benefit formula, the definition of Final Average Earnings and any applicable factors.****
  
- (iv) Where sufficient information necessary to compute such a Participant's benefits is not available and GMEBS does not have documentation of a prior administrator's calculation of the accrued benefits of such a Participant, GMEBS will apply the terms of the GMEBS Plan in effect at the time of the Participant's application for Retirement benefits, including the benefit formula, the definition of Final Average Earnings and any applicable factors, to calculate the Participant's Retirement benefits.**



- (v) In the event information relating to such a Participant's Earnings necessary to compute Retirement benefits is insufficient or unavailable, salary information obtained from the Social Security Administration, or other information provided by the City as Earnings, will be used as a proxy to determine the Participant's Final Average Earnings. The City and/or the Participant will be responsible for obtaining Earnings information necessary to compute Retirement benefits under the Plan and providing such information to GMEBS.
- (vi) In the event such a Participant dies before Retirement benefits commence, the Participant's designated beneficiary shall receive a lump sum payment equal to the Participant's Employee Contributions, plus interest accrued until the date of the Participant's death at the rate of 4% per annum. For purposes of this paragraph, the term "designated beneficiary shall mean the Participant's surviving Spouse, if any, and the term "surviving" shall mean surviving the Participant by at least 32 days. In the event there is no designated beneficiary, the aforementioned lump sum payment shall be made to the Participant's estate.
- (d) Early Retirement for Vested Police and Fire Personnel. A Participant with at least five (5) years of Credited Service as a Participant in this Plan while employed as police and fire personnel or as a former police and fire personnel, who is Vested under the Plan, and is at least 50 years of age but has not attained 20 years of Total Credited Service may apply for Early Retirement based on the "50 & 20" Alternative Normal Retirement qualification in Section 14(C)(6) of the Adoption Agreement. Such a Participant's monthly Retirement benefit will be computed in the same manner as the monthly Normal Retirement benefit, but the benefit shall be reduced by seven (7) percent a year for each year in which the Participant's Termination date precedes the date on which the Participant would have attained 20 years of Total Credited Service. For purposes of this subsection 16(d), as well as Sections 14(A), 14(C)(6) and 19(1) of the Adoption Agreement, "police and fire personnel" shall mean a Participant who is employed in the City's

police and/or fire department and “former police and fire personnel” shall mean a Participant who was previously employed in the City’s police and/or fire department. For the avoidance of doubt, such terms shall include, but shall not be limited to, employees who provide (or who provided) administrative services within the police and/or fire department.

- (e) **Determination of Credited Service for Purposes of Vesting and Benefit Eligibility for Participants Who Commenced Participation in the Plan prior to July 1, 2023.** Notwithstanding any provision to the contrary, with respect to Participants who commenced participation in the Plan prior to July 1, 2023, Service with the City prior to July 1, 2023, shall count as Credited Service for the purposes of satisfying the requirements of Vesting and benefit eligibility in accordance with the applicable terms of the City’s Plan in effect prior to such date. The City shall determine whether such a Participant has satisfied the requirements for Vesting and benefit eligibility under the Plan and GMEBS is entitled to rely on such determination.
- (f) **Effect of Leave of Absence on Final Average Earnings.** The period during which a Participant is on a leave of absence (except for qualified military service), is not included in determining the Participant’s Final Average Earnings.
- (g) **Final Average Earnings for Calculating Late Retirement Benefit.** In the event of Late Retirement, the Final Average Earnings used to calculate a Participant’s Late Retirement benefit will be the greater of the Participant’s Final Average Earnings as of his or her Normal Retirement Date or the Participant’s Final Average Earnings as of the date of his or her Termination of employment.
- (h) **Repayment of Employee Contributions.**
  - (i) **Participants Reemployed on or after September 1, 2023.** A Participant in this Plan who Terminates (or Terminated) employment, withdraws (or withdrew) Employee Contributions made under this Plan, and becomes reemployed on or after September 1, 2023, shall be subject to the applicable provisions of Section 13.03(d) and (e) of

the Master Plan concerning repayment of Employee Contributions for the purpose of restoring any Credited Service under this Plan that was previously forfeited by virtue of the Participant's withdrawal of Employee Contributions (e.g., such Participants have six-months from the date of reemployment to repay all amounts previously withdrawn plus interest at the assumed actuarial rate of return for the GMEBS Retirement Fund established by the Board as of the date of repayment), provided that the period of time between the Participant's Termination of employment and the Participant's date of reemployment is less than or equal to five (5) years. If a Participant returns to employment more than five (5) years after his or her most recent Termination of employment, the Participant will not be eligible to repay withdrawn Employee Contributions or restore previously forfeited Credited Service under the Plan.

(ii) Participants Reemployed prior to September 1, 2023. The following provisions shall apply with respect to Participants who previously Terminated employment and withdrew Employee Contributions but subsequently became reemployed in an Eligible Employee class prior to September 1, 2023. Upon such reemployment, such a Participant was permitted to reinstate any service credit under this Plan he or she forfeited by virtue of his or her withdrawal of Employee Contributions provided that: 1) the period of time between the Participant's Termination of employment and the Participant's date of reemployment was less than or equal to five (5) years; 2) the Participant repaid (or repays) in a lump sum all amounts previously withdrawn plus 5% interest compounded annually from the date of the return of Contributions through the date of repayment; and 3) the amount due was (or is) is paid in full within 12 months of his or her resumption of employment.

(i) Interest in Event of Failure to Exhaust. The provisions of Section 13.06 of the Master Plan shall apply in the event of failure to exhaust. For purposes of a refund of Employee Contributions in the event of Failure to Exhaust only, interest on a Participant's

Employee Contributions shall be deemed to have accrued at the rate of 4% per annum.

- (j) **Reservation of Rights.** The City of Cartersville, Georgia, expects and intends to maintain the Plan in force indefinitely, but necessarily reserves the right to modify, discontinue or terminate the Plan at any time in any manner it deems appropriate. Further, at any time and from time to time, the Plan may be changed in whole or in part, or the contributions of the Employer may be suspended.
- (k) **Effect of Termination on Participants in the Plan as of August 31, 2023.** With respect to Participants in the Plan as of August 31, 2023, in the event of a termination or partial termination of the Plan, the accrued benefit of each such Participant shall become 100% Vested and non-forfeitable”. The applicable terms of the GMEBS Master Plan shall control in the event of a full or partial termination of the plan with respect to Participants initially employed or reemployed by the City on or after September 1, 2023.
- (l) **Reliance by GMEBS on Information Provided by City; Litigation over Transfer of Assets and Administration.** GMEBS is not responsible for errors in and is entitled to rely on all documents and information provided to GMEBS by the City, including but not limited to information required pursuant to subsection 16(b) of this Addendum. The City certifies that the information provided is true and correct to the best of its knowledge. Notwithstanding any provision to the contrary, the City of Cartersville, and not GMEBS, shall bear the cost of any litigation or other claims relating to the transfer of assets and administration to GMEBS.
- (m) **Portability Service with GMEBS Employers Not Applicable to Participants Who Terminated Prior to September 1, 2023 – Notwithstanding Section 9.05 of the Master Plan or any other provision to the contrary, Service with other GMEBS Employers shall not count as portability service under this Plan for Employees who Terminated employment with the City of**

**Cartersville prior to September 1, 2023, unless such Employees participate in this Plan on or after September 1, 2023.**

- (n) IRS Filings. The City will complete at its expense any IRS filings (including payment of associated IRS filing fees and tax attorney fees) that GMEBS reasonably requests in order to protect the 401(a)-qualified status of the GMEBS volume submitter plan and/or to confirm the 401(a)-qualified status of the City's Adoption Agreement and Addendum.**

The terms of the foregoing Addendum to the Adoption Agreement are approved by the Mayor and Council of the City of Cartersville, Georgia this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Attest: CITY OF CARTERSVILLE, GEORGIA

\_\_\_\_\_  
City Clerk Mayor

(SEAL)

Approved:

\_\_\_\_\_  
City Attorney

The terms of the foregoing Addendum are approved by the Board of Trustees of the Georgia Municipal Employees Benefit System.

IN WITNESS WHEREOF, the Board of Trustees of the Georgia Municipal Employees Benefit System has caused its Seal and the signatures of its duly authorized officers to be affixed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**Board of Trustees  
Georgia Municipal Employees  
Benefit System**

(SEAL)

\_\_\_\_\_  
Secretary