

**ADDENDUM TO
THE GEORGIA MUNICIPAL ASSOCIATION, INC.
401(a) DEFINED CONTRIBUTION PLAN
ADOPTION AGREEMENT**

This is an Addendum to the Adoption Agreement for the City of Stonecrest, Georgia ("Participating Employer") under the GMA 401(a) Defined Contribution Plan ("GMA Plan"), which became effective December 1, 2021. The Adoption Agreement will remain in effect. This Addendum shall replace and supersede any previous Addendum to the Adoption Agreement. It modifies the Adoption Agreement in the following ways (complete all that apply):

- Restatement of Existing Plan.** Effective _____, _____, the GMA Plan Adoption Agreement for the Participating Employer, including this Addendum ("Plan"), shall be considered to amend, restate, and replace the _____ ("Superseded Plan") previously adopted by the Participating Employer. Specific provisions relating to the Superseded Plan that will be preserved under the GMA Plan Adoption Agreement for the Plan are elected below (**complete all that apply; may only preserve those provisions that have been the subject of a prior determination letter, opinion letter, or advisory letter and that are permitted in a pre-approved plan**):
 - Frozen Plan.** The Superseded Plan is a frozen plan. Notwithstanding any provision in the GMA Plan Adoption Agreement to the contrary, no contributions are required or permitted to be made and no benefits will accrue for service or compensation after _____, _____ (**insert the freeze effective date**).
 - Protect Existing Vesting Provisions.** Notwithstanding any provisions of the GMA Plan or the Participating Employer's Plan to the contrary, the following protected vesting provisions shall apply with respect to the transferred accounts under the Superseded Plan as of _____, _____ (**insert the effective date of the transfer to the Trust for the GMA Plan**).

Notwithstanding the vesting provisions elected in the Adoption Agreement for the Participating Employer's Plan, a Participant will be vested in his or her account balance transferred from the Superseded Plan, as follows (**check one**):

- Immediate 100% vesting.
- Cliff 100% vesting after the Participant has been employed as an Eligible Employee for _____ years (**not to exceed 10 years**).

- Graduated vesting based on the following scale:

<u>Completed Years of Service as an Eligible Employee</u>	<u>Vested %</u>
1 year	_____ %
2 years	_____ %
3 years	_____ %
4 years	_____ %
5 years	_____ %
6 years	_____ %
7 years	_____ %
8 years	_____ %
9 years	_____ %
10 years	100%

The vesting provisions elected in this section must comply with the pre-ERISA vesting standards applicable to governmental plans. Furthermore, a Participant shall be 100% vested (i) at all times in any employee contributions made under the Superseded Plan, and (ii) in his or her total account balance upon reaching Normal Retirement Age.

- Accept Existing After-Tax Contributions.** Notwithstanding the fact that the GMA Plan does not require or permit employee after-tax contributions, the GMA Plan will accept the transfer of amounts attributable to employee after-tax contributions that were made under the Superseded Plan up until the payroll period ending _____, _____ **(specify last day of applicable payroll period)**. Employee after-tax contributions will not be required or permitted after such date.

- One-Time Irrevocable Waiver of Participation.** Participation in the Plan is considered mandatory for all Eligible Employees who satisfy the eligibility conditions specified in the Adoption Agreement. However, the Employer may specify below that participation is optional for certain classes of Eligible Employees, including elected or appointed members of the Governing Authority, Municipal Legal Officers, City Managers, and/or Department Directors. If participation is optional for an Eligible Employee, then in order to become a Participant, he must make an election to participate within _____ days **(specify number not to exceed 120 days)** after employment, election or appointment to office, or if later, the date he first becomes eligible to participate in the Plan. The election is irrevocable, and the failure to make the election within the specified time period shall be deemed an irrevocable election not to participate in the Plan.

Classes for whom participation is optional:

- Elected or appointed members of the Governing Authority
- Municipal Legal Officers
- City Manager
- Department Directors
- Other (**must specify; specific positions are permissible; must be Eligible Employees; specific individuals may not be named**): _____

- Involuntary Termination.** If a Participant is involuntarily terminated from employment with the Participating Employer without cause, as determined by the Participating Employer, the Participant shall be considered vested in his or her account balance existing as of the date of his or her termination and the forfeiture requirements under the Adoption Agreement shall not apply.
- Periods of Employment Relating to Withdrawal.** If a Participant withdraws his or her account balance from the Participating Employer's Plan upon Severance from Employment, the period(s) of employment relating to that withdrawal will not be aggregated for vesting purposes. Once an Eligible Employee is in vested status, a subsequent break in service and reemployment with the same Employer does not affect the Eligible Employee's vested status if a Participant has not withdrawn his or her account balance from the Participating Employer's Plan.
- Alternative Vesting Schedule.** Employers select vesting provisions for employer contributions in the Adoption Agreement. However, the Employer may specify below that certain classes of Eligible Employees, including elected or appointed members of the Governing Authority, Municipal Legal Officers, City Managers, and/or Department Directors, are subject to an alternative vesting schedule.

Classes for whom the alternative vesting schedule applies:

- Elected or appointed members of the Governing Authority
- Municipal Legal Officers
- City Manager
- Department Directors
- Other (**must specify; specific positions are permissible; must be Eligible Employees; specific individuals may not be named**): _____

Notwithstanding the vesting provisions elected in the Adoption Agreement for the Participating Employer's Plan, an Eligible Employee in a class of employees indicated by the Employer in this section will be vested in his or her account balance as follows (**check one**):

- Immediate Vesting.** No vesting schedule. Employer Contributions are 100% vested from the time credited to the Participant's Account (if this option is elected, do not complete the rest of this section).
- Cliff Vesting.** Employer Contributions are 100% vested after a Participant has been employed as an Eligible Employee for _____ years (not to exceed 5 years) (the "Vesting Period"). Matching contributions remain 0% vested until the Participant satisfies the full Vesting Period.
- Graduated Vesting Schedule.** Employer Contributions are vested on the following graduated scale (insert vesting % for each completed year of service as an Eligible Employee. Note: Maximum waiting period for 100% vesting may not exceed 5 years):

<u>Completed Years of Service as Eligible Employee</u>	<u>Vested %</u>
1 year	_____ %
2 years	_____ %
3 years	_____ %
4 years	_____ %
5 years	_____ 100 %

Complete the following items if Employer has elected Cliff Vesting or Graduated Vesting:

In determining the Participant's total years of service for vesting purposes, Eligible Employees in the specified class who are employed on the date the Plan is adopted by the Employer (**check one**): will be will not be given credit for prior service as an Eligible Employee.

In determining the Participant's total years of service for vesting purposes, different periods of employment as an Eligible Employee in the specified class (**check one**): will be added together will not be added together will be added together if the Participant is reemployed with the Employer before completing a period of separation of _____ years (not to exceed 5 years).

EXECUTION BY EMPLOYER

The terms of the foregoing Addendum to the Adoption Agreement are hereby adopted and approved on the _____ day of _____, _____, by the Mayor and Council of the City of Stonecrest, Georgia. This Addendum will be effective December 13, 2021.

Signed: _____

Printed Name: _____

Title: _____

Date of Signature: _____

TRUSTEES' APPROVAL

The terms of the foregoing Addendum are approved by the Board of Trustees of the GMA Defined Contribution and Deferred Compensation Program.

Dated: _____

By: _____

Title: _____

on behalf of the Board of Trustees