CITY OF DRESDEN
BOARD MEETING AGENDA
February 2, 2026
6:00 p.m.

I. Call To Order By Mayor

II. Opening Ceremonies
- A. Welcoming Remarks
- B. Invocation
- C. Pledge of Allegiance

III. Roll Call by City Recorder

IV. Minutes of the Previous Meeting

V. Mayor's Report

VI. Input From Citizens

LeAnne Moore
Barry Odle

VII. Employee's Report
- A. Carla Edwards -- Finance
- B. Josh Lassiter – Public Works
- C. Jeff Pierpoint – Water Plant
- D. Bryan Chandler – Police
- E. Joey Winstead – Park
- F. Paul Hutcherson – Fire

VIII. Reports from Aldermen or Advisory Committees

IX. Unfinished Business
- A. Storm Drain Project Update
- B. Chamber Construction Project – Abandon Alley

X. New Business
- A. Donation Acceptance Resolution 2026-11
- B. Budget Amendment Resolution 2026-12
- C. CDBG Grant Resolution 2026-13
- D. Rezoning Ordinance 2026-01
- E. Retirement Plan Documents Resolution 2026-14

XI. Announcements

XII. Adjournment

City of Dresden
Board of Directors Meeting
January 5, 2026
6:00 p.m.

BE IT REMEMBERED that the Board of Mayor and Aldermen met in regular session on Monday, January 5, 2026 at 6:00 p.m. at Dresden Municipal Complex. Mayor Mark Maddox was present and presiding when the following was entered into record. Mayor Mark Maddox, City Recorder Jennifer Branscum, Finance Director Carla Edwards, Water Plant Operator Jeff Pierpoint, Park Director Joey Winstead, Police Chief Bryan Chandler, Fire Chief Paul Hutcherson and Public Works Director Josh Lassiter were present. City Attorney Lowe Finney was also present. Mayor Mark Maddox called the meeting to order. Mayor Mark Maddox then asked for the roll call. Lyndal Dilday gave the invocation, and Mayor Maddox led the board and guests in the pledge.

Roll Call

Gwin Anderson	Present	Ralph Cobb	Present
Lyndal Dilday	Present	Curtis Doran	Present
Kenneth Moore	Present	Jennifer Schlicht	Present

Mayor Maddox presented the minutes of the December 1, 2025 meeting. Mayor Maddox asked if there were any corrections, additions or deletions to the minutes. He stated the approval of the minutes section needed to reflect November 3, 2025 meeting instead of December. With no further corrections noted, Mayor Maddox stated the minutes were approved as corrected.

BJ Erwin addressed the Board concerning speeding on S. Parkway and surrounding streets. He commended the Police Department for their presence on S. Parkway in the last month or so. He stated teenagers and adults start at one of the street and see how fast they can go to the other end. He stated children ride their bikes and people are walking their dogs along this street. He asked the Police Department to continue their patrol on S. Parkway and surrounding streets. Jennifer Schlicht asked for citations to be issued so the numbers show proof of enforcement.

Mayor Maddox gave an update on the storm drain projects. He stated the City was still waiting on an easement to be signed before construction can begin. Leanne Moore stated the contractor was backed down before an easement was available to sign. She stated she received an easement in September and the project was cancelled in the summer. She stated she has an easement from the current city attorney and has some amendments she would like made to it before she signs it. She stated she would like to be put in contact with the City's insurance company since construction won't start until mid-March and she feels the statute of limitations is coming to an end.

City Attorney Lowe Finney stated he is working on drafting the necessary paperwork for the Chamber project. He stated he is reviewing the surrounding properties and ownership to make sure the paperwork gets drafted correctly.

Mayor Maddox presented Budget Amendment Resolution 2026-10 for approval. Mayor Maddox asked Finance Director Carla Edwards to explain each item. Gwin Anderson made a motion to approve Budget Amendment Resolution 2026-10. Curtis Doran seconded the motion. Anderson, Cobb, Dilday, Doran, and Schlicht all voted yes. Moore voted no. The motion passed with a vote of 5 to 1.

Jennifer Schlicht asked if open burning was allowed in the city limits. Fire Chief Paul Hutcherson stated an application can be obtained from City Hall which is then sent on to the Sheriff's Department for notification. He stated there are some times during the year that a no burn order is issued due to certain conditions. He stated a verbal permit is given after hours and on the weekends by himself or Deputy Chief Green. Schlicht asked if burning could be done in ditches along the road. Chief Hutcherson stated burning could be done in ditches next to the road as long as the property belongs to the resident.

Gwin Anderson asked for an update on the S. Wilson Street sidewalk. Josh Lassiter stated he needed to backfill with some dirt and add some coal patch along the edge.

Gwin Anderson asked about the spot of sidewalk on Linden Street that is torn out. Josh Lassiter stated his department fixed a sewer tap there and will be filling in the spot with dirt while waiting for the concrete to be poured back.

Jennifer Schlicht stated the potholes on Anderson Alley need to be addressed.

Mayor Maddox stated the City would be asking WCMES to fix the lights on Highway 22 that are out.

Mayor Maddox stated the storms sirens are in the process of being installed. He stated there are two that lack being put up.

Gwin Anderson commended Mayor Maddox for hosting the Mayor's Forum prior to the regular board meetings. He asked if a report from the forum could be included in the agenda packet. Mayor Maddox stated he had already thought about that and would be sending a report.

Mayor Maddox stated he would like the City to have a master plan for long range planning similar to what the county in undertaking.

Mayor Maddox stated the lights on the front of the building are not working and would be addressed with the contractor.

With no further business to discuss, Ralph Cobb made a motion to adjourn. Curtis Doran seconded the motion. Anderson, Cobb, Dilday, Doran, Moore and Schlicht all voted yes. The motion passed with a vote of 6 to 0.

_____

Mayor Mark Maddox

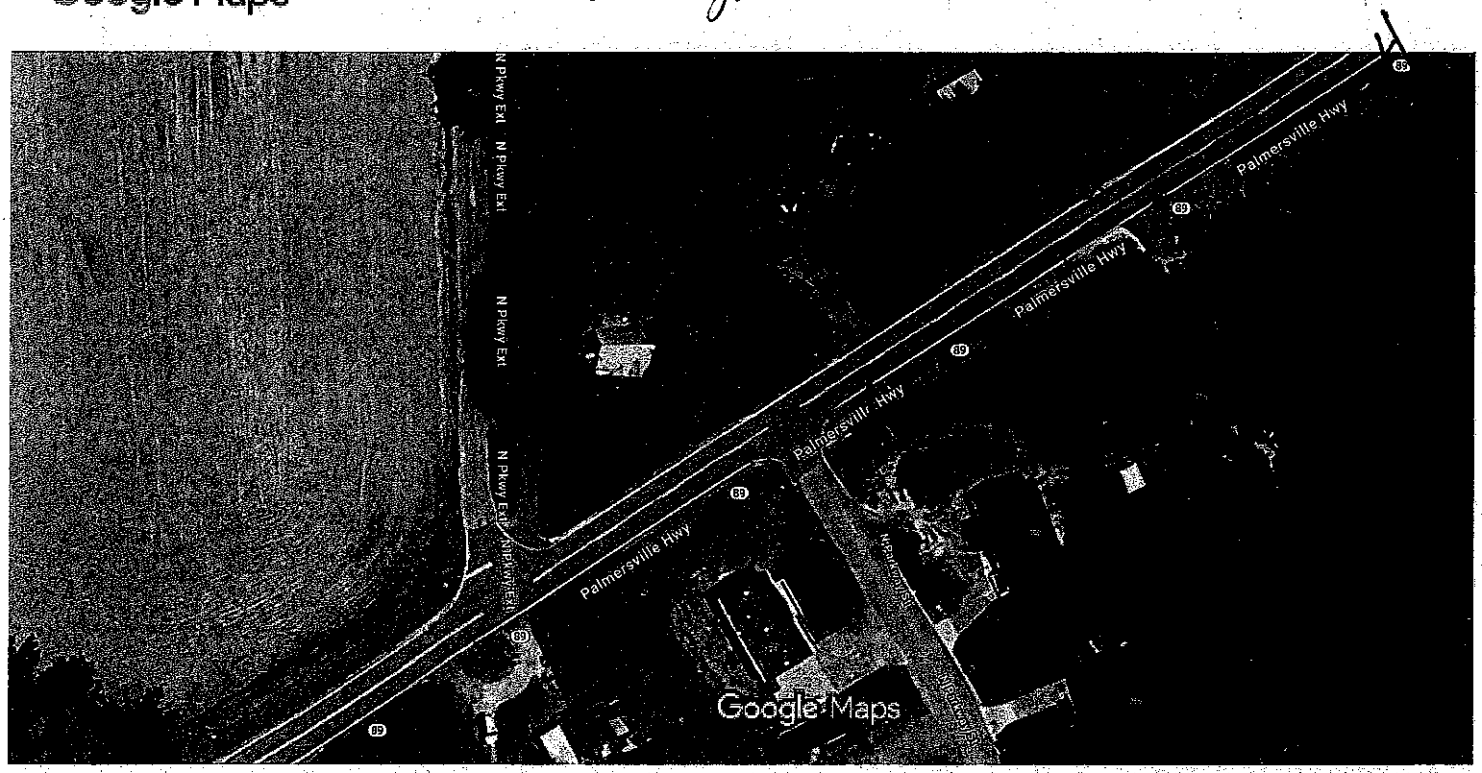
ATTEST:

_____

City Recorder Jennifer Branscum

Google Maps

FOR THE MAYOR'S REPORT



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1. 55 M.P.H. ZONE STARTS. STILL INSIDE CITY LIMITS.

2. LOCATION WHERE 35 M.P.H. ZONE START WAS LOCATED. NOW SIGN WELCOMING TO DRESDEN 30 M.P.H. SPEED ZONE UNLESS MARKED.

3. WHERE CITY LIMIT ACTUALLY ENDS.

4. MY PROPOSAL TO MOVE 55 M.P.H. ZONE APPROX 20 YARDS PASSED 716 PALMERSVILLE Hwy 89, AND BEGIN THE 35 M.P.H. ZONE PARALLEL WITH 55 M.P.H. ZONE FOR INCOMING TRAFFIC.

Finance Director Report

Board Meeting 2/2/26

1. The 2025 tax data has been received and has been loaded into our Accounting system. The original value for property tax was $824,338.90. The ad valorem tax data was received in December, 2025. The original value for ad valorem tax was $13,403.81 The original total revenue amount was $837,742.71. This total has been increased by assessment changes in the amount of $1,348.15. The current revenue amount of $839,090.86 is higher than the budget of $838,284.00 by $806.86. Collections to date as of 1/23/26 equal $365,309.56. The current outstanding receivable amount is $473,781.30. This amount is higher than the prior year balance by $58,007.97.
2. As of 1/23/26, the outstanding balance for 2024 Property Taxes is $14,831.36. The balance has been reduced by payments in the amount of $1,201.45 since the previous report. The one year delinquent tax receivable at this time in the prior year was $18,054.89. Our current balance is lower than the prior year by $3,223.53.
3. As of 1/23/26, the outstanding balance for 2015 through 2023 Property Taxes is $5,839.12. The balance has been reduced by payments in the amount of $10.73 since the previous report. The delinquent tax receivable for two years or more at this time in the prior year was $8,421.26. Our current balance is lower than the prior year by $2,582.14.
4. All property taxes for years prior to 2015 have been written off as non-collectible. All outstanding taxes are fully reserved so any collections of prior year taxes will be recognized as delinquent tax revenue.
5. Monthly activities:
   a. Processed biweekly payrolls for 1/2/26, 1/16/26 and 1/30/26
   b. Processed volunteer fire and monthly payroll for 1/30/26.
   c. Processed purchase orders.
   d. Coded and entered accounts payable invoices and check requests.
   e. Processed 4 weekly accounts payable check runs.
   f. Prepared monthly account reconciliations.
   g. Assisted at the counter to receipt water bill payments, property tax payments and miscellaneous receipts.

Please let me know if there is any additional information you would like for me to be presenting to you each month.

Thank you.

Carla R Edwards

Finance Director

City of Dresden

Dresden Public Works

January 2026

Daily Checking of 25 Lift Stations

Cleaning of Sewer Lines

Read Water Meters & Checked High Readings

Repaired Multiple Water Lines & Water Mains

Turn Ons & Offs

Picked up bulk items

Picked up brush

Routine Maintenance of Equipment & made necessary repairs

Picked Up Trash

Prepared equipment and materials for incoming inclement weather

Cleared streets and spread salt after snow

Met with A2H & Mayor to discuss potential projects for CDBG grant application

Assisted City of Sharon with repair of a water main break as they were short staffed

RESOLUTION – 2026-11

A RESOLUTION OF THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF DRESDEN, TENNESSEE, ESTABLISHING TO ACCEPT GIFTS AND OTHER DONATIONS.

WHEREAS, the Dresden Board of Mayor and Aldermen wish to evaluate the suitability of donations and other gifts prior to acceptance by the Town.

WHEREAS, gifts and donations to be approved by the Board of Mayor and Aldermen. It is the policy of the City of Dresden that no City official or employee shall solicit or accept any donation or gift on behalf of the City unless and until such solicitation or proposed donation is first approved and authorized by the Board of Mayor and Aldermen. For the purpose of this Resolution, the phrase "donation or gift" shall include, but is not limited to, such items of value as cash, bonds, real estate, automobiles, and other items of personal use.

WHEREAS, prior to voting to accept a donation or gift, the Board of Mayor and Aldermen shall first conduct a cost/benefit analysis to determine how acceptance of the proposed gift or donation will affect the City treasury and cash flow.

WHEREAS, prior to voting to accept a donation or gift, the Board of Mayor and Aldermen shall seek and obtain appropriate legal advice to determine the legal implications of such acceptance. In no event shall the City accept offers of donations or gifts which are predicated on the donor receiving favorable treatment by the City, nor shall the City accept donations or gifts which are predicated on the City pursuing policies which violate Federal or State laws or municipal ordinance.

WHEREAS, in considering the acceptance of gifts or donations, the Board of Mayor and Aldermen may consider whether such acceptance, or the conditions of such acceptance, may be unreasonably offensive to the citizens of Dresden.

WHEREAS, nothing in this policy shall be construed to apply to any federal or state grants or low-interest loans offered to the City of Dresden.

NOW, THEREFORE BE IT RESOLVED, the City of Dresden Board of Mayor and Aldermen authorize the acceptance of:

- A monetary donation from Weakley County in the amount of $10,869.60 to purchase five (5) Automated External Defibrillators (AEDs) to be used by the Dresden Police Department.

This resolution shall be adopted and these donations be accepted, the public welfare requiring it.

PASSED AND APPROVED THIS 2nd DAY OF February, 2026 BY A ROLL CALL VOTE OF THE DRESDEN BOARD OF MAYOR AND ALDERMEN.

Aye / Nay	**Gwin Anderson**
Aye / Nay	**Ralph Cobb**
Aye / Nay	**Lyndal Dilday**
Aye / Nay	**Curtis Doran**
Aye / Nay	**Kenneth Moore**
Aye / Nay	**Jennifer Schlicht**

_____
Mark Maddox, Mayor

Attest: _____
City Recorder Jennifer Branscum

Resolution 2026-12

WHEREAS, the City of Dresden has adopted a budget for Fiscal Year 2026 that defines line-item budgets for the Water Fund and General Fund and,

WHEREAS, there is need to amend the budget to reallocate funds and expenses.

NOW, THERFORE BE IT RESOLVED, the Dresden Board of Mayor and Aldermen authorize the following:

General Fund – Increases required for Mayor and City Hall functions due to higher than estimated costs for operating the new municipal complex including cleaning, insurance, phone and computer systems. Also increase in budget for costs expended during Dresden Bicentennial celebration and opening of the time capsule.

DB	110-27000	Fund Balance	$73,890.00
CR	110-41300-111	Salaries – Mayor's Dept	$7,200.00
CR	110-41300-141	Employer Payroll Tax	$551.00
CR	110-41300-235	Annual Memberships	$2,200.00
CR	110-41300-510	Insurance	$20,639.00
CR	110-41300-799	Sundry	$7,000.00
CR	110-41300-900	Capital	$7,300.00
CR	110-41510-211	Postage	$500.00
CR	110-41510-241	City Hall Electric	$7,500.00
CR	110-41510-245	City Hall Phone & Internet	$2,900.00
CR	110-41510-255	Data Process Services	$11,200.00
CR	110-41510-260	Repair & Maintenance	$2,400.00
CR	110-41510-311	Office Supplies	$3,250.00
CR	110-41510-324	Household & Janitorial Supplies	$1,250.00

This resolution shall take effect upon its passage, the public welfare requiring it.

_____ Anderson _____ Cobb _____ Dilday
_____ Doran _____ Moore _____ Schlicht

____ Passed / ___ Failed with a vote of ____ to ____ this 2nd day of February, 2026.

_____
Mayor Mark Maddox

_____
ATTEST: Jennifer Branscum, City Recorder

A RESOLUTION TO APPLY TO THE TENNESSEE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FY2025

RESOLTUION 2026-13

WHEREAS, the governing body of the City of Dresden, Tennessee, having committed itself to the improvement of the community that it represents, wishes to make an application for a Community Paving project.

WHEREAS, having determined proper eligibility by CDBG program guidelines, said governing body wishes to make an application for/up to $750,000 in grant funds to implement the aforementioned improvements, and understands that the City of Dresden will be accountable for providing a match rate of no less than 16 percent.

NOW, THEREFORE BE IT RESOLVED by the governing body of the City of Dresden, Tennessee meeting in session on this the 2nd day of February, 2026 that the Mayor of the City of Dresden is authorized to commit local matching funds to the proposed project and to sign and all necessary assurances, agreements, or contracts required for recipients of CDBG funds.

The Mayor be authorized and directed to:

a. Execute and submit an application for the 2026 Community Development Block Grant funds in the amount up to $ 750,000 to the Tennessee Department of Economic and Community Development for the purpose of a Community Paving project.

b. Enter into the necessary agreements with the Tennessee Department of Economic and Community Development to receive and administer said grant funds.

c. Execute necessary agreements for grant administrative services without further action by the City of Dresden, contingent upon approval by the funding agencies.

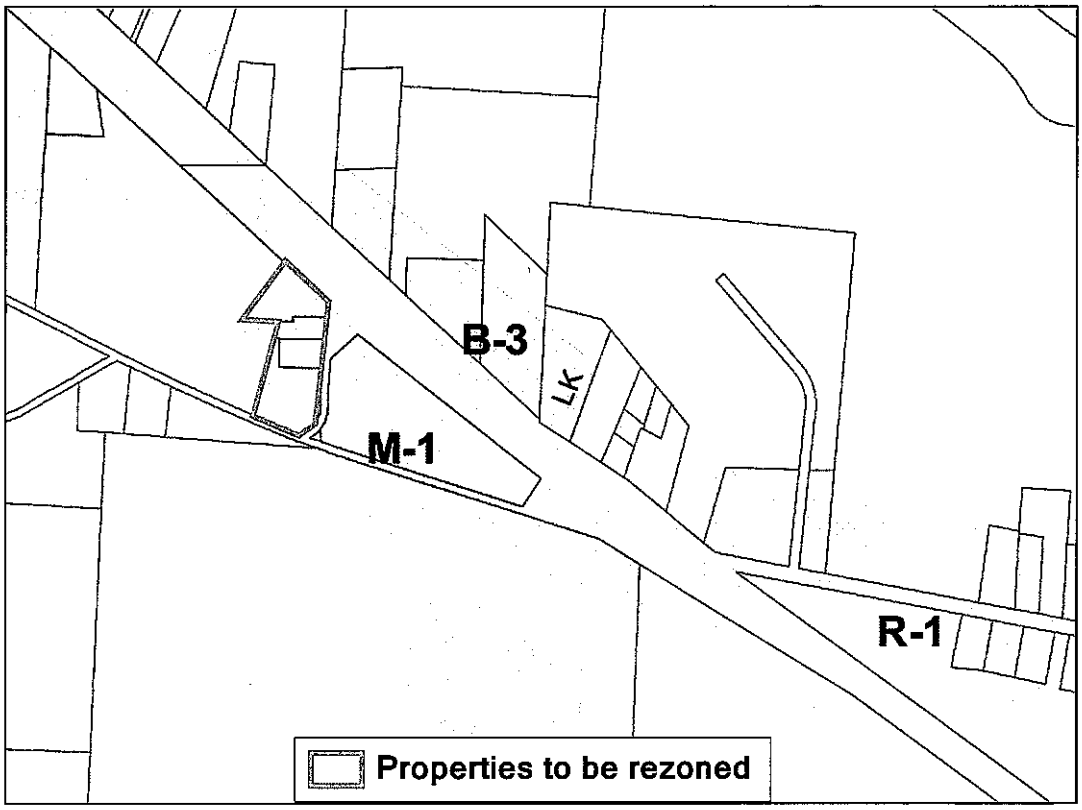
The City of Dresden, Mayor Mark Maddox, declared the resolution to be duly adopted and effective from and after this the 2nd day of February, 2026.

APPROVED:

_____
Mayor Mark Maddox

ATTEST:

_____
City Recorder



ORDINANCE 2026-01

AN ORDINANCE TO AMEND THE TOWN OF DRESDEN'S MUNICIPAL ZONING MAP: TO REZONE FROM M-1 (LIGHT INDUSTRIAL) TO R-1 (LOW-DENSITY RESIDENTIAL) ADJACENT PROPERTIES LOCATED ON NURSING HOME ROAD (TAX MAP 101, PARCELS 6.01, 8.00, 8.01, & 8.02), WHICH ARE OWNED RESPECTIVELY BY JAMES & DEBORAH KIDWELL, DEBORAH AUSTIN, BECKY WEST, AND DAVID SMITH & MAEGAN JOLLEY.

WHEREAS, pursuant to Tennessee Code Annotated Sections 13-7-201 and 13-7-202 a zoning ordinance and map have been adopted for the Town of Dresden; and,

WHEREAS, the Dresden Municipal-Regional Planning Commission has recommended that the following property be reclassified from its current zoning designation to the proposed zoning designation; and,

WHEREAS, a public hearing was held before the Dresden Board of Mayor and Aldermen pursuant to Section 13-7-203, Tennessee Code Annotated, the time and place of this was published with fifteen days advance notice.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMAN OF THE TOWN OF DRESDEN:

SECTION 1. That the following described properties be rezoned from M-1 (Light Industrial) to R-1 (Low-Density Residential):

Tax Map 101, Parcel 6.01
Tax Map 101, Parcel 8.00
Tax Map 101, Parcel 8.01
Tax Map 101, Parcel 8.02

SECTION 2. BE IT FURTHER RESOLVED that this Ordinance shall become effective immediately upon its adoption, **THE PUBLIC HEALTH, SAFETY AND WELFARE REQUIRING IT.**

Passed First Reading: _____
Date

Public Hearing: _____
Date

Passed Second Reading: _____
Date

_____
Mayor Mark Maddox

ATTEST:

_____
City Recorder Jennifer Branscum

NOTICE OF PUBLIC HEARING

Pursuant to Tennessee Code Annotated 13-7-203, the Town of Dresden Board of Mayor and Aldermen does hereby give notice of a public hearing to be held at 5:45 PM on the 2nd day of March, 2026 at City Hall. The amendment would rezone properties located on Nursing Home Road (Tax Map 101, Parcels 6.01, 8.00, 8.01, & 8.02) (owned respectively by James & Deborah Kidwell, Deborah Austin, Becky West, and David Smith & Maegan Jolley) from M-1 (Light Industrial) to R-1 (Low-Density Residential). Full copies of the proposed amendment may be viewed at Dresden City Hall during normal business hours. All interested persons are invited to attend and comment.

RESOLUTION 2026-14

ADOPTION OF UPDATED PLAN DOCUMENTS FOR CITY OF DRESDEN RETIREMENT PLAN

WHEREAS, City of Dresden Board of Mayor and Aldermen have reviewed the proposed updated **City of Dresden Retirement Plan** documents; and

WHEREAS, the Board has determined that adopting the updated plan is in the best interest of the City and its employees.

NOW, THEREFORE, BE IT RESOLVED, that the updated **City of Dresden Retirement Plan** is hereby adopted, effective **February 2, 2026**, and that the officers of the company are authorized and directed to execute all necessary documents to implement the updated plan;

FURTHER RESOLVED, that the officers are authorized to take any and all actions necessary to maintain the plan's compliance with applicable laws and regulations.

Adopted this 2nd day of February 2026 upon a roll call vote.

Gwin Anderson_____ Ralph Cobb_____
Lyndal Dilday_____ Curtis Doran_____
Kenneth Moore____ Jennifer Schlicht_____

Passed/Failed with a vote of _____ to _____.

_____
Mark Maddox, Mayor

Attest:

_____
Jennifer Branscum, City Recorder

CITY OF DRESDEN

EMPLOYEE PENSION PLAN

AS AMENDED AND RESTATED

EFFECTIVE SEPTEMBER

1, 2025

PREAMBLE

The Plan designated "City of Dresden Employee Pension Plan" is a continuation and complete restatement, effective September 1, 2023 (except as otherwise indicated), of the qualified defined benefit plan maintained by the Employer, which was originally effective as of September 1, 1969. This restatement is intended to (i) consolidate various amendments made to the Plan since the last restatement, (ii) clarify and modify certain provisions of the Plan, and (iii) bring the Plan into compliance with current laws and regulations enacted or issued prior to the effective date of this restatement. This is a government defined benefit plan pursuant to Section 414(d) of the Internal Revenue Code and is intended to comply with Section 401(a) of the Internal Revenue Code.

The primary purpose of this Plan is to provide for the retirement of eligible Employees of the Employer who become Participants in this Plan. It is intended that this Plan, together with the Trust Agreement, comply with the Internal Revenue Code of 1986, as amended, and the rules and regulations issued thereunder, to the extent required for government plans.

CONTENTS

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ARTICLE I

DEFINITIONS AND CONSTRUCTION

Section 1.01. Definitions.
As used herein, unless a different meaning is clearly required by the context:

(a) "Accrued Retirement Benefit" means, as of any date of determination on or before Normal Retirement Date, the monthly amount that would be payable at the Participant's Normal Retirement Date as determined under the Standard Benefit Formula at the date of determination, payable in the standard form specified in Section 4.01, but based upon Benefit Service and Monthly Plan Compensation as of the date of determination. "Accrued Retirement Benefit" means, as of any date of determination after Normal Retirement Date, the Participant's Late Retirement Benefit determined in accordance with Section 5.02, assuming such benefit were payable in the standard form specified in Section 4.01.

(b) "Active Continuous Service" for purposes of determining an Employee's initial or continued eligibility to participate in the Plan or his or her vested Accrued Retirement Benefit shall mean the time period commencing with the Employee's Employment and ending on a Severance Date.

(c) "Actuarial Equivalent" or "Actuarially Equivalent" means (except as otherwise provided with respect to application of Code Section 415) a benefit of current value equivalent to the benefit which would otherwise have been provided to the Participant, determined on the basis of the following actuarial assumptions:

Pre-Retirement Interest: seven percent (7.00%)
Post-Retirement Interest sic percent (6.00%)

Post-Retirement Mortality: The applicable table prescribed by the Secretary of the Treasury pursuant to Code §417(e)(3), based on the 2010 U.S. Census data, with generation mortality improvements as published by the Internal Revenue Service (the Pub-2010 Mortality Tables")

(d) "Actuary" means the actuary (or a firm of actuaries) who is an enrolled actuary (as defined under Employee Retirement Income Security Act of 1974, as amended), who is a member of the American Academy of Actuaries, and who is selected by the Pension Committee (with the approval of the Board of Mayor and Aldermen) to perform the actuarial calculations, valuations, and duties for the Plan.

(e) "Annuity Starting Date" means the first day of the first period for which an amount is payable as an annuity or in the case of a benefit not payable in the form of an annuity, the first day on which all events have occurred which entitle the Participant to such benefit.

(f) "Average Compensation" means the arithmetic average of the Participant's Compensation over the five (5) consecutive whole calendar years of a Participant's Employment

during which his/her Compensation was the greatest or over a lesser number of Years of Employment actually served.

(g) "Beneficiary" means the Participant's spouse, if living at the time of the Participant's death, or if no such spouse is then living, then to the Participant's estate Unless otherwise provided in a Qualified Domestic Relations Order, the designation of a spouse as Beneficiary shall **NOT** remain valid upon the divorce of the Participant and spouse.

(g) "Break in Service" shall mean, with respect to an Employee, a period of twelve (12) consecutive months, beginning on a Severance Date, during which an Employee is not performing services or entitled to pay as an employee of the Town. For purposes of determining whether or not an Employee has incurred a Break in Service, and solely for the purpose of avoiding a Break in Service, to the extent required under the Family and Medical Leave Act of 1993 and the regulations thereunder, an Employee shall be deemed to be performing services for the Town during any period the Employee is granted leave under such Act for (i) the birth of a child, (ii) the placement with the Employee of a child for adoption or foster care, (iii) the care for a Spouse, Child or parent of the Employee with a serious health condition, or (iv) a serious health condition that makes the Employee unable to perform the functions of the Employee's job with the Town.

(h) "Committee" means the administrative committee as constituted under Article VI.

(i) "Compensation" means, the wages, salary, and other amounts received for personal services actually rendered in the course of the Participant's employment with the City and reported for federal income tax purposes on IRS Form W-2 excluding

(1) reimbursements or other expenses allowances,
(2) fringe benefits (cash or non-dahs),
(3) moving expenses,
(4) deferred compensation (other than any required participant contributions provided herein) and welfare benefits, overtime pay, bonuses, commissions.

The determination of a Participant's rate of compensation will be made by the Committee in accordance with nondiscriminatory and uniformly applied rules.

Internal Revenue Code Limit on Compensation. Compensation shall not exceed the Section 401(a)(17) limit (as increased by the cost-of-living adjustment pursuant to Code Section 401(a)(17)). Section 401(a)(17) limit is two hundred thousand dollars ($200,000) as increased for any cost-of-living adjustment.

(j) "Disability" means a disability as determined for purposes of the Federal Social Security Act which qualifies the Participant for permanent disability insurance payments in accordance with such Act. Disability for purposes of the Plan shall not include any disability which is incurred while the Participant is on leave of absence because of military or similar service and for which a governmental pension is payable. The Committee may require subsequent proof of continued Disability, prior to the Participant's sixty-fifth (65^{th}) birthday, at intervals of not less than six (6) months. A minimal level of earnings in restricted activity during any period of Disability shall not disqualify a Participant from receiving Disability Benefits for

such period if the disabled Participant receives disability benefits under the Social Security Act for the same period.

(k) "Disability Retirement Date" means in the case of a Participant who has completed five (5) years of Vesting Service the last day of any month (prior to his/her Normal Retirement Date) as of which a Participant retires from the employment of the Employer because of his/her Disability.

(l) "Early Retirement Date" means, in the case of a Participant who has satisfied the requirements for Early Retirement, the last day of any month (prior to his/her Normal Retirement Date) as of which the Participant retires from the employment of the Employer. A Participant shall have satisfied the requirements for Early Retirement when the Participant has attained his/her sixtieth (60^{th}) birthday and has also completed five (5) years of Vesting Service.

A Participant who severs employment prior to satisfying the requirements for Early Retirement shall not be entitled to an Early Retirement Benefit, but such a Participant may elect early commencement of his/her Severance Benefit, if any, when the Participant later satisfies the age requirement for Early Retirement if the Participant has completed the number of years required for Early Retirement prior to his/her severance date.

(m) "Effective Date" means the effective date of this restatement, which is September 1, 2025. The Plan's original effective date is September 1, 1969.

(n) "Employee" means any employee of the Employer. "Eligible Employee" means Employees who have met the following requirements (i) attained age twenty and one-half (20.5) years of age and (ii) completed at least one-half (1/2) Year of Service, other than:

(1) An Employee who is a "leased Employee" within the meaning of Code §414(n);

(2) a Union Employee who is included in a unit of Employees covered by a collective bargaining agreement, if retirement benefits were the subject of good faith bargaining, and if the collective bargaining agreement does not provide for participation in this Plan;

(3) a non-resident alien who received no earned income (within the meaning of Code section 911(d)(2)) which constitutes income from services performed within the United States (within the meaning of Code section 861(a)(3))

Notwithstanding the foregoing, "Eligible Employee" shall not include any Employee who is classified by the Employer as a 'seasonal' employee. Solely for purposes of determining Eligibility Service, Benefit Service and Vesting Service, a 'seasonal' employee shall not receive credit for his/her Hours of Employment. Furthermore, once a 'seasonal' employee becomes an "Eligible Employee," all Hours of Employment shall be counted as of the date of status change and thereafter.

(o) "Employer" means City of Dresden, Tennessee, a political subdivision of the State of Tennessee.

(p) "Employment" shall mean, with respect to any Employee, the first day on which the Employee first performs services for the City as an Employee. In the case of an Employee who incurs a Break in Service and is reemployed, "Employment Date" shall mean: (i) with respect to service before the Break in Service, the date determined pursuant to the preceding sentence; and (ii) with respect to service after the Break in Service, the first day on which the Employee first performs services after reemployment.

(q) "Hour of Employment" means:

(1) each hour for which an Employee is paid, or entitled to payment, for the performance of duties for the Employer during the applicable Computation Period in which the duties are performed; provided, however, for any such Computation Period for which actual employment records are not available, an Employee shall be credited with forty-five (45) Hours of Employment for each week during such Computation Period with respect to which he would otherwise be credited with at least one (1) Hour of Employment in accordance with the preceding provisions of this subsection;;

(2) each hour for which an employee is awarded back pay or for which the Employer has agreed to award back pay, irrespective of mitigation of damages; such hours to be credited to the applicable Computation Period in which the duties are performed or would have been performed had duties been performed, provided that (i) no more than five hundred one (501) hours shall be credited hereunder on account of any single continuous period during which duties were not or would not have been performed and (ii) hours credited hereunder shall not also be credited elsewhere; and

(3) each hour for which an employee is directly or indirectly paid, or entitled to payment by the Employer on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has been severed) due to vacation, holiday, illness, incapacity (including disability), lay-off, jury duty, military duty or leave of absence; provided that (i) no more than five hundred one (50 l) hours shall be credited hereunder on account of any single continuous period during which duties were not performed, (ii) no hours shall be credited on account of a period for which an employee receives or is due payment under a plan maintained solely for the purpose of complying with applicable workmen's compensation, or unemployment compensation, or disability insurance laws, and (iii) no hours shall be credited for a payment which solely reimburses an employee for medical or medically related expenses incurred by him; provided, further, that hours in excess of the number regularly scheduled for a period during which no duties are performed shall not be credited hereunder. In the absence of a regularly scheduled number of hours, wherever required by the context, hours shall be based upon the records of the Employer, or in the absence of such records, forty (40) hours per week (or eight (8) hours per day) shall be used.

(r) "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

(s) "Late Retirement Date" means, in the case of any Participant whose employment continues after his/her Normal Retirement Date, the last day of the month as of which the Participant retires from the employment of the Employer.

(t) "Nonforfeitable" means that the right of a Participant or his/her Beneficiary is unconditional, is legally enforceable against the Plan, and is irrevocably vested in a Participant or his/her Beneficiary. Notwithstanding the preceding sentence:

(1) except as provided in Section 5.05, a Participant's Accrued Retirement Benefit shall not be paid and shall be forfeited if the Participant dies before such payment is due; and

(2) the payment of a Nonforfeitable Retirement Benefit or Severance Benefit shall be suspended for such period as the Participant is employed by the Employer subsequent to the commencement of such payment, except as otherwise provided in Section 2.04.

(u) "Normal Retirement Age" means sixty-five (65) years. A Participant shall be deemed to satisfy Normal Retirement requirements when the Participant has attained his/her Normal Retirement Age or if later the fifth (5^{th}) the anniversary of the first day of the Plan Year in which participation in the Plan commenced.

(v) "Normal Retirement Date" means the first day of the month coinciding with or next following the Normal Retirement Date of a Participant

(w) "Optional Form of Payment" means a form of payment available under Section 4.05 and elected in accordance with the rules specified in Section 4.06.

(x) "Participant" means an eligible Employee who qualifies to participate in the Plan as provided in Article II. The term "Participant" shall also include, when appropriate to the context, a former Employee who has qualified for benefits under the Plan.

(y) "Participation Date" means, in the case of any Employee, the original effective date of the Plan or any subsequent date as of which the Employee becomes a Participant, as provided in Article II.

(z) "Plan" means the defined benefit pension plan embodied herein, as amended from time to time, known as "City of Dresden Employee Pension Plan."

(aa) "Plan Administrator" means the City of Dresden, Tennessee as represented by its Treasurer, and as such it shall serve as a named fiduciary under the Plan and Trust Agreement.

(bb) "Plan Year" means the following: each twelve (12) consecutive month period beginning September 1. The "Limitation Year" shall also mean the Plan Year.

(cc) "Retirement Benefit"

"Accrued Retirement Benefit" is defined in Section 1.01(a).

"Normal Retirement Benefit" means the benefit described in Section 5.01.

"Late Retirement Benefit" means the benefit described in Section 5.02.

"Early Retirement Benefit" means the benefit described in Section 5.03.

"Disability Retirement Benefit" means the benefit described in Section 5.04.

(dd) "Service" means the following:

"Eligibility Service" means the years which are credited to an Employee for the purpose of determining the amount of the Employee's benefits under the Plan, as described in Section 4.02 and 4.03.

"Benefit Service" means the full and fractional years which are credited to a Participant for the purpose of determining the amount of his/her benefits under the Plan, as described in Sections 4.02 and 4.03.

"Vesting Service" means the years which are credited to a Participant for the purpose of determining the Participant's vested percentage and eligibility for various benefits under the Plan, as described in Section 5.07.

To the extent provided in Section 2.05, service as a Leased Employee shall be treated as Service with the Employer for purposes of determining an Employee's Vesting Service under the Plan.

(ee) "Severance Benefit" means the benefit described in Section 5.06, which may become payable to a former Employee who has a vested Accrued Retirement Benefit and has severed employment prior to qualifying for a Retirement Benefit.

(ff) "Severance Date" means, with respect to an Employee, the day on which such Employee's employment with the City terminates for any reason.

(gg) "Social Security Retirement Age" means:

(1) age sixty-five (65) in the case of a Participant attaining age sixty-two (62) before January 1, 2000 (i.e., born before January 1, 1938),

(2) age sixty-six (66) in the case of a Participant attaining age sixty-two (62) after December 31, 1999, and before January 1, 2017 (i.e., born after December 31, 1937, and before January 1, 1955), and

(3) age sixty-seven (67) in the case of a Participant attaining age sixty-two (62) after December 31, 2016 (i.e., born after December 31, 1954).

(hh) "Spouse" or "Surviving Spouse" means a person who is a lawful spouse of a Participant (either an Active Participant or a Retired Participant);

For purposes of the Plan, no persona shall be considered a Spouse unless such person is legally married to the Participant or Retired Participant. "Legal marriage" shall mean a wedding

performed under a license issued by the State of Tennessee or any other state or jurisdiction, and by a priest, minister or rabbi, or any person who has the power to conduct a marriage ceremony under the laws of the state or jurisdiction where the marriage took place. A common-law marriage between a Participant and a person shall not be considered a legal marriage for the purpose of the Plan regardless of whether such marriage may be considered legal in that state or jurisdiction where the couple resides or formerly resided.

(ii) "Standard Benefit Formula" means the formula, as expressed in the standard form of payment, as set forth in Section 4.01, commencing as of the first day of the month following the Participant's Normal Retirement Date. When the Standard Benefit Formula is used for the "continued accrual benefit" described in Section 5.02, the monthly annuity under the Standard Benefit Formula is assumed to commence in such standard form as of the first day of the month following the date of determination.

(jj) Trust Agreement" means the trust agreement, as amended from time to time, known as "Trust Agreement for City of Dresden Employee Pension Plan."

(kk) "Trust Fund" or "Fund" means the fund as defined in Section 1 of the Trust Agreement, held from time to time by the Trustee under the Trust Agreement.

(ll) "Trustee" means the original trustee or trustees or any successor or successors appointed as provided in the Trust Agreement to hold the Trust Fund.

(mm) "Years of Service" means the whole 12-month periods of service with respect to which a Participant is an Active Participant.

(1) Aggregation Rule. In determining an Employee's number of 12-month periods of service for purposes of this Section, nonsuccessive periods of service shall be aggregated, with three hundred sixty-five (365) days (three hundred sixty-six (366) days in a leap year) equal to one (1) Year of Service. In no event will more than one (1) Year of Service be credited for any 12-month period.

(3) "Uniformed Service. To the extent required under the Uniformed Services Employment and Reemployment Rights Act of 1994, as it may be amended from time to time ("USERRA"), an Employee who leaves the employment of the Town to enter the uniformed services and returns to employment with the Town shall be credited with Years of Service in respect of such uniformed service as provided in USERRA. Notwithstanding the foregoing, Years of Service shall not be credited in this Plan if such Years of Service are creditable under any other retirement system.

Further, to the extent and in the manner required by the Heroes Earnings Assistance and Relief Tax Act of 2008 (the "HEART Act"), the Plan shall operate in compliance with the HEART Act as required.

No Year of service shall be credited for any Employment other than with the Town.

Section 1.02. Construction and Law Governing.

(a) In resolving any real or apparent conflict between provisions of this Plan and in resolving any other uncertainty as to the meaning or intention of any provision of this Plan, the interpretation that causes the Plan to constitute a qualified plan under Section 401 of the Internal Revenue Code shall prevail over any different or contrary interpretation.

(b) Except as preempted by ERISA or any other federal law, if applicable, the Plan and Trust Agreement shall be construed, enforced, and administered, and the validity thereof shall be determined, in accordance with the laws of the State of Tennessee.

(c) Where appropriate, words used herein in the masculine gender shall be construed to include the feminine gender, and words used herein in the feminine gender shall be construed to include the masculine gender.

(d) Where appropriate, words used herein in the singular shall be construed to include the plural, and words used herein in the plural shall be construed to include the singular.

(e) Terms not specifically defined in this Article I shall be deemed defined by the most descriptive context of the Plan.

(f) Benefits which a Participant may become entitled to or vested in under the provisions of this Plan shall be Nonforfeitable to the extent provided by the terms and conditions of this Plan. Nothing in this Plan shall be construed to permit a forfeiture of an Employee's vested benefits for cause, and nothing in this Plan shall be construed to permit payment of benefits prior to termination of the Plan for any reason except as specifically provided by the Plan.

Notwithstanding the foregoing, any participant who is convicted in any state or federal court of a felony arising out of the participant's employment or official capacity with the city constituting malfeasance in office shall forfeit the participant's retirement pension benefits hereunder. Such participant's rights shall be governed by Sec. 8-36-918 of the Tennessee Code Annotated, as amended, and any successor statute thereto.

(g) If any provision of this Plan shall be held illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining provisions of this Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had never been included herein.

(h) The terms "retire" and "retirement" as used in this Plan shall only refer to a Participant's severance from employment with the Employer under circumstances that make the Participant eligible to receive one of the Retirement Benefits described in Article V. In no event shall a Participant who severs employment and is only entitled to a deferred vested Severance Benefit be deemed to have retired for purposes of this Plan.

ARTICLE II

ELIGIBILITY AND PARTICIPATION RULES

Section 2.01. Participation Requirements.

(a) Each Eligible Employee who is not a Participant shall become a Participant on the first day of the Plan Year coincident with or next following the Employee's completion of one-half (½) Year of Service and attainment of age twenty and one-half (20½) years, provided that the Employee is still employed as an Employee on such date.

Section 2.02. Cessation of Participation and Effect of Reemployment.

(a) If a Participant severs employment for any reason and is not entitled to a deferred vested Severance Benefit, the Participant shall cease to be a Participant upon such severance from employment. If such an individual is reemployed by the Employer, the individual shall be reinstated as a Participant as of the date of reemployment.

(b) If a Participant severs his/her employment for any reason and is entitled to a deferred vested Severance Benefit or a Retirement Benefit, the Participant shall become an inactive Participant on the date of such severance from employment and remain an inactive Participant until the earlier of (i) the Participant's death, or (ii) the Participant's receipt of one hundred percent (100%) of the benefits to which the Participant may be entitled under the Plan, at which time the Participant shall cease to be a Participant. If such individual is reemployed by the Employer, the individual shall be reinstated as a Participant as of the date of employment.

(c) An individual who did not become a Participant on the first September 1 after s/he satisfied the requirements of Section 2.01 because s/he was not an Employee on that Entry Date shall become a Participant on the first date thereafter when s/he satisfies the definition of Employee.

Section 2.03. Eligibility Service.

An Employee shall receive one (1) year of Eligibility Service for the time in the employ of the Company or its predecessors without break or interruption (exclusive of temporary absence, due to illness or covered by Approved Leave of Absence) and without removal from the official rolls of the Company or loss of seniority rights. Active Continuous Service shall not be considered interrupted by a period or periods of "lay off' or Military Leave of Absence (but such periods shall not be included in Active Continuous Service) during which the Member makes no Employee contributions, but retains seniority or re-employment rights with the Company and does not receive a Refund, provided, however that no benefits may accrue for such period of "lay off' or Military Leave of Absence."

Section 2.04. Rules on Benefits in Pay Status.

(a) Any Participant who, while receiving monthly benefit payments hereunder, is reemployed by the Employer prior to his/her Normal Retirement Date shall have all benefit payments suspended upon his/her reemployment. No credit shall be given for Service for the

period of time while the Participant was receiving benefits, but credit shall be given for Service prior to his/her date of severance from employment and subsequent to his/her return to the employment of the Employer. Any benefits to which such a Participant is subsequently entitled shall be reduced by the Actuarial Equivalent of any benefits actually received in accordance with Section 5.09, subject to Section 2.04(c).

(b) Any Participant who, while receiving benefit payments under the terms of the Plan, is reemployed by the Employer after his/her Normal Retirement Date in a classification under which the Participant again becomes an Eligible Employee shall have his/her benefit payments suspended during the period of reemployment. Upon his/her subsequent severance from employment, the Participant shall be entitled to an additional benefit if the benefit already in pay status has a lesser Actuarially Equivalent value than the Participant's Late Retirement Benefit determined in accordance with Section 5.02, based on all his/her Benefit Service recognized in accordance with Sections 4.02 and 4.03, subject to any applicable offset as provided in Section 5.09 and further subject to Section 2.04(c). The Actuarial Equivalent of any additional benefit to which a Participant is subsequently entitled shall normally be payable upon his/her retirement in the same form as his/her current benefit is being paid. However, if the Participant's Annuity Starting Date was prior to his/her Normal Retirement Date, then the form of payment of any additional benefit earned during his/her period of reemployment is subject to all appropriate elections and waivers as described in Section 4.04.

(c) In no event shall a reemployed Participant whose benefits were suspended receive a lesser monthly benefit when benefits again commence than the benefit previously in pay status, subject to adjustment on an Actuarially Equivalent basis if the form of payment is different.

(d) If a reemployed Participant dies while employed by the Employer, then the death benefit, if any, payable with respect to benefits currently in pay status shall be determined in accordance with Section 5.05(c). The death benefit payable with respect to a reemployed Participant with respect to the additional benefit, if any, accrued during his/her period of reemployment (after reducing such benefit by any offset applicable under Section 5.09) and not yet in pay status shall be determined in accordance with Section 5.05(a) or Section 5.05(b), depending on the Participant's marital status. The death benefit payable with respect to a Participant who has had his/her benefit payments suspended shall be determined in accordance with Section 5.05(a) or Section 5.05(b), depending on the Participant's marital status at the date of his/her death.

Section 2.06. Benefits For Qualified Military Service.

(a) Additional Service. "Qualified Military Service" means military service as defined under the federal Uniformed Services Employment and Reemployment Act and that satisfies the requirements of Internal Revenue Code Section 414(u) and 38 U.S.C. Section 2021 for veteran's reemployment rights. To the extent required by Section 414(u) of the Internal Revenue Code, an Employee shall be granted additional Hours of Employment for purposes of determining his/her Eligibility Service, Vesting Service and Benefit Service upon his/her reemployment by the Employer after Qualified Military Service.

(b) Compensation During Qualified Military Service. Pursuant to Section 414(u) of the Internal Revenue Code, in determining the Compensation for a reemployed veteran during the period of Qualified Military Service, such veteran shall be deemed to have continued to receive Compensation from the Employer during his/her period of such military service. For these purposes, Compensation shall be computed: (1) at the rate the reemployed veteran would have received but for the reemployed veteran's period of Qualified Military Service; or (2) in the case that the determination of such rate is not reasonably certain, on the basis of the reemployed veteran's average rate of compensation during the twelve (12) month period immediately preceding such period of Qualified Military Service (or, if shorter, the period of employment immediately preceding such period).

(c) Death Benefits. If a Participant dies on or after January 1, 2007, while performing Qualified Military Service, the survivors of the Participant shall be entitled to any additional benefits (other than benefit accruals relating to the period of Qualified Military Service) provided under the Plan as if the Participant had been reemployed on the day prior to death and then severed employment on the actual date of death.

(e) All other provisions of the Plan shall be interpreted to provide a reemployed veteran who meets all requirements of applicable federal law for reemployment rights with all rights under the Plan which are required under applicable federal law.

Section 2.07. Special Rules Regarding Independent Contractors.

An individual classified by the Employer as an independent contractor shall not be eligible to participate in the Plan unless and until such individual is reclassified by the Employer as an 'Employee' as defined in Section 1.01 of the Plan. Such an individual who is reclassified as an Employee shall be eligible to participate in the Plan as of the date of reclassification or the next Entry Date when the Participant has satisfied any applicable age and service requirements for participation in Section 2.01 of the Plan.

An individual who is reclassified as an Employee in accordance with this Section shall be credited with Service under the Plan only for periods during which such individual is classified as an Employee, except as otherwise determined by the Employer.

ARTICLE III

CONTRIBUTIONS

Section 3.01. Trust Fund.

All contributions under the Plan shall be paid or transferred into the Trust Fund to be held, managed, invested, and distributed in accordance with the provisions of the Plan and Trust Agreement. The Employer shall establish a funding policy giving consideration to the financial requirements of the Plan, and an investment policy consistent therewith shall be established in accordance with the provisions of the Trust Agreement.

Section 3.02. Employer Contributions.

The Employer shall, from time to time, contribute to the Trust Fund such amounts which are determined by the Actuary to be sufficient, upon an appropriate actuarial basis, to provide the benefits under the Plan, taking into account minimum funding requirements under applicable law.

Section 3.03. Application of Forfeitures.

Amounts forfeited under Section 5.08 shall be applied as soon as possible to reduce Employer contributions under the Plan.

ARTICLE IV

STANDARD BENEFIT FORMULA AND OTHER PLAN BENEFIT RULES

Section 4.01. Standard Benefit Formula.

The Standard Benefit Formula shall provide a Participant with a monthly pension under this Plan payable commencing as of the first day of the month next following his/her Normal Retirement Date, payable for the lifetime of such Participant and guaranteed for a period of one hundred twenty (120) payments. The monthly pension shall be determined as follows:

(1) One and one-half percent (1.50%) of his/her Average Compensation divided by twelve (12) multiplied by his/her Benefit Service.

The Standard Benefit Formula in this Section 4.01 is used to compute a Participant's Accrued Retirement Benefit and Late Retirement Benefit. All benefit amounts computed under the Standard Benefit Formula are payable in the form of a monthly life annuity commencing as of the first day of the month next following his/her Normal Retirement Date payable for the lifetime of the Participant and guaranteed for a period of one hundred twenty (120) payments. This form of payment is sometimes called the "standard form".

However, the actual form of payment of a Participant's Plan benefits will be determined in accordance with Articles IV and V and is subject to Section 4.04 regarding Qualified Joint and Survivor Annuity rules and Sections 4.05 and 4.06 regarding Optional Forms of Payment.

At the direction of the Committee, reasonable steps shall be taken to insure the accuracy of each benefit calculation under the Plan. However, if there is an overpayment of a benefit to a Participant or Beneficiary for any reason, it shall be the responsibility of the Participant or Beneficiary to repay the overpayment to the Trust Fund after notification. An overpayment may be corrected by a direct repayment by the Participant or the Beneficiary to the Trust Fund or by a reduction of future benefit payments from the Plan until the overpayment is repaid in full.

Section 4.02. Qualified Joint and Survivor Annuity.

The provisions of Section 4.01 notwithstanding, each Participant who has a spouse on the date as of which benefit payments to which the Participant is entitled under the Plan commence and to whom such payments commence on or after the earlier of his/her Early or Normal Retirement Date, shall receive an Actuarial Equivalent monthly pension payable thereafter for the lifetime of the Participant in an adjusted monthly amount with continuing level monthly payments after his/her death equal to fifty percent (50%) of such adjusted monthly amount for the remaining lifetime of such spouse.

If, on the date as of which benefit payments to which the Participant is entitled under the Plan commence, the Participant is not married, the Participant has elected otherwise or if such benefit payments commence prior to the earlier of his/her Early or Normal Retirement Date whether or not the Participant is married, such benefit payments shall be made in the form provided under Section 4.01 unless an Optional Retirement Benefit has effectively been elected.

Section 4.03. Optional Forms of Payment.

(a) This Section 4.03 only applies to a Participant who satisfies Early or Normal Retirement requirements (either before or after his/her severance from employment) or who satisfies the requirements for Disability Retirement at his/her date of severance from employment. Such a Participant may elect to have his/her Plan benefits paid in an Optional Form of Payment available under this Section 4.05 in lieu of the monthly benefits otherwise payable. An elected Optional Form of Payment shall be payable as of the date of Participant's entitlement to monthly benefits. Such Optional Form of Payment shall be Actuarially Equivalent to the monthly amount that would otherwise be payable as of such date in the standard form of payment as set forth in Section 4.01. The Optional Forms of Payment available under this Section 4.03 are as follows::

(1) A monthly pension during the Participant's lifetime in a level monthly amount.

(2) A monthly pension during the Participant's lifetime in an adjusted level monthly amount with provisions for continuing level monthly payments of a specified percentage equal to fifty percent (50% or, sixty-six and two-thirds, seventy-five percent (75%), or one hundred percent (100%) as selected by the Participant, of such adjusted monthly amount for the lifetime of the Participant's Beneficiary.

(3) A one-time lump sum equal to the present value of the Standard Form of Benefit

The percentage for any survivor annuity and the number of any guaranteed payments selected by the Participant under any Optional Form of Payment shall be limited at the date that benefits commence so that all the rules set forth in Section 4.08 regarding minimum required distributions and incidental death benefits are satisfied.

(b) If a Beneficiary becomes entitled to payments after a Participant's death under a form of payment already in pay status at the Participant's death, then payment shall continue under that form of payment and no other Optional Form of Payment may be elected by the Beneficiary.

(c) If a Beneficiary becomes entitled to any benefit under this Plan as a result of the Participant's death prior to commencement of any benefits under this Plan, the above elections shall be available to such Beneficiary as though the Beneficiary were a Participant. In any event, in determining the amount of any Actuarially Equivalent benefit elected by a Beneficiary, the mortality assumption specified for Beneficiaries under the provisions of Section 1.01(b) shall be applicable to such Beneficiary (and to any beneficiary specified by him), even though the Beneficiary is treated as a Participant for purposes of making such elections available under this Section 4.05.

Section 4.04. Rules Governing Options.

(a) The Committee may prescribe uniform rules, procedures, and forms, consistent with the provisions of this Section, respecting Participants' elections of Optional Forms of Payment and respecting revocations or changes of such elections.

(b) The election of an Optional Form of Payment or the revocation or change of such election shall be made by the Participant in writing prior to the commencement of any benefit to which the Participant may be entitled under the Plan. The election of an Optional Form of Payment shall become effective as of the date such election is made and delivered by the Participant to the Committee. If a Participant dies before his/her Plan benefits begin, the election of an Optional Form of Payment shall not be effective.

If the Beneficiary designated to receive a survivor annuity under a joint and survivor annuity dies before payments begin to the Participant, then the joint and survivor annuity form of payment shall be treated as not applicable. However, once payments begin under a joint and survivor annuity, the later death of the Designated Beneficiary shall not result in any adjustment in the amount being paid to the Participant.

Section 4.05. IRC §415 Limitation on Benefits.

(a) All benefits payable under this Plan shall be limited as required by Section 415 of the Internal Revenue Code; Section 415 and the applicable Treasury Regulations under Section 415 are herein incorporated by reference and shall supersede any inconsistent provisions in the Plan. A Participant shall not accrue a benefit that exceeds the limitations under Section 415 of the Internal Revenue Code. For purposes of applying the limitations of Internal Revenue Code Section 415, a benefit provided to an Alternate Payee pursuant to a Qualified Domestic Relations Order shall be treated as if it were provided to the Participant. The balance of this Section 4.07 shall be interpreted to comply with all the requirements of Section 415 of the Internal Revenue Code. Benefit increases resulting from any increase in the limitations of Section 415(b) of the Internal Revenue Code shall be provided to all Employees participating in the Plan who have at least one (1) Hour of Employment credited on or after the first day of the first Limitation Year ending after December 31, 2001.

(b) The aggregate annual benefit to which a Participant is entitled under all qualified defined benefit pension plans maintained by the Employer or Affiliated Employer, payable as a straight life annuity for the Participant's life, or as an Equivalent Annual Benefit for a benefit payable in any other form, except to the extent otherwise specifically provided herein, shall not exceed the Defined Benefit Dollar Limitation, adjusted as required under subsection (c). For purposes of determining an Equivalent Annual Benefit, the survivor annuity portion of a benefit that is payable as a Qualified Joint and Survivor Annuity within the meaning of Section 417(b) of the Internal Revenue Code shall not be taken into account. The definitions of Defined Benefit Dollar Limitation and Equivalent Annual Benefit are as follows:

(1) "Defined Benefit Dollar Limitation" means one hundred sixty thousand dollars ($160,000), as adjusted, effective January 1 of each year under Section 415(d) of the Internal Revenue Code in such manner as the Secretary of the Treasury shall prescribe, and payable in the form of a straight life annuity.

Any adjustment to the Defined Benefit Dollar Limitation shall be effective on January 1 and apply to the Limitation Year ending with or within the calendar year. The Defined Benefit Dollar Limitation shall be determined as of the date benefits commence, and no increase in benefits that have commenced shall be made as a result of cost-of-living increases in the dollar limitation which become effective after the date of commencement, unless the Plan is specifically amended to take such a subsequent increase into account. A limitation as adjusted under Section 415(d) of the Internal Revenue Code will apply to Limitation Years ending with or within the calendar year for which the adjustment applies, adjusted for years of participation less than ten (10).

(2) "Equivalent Annual Benefit" means, for a form of payment to which 417(e)(3) does not apply, the greater of (A) the equivalent annual amount of the straight life annuity payable to the Participant under the Plan computed using the interest rate and mortality table or tabular factor specified in the Plan for purposes of determining an Actuarially Equivalent benefit payable in the particular form of benefit or (B) the equivalent annual amount of the straight life annuity that has the same actuarial present value as the particular form of benefit, computed using a five percent (5%) interest rate assumption and the mortality table described in regulations under Internal Revenue Code Section 415 (which currently is the mortality table described in Section 417(e)(3) of the Internal Revenue Code.

For Limitation Years beginning in 2006 or later, the Equivalent Annual Benefit for a form of payment to which 417(e)(3) applies shall be the greatest of the following: (A) the annual amount of the straight life annuity commencing at the Annuity Starting Date that has the same actuarial present value as the particular form of benefit payable computed using the interest rate and mortality table specified in Section 1.01(b) for lump sum distributions, (B) the annual amount of the straight life annuity commencing at the Annuity Starting Date that has the same actuarial present value as the particular form of benefit payable computed using a five and one-half percent (5-1/2%) interest rate and the mortality table under Section 415 of the Internal Revenue Code (which is currently the mortality table under Section 417(e)(3) of the Internal Revenue Code, or (C) the annual amount of the straight life annuity commencing at the Annuity Starting Date that has the same actuarial present value as the particular form of benefit payable using the interest rate and mortality table under Section 415 of the Internal Revenue Code divided by one and five-hundredths (1.05) (which are currently the interest rate and mortality table specified in Section 417(e)(3) of the Internal Revenue Code. For lump sum distributions which have Annuity Starting Dates that occur in a Limitation Year beginning in 2004 or 2005, except as provided in Section 101(d)(3) of the Pension Funding Equity Act of 2004, the Equivalent Annual Benefit is the greater of (A) the annual amount of the straight life annuity that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table or tabular factor specified in the Plan for Actuarially Equivalent benefits or (B) the equivalent annual amount of the straight life annuity that has the same actuarial present value as the particular form of benefit payable, computed using a five and one-half percent (5-1/2%) interest rate assumption and the Applicable Mortality Table as stated in Section 1.01(b)(2) of the Plan. If the Annuity Starting Date is on or after the first day of the first Plan Year beginning in 2004 and before December 31, 2004, and the Plan applies the transition rule in section 101(d)(3) of PFEA '04 in lieu of the rule in the preceding sentence, the annual

amount of the straight life annuity commencing at the same Annuity Starting Date that has the same actuarial present value as the Participant's form of benefit shall be determined in accordance with Notice 2004-78.

(c) Adjustments to the Defined Benefit Dollar Limitation shall be:

(1) If the Participant has fewer than ten (10) years of participation in the Plan, the Defined Benefit Dollar Limitation (adjusted under (2) or (3) below, if required) shall be multiplied by a fraction, the numerator of which is the number of years (or part thereof) of participation in the Plan and the denominator of which is ten (10). The portion of a year of participation is determined using the same method that is used to determine a fractional year of Benefit Service.

(2) If the benefit of a Participant begins prior to age sixty-two (62) and the Annuity Starting Date is in a Limitation Year beginning on or after September 1, 2007, the provisions of this paragraph shall apply. The Defined Benefit Dollar Limitation applicable to the Participant at such earlier age is an annual benefit payable in the form of a straight life annuity beginning at the earlier age that is the Actuarial Equivalent of the Defined Benefit Dollar Limitation applicable to the Participant at age sixty-two (62) (adjusted under (1) above, if required). The Defined Benefit Dollar Limitation applicable at an age prior to age sixty-two (62) shall be determined as the lesser of (A) the Defined Benefit Dollar Limitation applicable to the Participant at age sixty-two (62) (adjusted under (1) above, if required) multiplied by a fraction with a numerator equal to the annual benefit payable in the form of a straight life annuity commencing at the Participant's Annuity Starting Date (determined without regard to Section 415 of the Internal Revenue Code) and a denominator equal to the annual benefit payable in the form of a straight life annuity under the Plan at age sixty-two (62) determined without regard to Section 415 of the Internal Revenue Code, and (B) the Actuarial Equivalent (at such age) of the Defined Benefit Dollar Limitation computed using a five percent (5%) interest rate and the Applicable Mortality Table defined in Section 1.01(b) of the Plan.

If the benefit of a Participant begins prior to age sixty-two (62) and the Annuity Starting Date is in a Limitation Year beginning before September 1, 2007, the annual amount of a benefit payable in the form of a straight life annuity commencing at the Participant's Annuity Starting Date that is the Actuarial Equivalent of the Dollar Limitation under IRC Section 415(b)(1)(A) (as adjusted under section 415(d)), shall have Actuarial Equivalence computed using whichever of the following produces the lesser annual amount: (A) the interest rate and mortality table or other tabular factor specified in the Plan for determining Actuarial Equivalence for Early Retirement purposes, or (B) a 5 percent (5%) interest rate assumption and the Applicable Mortality Table defined in Section 1.01(b) of the Plan.

(3) If the benefit of a Participant begins after the Participant attains age sixty-five (65), the Defined Benefit Dollar Limitation applicable to the Participant at the later age shall be the annual benefit payable in the form of a

straight life annuity beginning at the later age that is Actuarially Equivalent to the Defined Benefit Dollar Limitation applicable to the Participant at age sixty-five (65) (adjusted under (1) above, if required). The Actuarial Equivalent of the Defined Benefit Dollar Limitation applicable at an age after age sixty-five (65) shall be determined as the lesser of (A) the Actuarial Equivalent (at such age) of the Defined Benefit Dollar Limitation computed using the interest rate and mortality table specified in Section 1.01(b) for forms of payment other than lump sums or other late retirement factor specified in Section 5.02 of the Plan and (B) the Actuarial Equivalent (at such age) of the Defined Benefit Dollar Limitation computed using a five percent (5%) interest rate assumption and the Applicable Mortality Table as defined in Section 1.01(b) of the Plan.

Notwithstanding the foregoing, if the Annuity Starting Date is in a Limitation Year beginning before September 1, 2007, the Actuarial Equivalent of the Defined Benefit Dollar Limitation shall be the lesser of (A) the Actuarial Equivalent of the Defined Benefit Dollar Limitation using the interest rate and mortality table or other tabular factor specified in the Plan for determining Actuarial Equivalence for Late Retirement or (B) the Actuarial Equivalent of the Defined Benefit Dollar Limitation using a five percent (5%) interest rate assumption and the Applicable Mortality Table as defined in Section 1.01(b) of the Plan.

(d) For purposes of this Section, "Compensation" is defined in Section 1.01.

(e) Treasury Regulation section 1.415(b)-2 provides rules applicable in determining the annual benefit subject to the Section 415 limits when a Participant has received one or more distributions in Limitation Years prior to an increase in the Accrued Retirement Benefit occurring during the current Limitation Year or prior to the Annuity Starting Date for a distribution that commences during the current Limitation Year.

(f) For Limitation Years beginning on or after January 1, 2000, Section 415(e) of the Internal Revenue Code was repealed. However, notwithstanding the repeal of such Section 415(e), benefits for Participants whose benefits commenced prior to January 1, 2000, which were limited because of such Section 415(e) shall not be increased, unless and until the Plan is specifically amended to provide for such an increase.

Section 4.06. IRC Section 401(a)(9) and Other Distribution Rules.

Distributions shall be made in accordance with Section 401(a)(9) of the Internal Revenue Code and Treasury Regulations 1.401(a)(9)-2 through 1.401(a)(9)-9, which are herein incorporated by reference. The incidental death benefit requirement of Section 401(a)(9)(G) is reflected in Section 4.08(c). The requirements of this Section 4.06 will take precedence over any inconsistent provisions of the Plan.

(a) Time and Manner of Distribution.

Any form of payment must be designed at date of commencement so that it will comply with the rules of this Section when the Participant the age at which required minimum distributions must commence under Section 401(a)(9) of the Internal Revenue Code and treasury Regulations, and thereafter. However, nothing in the Treasury Regulations or the other

provisions of this Section shall be interpreted to allow a Participant to change a form of payment once it has commenced or to provide a form of payment not otherwise available under the Plan (unless required to comply with Section 401(a)(9) of the Internal Revenue Code and the regulations thereunder). The applicable rules are as follows:

(1) Distribution to a Living Participant:

(A) Distribution to a living Participant must begin not later than the Required Beginning Date. For purposes of this Section, "Required Beginning Date" shall mean April 1 of the calendar year following the calendar year in which the Participant attains the age at which required minimum distributions must commence under Section 401(a)(9) of the Internal Revenue Code and Treasury Regulations thereunder or April 1 of the calendar year in which the Participant retires.

(B) In connection with any initial required distribution to a Participant pursuant to this Section, the Participant shall be entitled to elect any Optional Form of Payment available under the Plan.

The form of payment of the initial required distribution made under this Section 4.07(a) shall also govern the form of payment of any additional amounts that may be accrued by the Participant and become payable as of a subsequent date, even though the Participant's marital status may change after the date of initial distribution. However, the Actuarially Equivalent amount of any additional benefit shall be determined as of the date that the increased payment is to commence, based on any relevant Life Expectancy as of that date.

For example, if the initial required distribution is made in the form of a joint and survivor annuity and the Beneficiary dies after payments commence, any additional amounts accrued by the Participant which commence after the Beneficiary's death shall not be reduced to reflect any possibility of continuing payments to the deceased Beneficiary.

However, if the Commuted Value of the required distribution payable to a Participant under this Section for the initial year is less than the small benefit cash-out amount in Section 5.11, then during each calendar year until the Commuted Value of the required distribution is greater than the small benefit cash-out amount, in lieu of any other required payments under this Section during such calendar year, an annual distribution shall be made equal to twelve (12) times the required monthly payment for

such year, with such monthly amount determined on the assumption that payment is to be made in the form of a single life annuity. Such annual payment shall be in full satisfaction of the Participant's right to payment of benefits during such year. In the first year that the Commuted Value is greater than the small benefit cash-out amount (or at the date of severance from employment if there is no such year), the Participant shall be given the election of a monthly form of payment, as described above. Such election shall apply to the first year that the Commuted Value is greater than the small benefit cash-out amount and every year thereafter.

(C) If a lump sum is available under the Plan and if the Participant elects a lump sum distribution of his/her entire vested Accrued Retirement Benefit, then the portion of the single sum distribution that represents the required minimum distribution is not eligible for rollover. If the lump sum distribution is being made in the calendar year containing the Required Beginning Date, and the required minimum distribution for the Participant's first Distribution Calendar Year has not been distributed, then the portion of the single sum distribution that represents the required minimum distribution for the Participant's first and second Distribution Calendar Years is not eligible for rollover.

(2) Death of Participant Before Distributions Begin. If the Participant dies before distributions begin, the Participant's entire interest shall be distributed, or begin to be distributed, no later than as follows:

(A) If the Participant's surviving spouse is the Participant's sole Designated Beneficiary, then distributions to the surviving spouse shall begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the age at which required minimum distributions must commence under Section 401(a)(9) of the Internal Revenue Code and Treasury Regulations thereunder), if later.

(B) If the Participant's surviving spouse is not the Participant's sole Designated Beneficiary, then distributions to the Designated Beneficiary shall begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(C) If there is no Designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest shall be distributed by December 31 of the calendar year containing the fifth (5th) anniversary of the Participant's death.

(D) If the Participant's surviving spouse is the Participant's sole Designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this subsection (a)(2), other than subparagraph (a)(2)(A), will apply as if the surviving spouse were the Participant.

(E) For purposes of this Section, if death benefits are to be paid to a Beneficiary who is a child until the child reaches the age of majority and then any remaining death benefits are to be paid to the Participant's surviving spouse, the amount of payments to the child shall be treated as if the payments were being made to the surviving spouse.

For purposes of this subsection (a)(2) and Section 4.08(d), distributions are considered to begin on the Participant's Required Beginning Date (or, if Section 4.08(a)(2)(D) applies, the date distributions are required to begin to the surviving spouse under Section 4.08(a)(1)). If annuity payments irrevocably commence to the Participant before the Participant's Required Beginning Date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Section 4.08(a)(2)(A)), the date distributions are considered to begin is the date distributions actually commence.

(3) Form of Distribution. Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the Required Beginning Date, as of the first Distribution Calendar Year distributions will be made in accordance with subsections (b), (c) and (d) of this Section 4.08. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Section 401(a)(9) of the Internal Revenue Code and the Treasury Regulations. Any part of the Participant's interest which is in the form of an individual account described in Section 414(k) of the Internal Revenue Code will be distributed in a manner satisfying the requirements of Section 401(a)(9) of the Internal Revenue Code and the Treasury Regulations that apply to individual accounts.

(b) Determination of Amount to be Distributed Each Year.

(1) General Annuity Requirements. If the Participant's interest is paid in the form of annuity distributions under the Plan, payments under the annuity shall satisfy the following requirements:

(A) the annuity distributions shall be paid in periodic payments made at intervals not longer than one year;

(B) the distribution period shall be over a life (or lives) or over a period certain not longer than the period described in Section 4.08(c) or Section 4.07 (d);

(C) once payments have begun over a period certain, the period certain may only be changed in accordance with A-13 of Treasury Regulation Section 1.401(a)(9);

(D) life (or joint and survivor) annuity payments will satisfy the minimum distribution incidental benefit requirement of A-2 of Treasury Regulation Section 1.401(a)(9)-6; and

(E) payments will either be nonincreasing or increase only as follows:

(i) by an annual percentage increase that shall not exceed the annual percentage increase in a cost-of-living index (as defined under A-14 of Treasury Regulation Section 1.401(a)(9)-6) for a 12-month period ending in the year during which the increase occurs or a prior year.

(ii) by a percentage increase that occurs at specified times and does not exceed the cumulative total of annual percentage increases in an eligible cost-of-living index (as defined under A-14 of Treasury Regulation Section 1.401(a)(9)-6) since the annuity starting date, or if later, the date of the most recent percentage increase, provided (in the case of a cumulative increase), an actuarial increase may not be provided to reflect that increases were not provided in the interim years;

(iii) to the extent of the reduction in the amount of the Participant's payments to provide for a survivor benefit upon death, but only if the Beneficiary whose life was being used to determine the distribution period described in Section 4.08(c) dies or is no longer the Participant's Beneficiary pursuant to a qualified domestic relations order pursuant to Internal Revenue Code Section 414(p);

(iv) to allow a Beneficiary to convert the survivor portion of a joint and survivor annuity into a single sum distribution upon the Participant's death;

(v) to pay increased benefits that result from a Plan amendment; or

(vi) to the extent increases are otherwise permitted under A-14 of Treasury Regulation Section 1.401(a)(9)-6.

Any increases permitted under 4.08(b)(1)(E) shall only apply to this Plan if such increases are specifically adopted by the Employer and incorporated in the Plan.

(2) Amount Required to be Distributed by Required Beginning Date. The amount that must be distributed on or before the Participant's Required Beginning Date (or, if the Participant dies before distributions begin, the date distributions are required to begin under Section 4.08(a)(2)(A) or (B)) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Participant's benefit accruals as of the last day of the first Distribution Calendar Year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Participant's Required Beginning Date.

(3) Additional Accruals After First Distribution Calendar Year. Any additional benefits accruing to the Participant in a calendar year after the first Distribution Calendar Year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

(c) Requirements For Annuity Distributions That Commence During Participant's Lifetime.

(1) Joint Life Annuities Where the Beneficiary Is Not the Participant's Spouse. If the Participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Participant and a nonspouse Beneficiary, annuity payments to be made on or after the Participant's Required Beginning Date to the Designated Beneficiary after the Participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Participant using the table set forth in Q&A-2 of Section 1.401(a)(9)-6 of the Treasury Regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the Participant and a nonspouse Beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the Designated Beneficiary after the expiration of the period certain.

(2) Period Certain Annuities. Unless the Participant's spouse is the sole Designated Beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Participant's lifetime may not exceed the applicable distribution period for the Participant under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations for the calendar year that contains the Annuity Starting

Date. If the Annuity Starting Date precedes the year in which the Participant reaches age seventy (70), the applicable distribution period for the Participant is the distribution period for the age at which required minimum distributions must commence under Section 401(a)(9) of the Internal Revenue Code and Treasury Regulations thereunder under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations plus the excess of the age at which required minimum distributions must commence under Section 401(a)(9) of the Internal Revenue Code and Treasury Regulations thereunder over the age of the Participant as of the Participant's birthday in the year that contains the Annuity Starting Date. If the Participant's spouse is the Participant's sole Designated Beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Participant's applicable distribution period, as determined under this Section 4.08(c)(2), or the joint life and last survivor expectancy of the Participant and the Participant's spouse as determined under the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the calendar year that contains the Annuity Starting Date.

(d) Requirements For Minimum Distributions Where Participant Dies Before Date Distributions Begin.

(1) Participant Survived by Designated Beneficiary. If the Participant dies before the date distribution of his/her or her interest begins and there is a Designated Beneficiary, the Participant's entire interest shall be distributed, beginning no later than the time described in Section 4.08(a)(2)(A) or (B), over the life of the Designated Beneficiary or over a period certain not exceeding:

(A) unless the Annuity Starting Date is before the first Distribution Calendar Year, the Life Expectancy of the Designated Beneficiary determined using the Beneficiary's age as of the Beneficiary's birthday in the calendar year immediately following the calendar year of the Participant's death; or

(B) if the Annuity Starting Date is before the first Distribution Calendar Year, the Life Expectancy of the Designated Beneficiary determined using the Beneficiary's age as of the Beneficiary's birthday in the calendar year that contains the Annuity Starting Date.

(2) No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no Designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth (5th) anniversary of the Participant's death.

(3) Death of Surviving Spouse Before Distributions to Surviving Spouse Begin. If the Participant dies before the date distribution of his/her or her

interest begins, the Participant's surviving spouse is the Participant's sole Designated Beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, this Section 4.08(d) will apply as if the surviving spouse were the Participant, except that the time by which distributions must begin will be determined without regard to Section 4.08(a)(2)(A).

(e) Definitions. The following terms shall have the following meanings:

(1) "Designated Beneficiary" means the individual who is designated as the Beneficiary under Section 1.01 of the Plan and is the Designated Beneficiary under Section 401(a)(9) of the Internal Revenue Code and Section 1.401(a)(9)-4 of the Treasury Regulations.

(2) "Distribution Calendar Year" means a calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first Distribution Calendar Year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first Distribution Calendar Year is the calendar year in which distributions are required to begin pursuant to Section 4.08(a)(2).

(3) "Life Expectancy" means life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury Regulations.

(4) "Required Beginning Date" means the date specified in Section 4.08(a) of the Plan.

Section 4.07. Benefit Disclaimer Rules.

A surviving spouse or other Beneficiary entitled to any benefits under Plan provisions because of a Participant's death may file a written disclaimer with the Committee at any time after the Participant's death. Any disclaimer shall be irrevocable and shall be notarized or witnessed by a Plan representative. If the Committee receives a disclaimer before the payment of all Plan benefits due the person filing the disclaimer, then notwithstanding any other Plan provisions, any disclaimed benefits otherwise payable to the person filing the disclaimer shall be paid to the person designated by the Participant to receive such benefits if a disclaimer is filed. If the Participant has made no such designation, the disclaimed benefits shall be paid to the person who would be the Participant's Beneficiary under Section 1.01(g) if the disclaiming person had predeceased the Participant.

Section 4.08. Procedures Regarding Unclaimed Benefits.

If a distribution check to a Participant remains uncashed for a period that is determined to be unreasonable by the Employer, the Trustee may, after thirty (30) days' advance notice in writing sent to the Participant's last known address by first class mail, postage prepaid, stop payment on such check, and the Participant's vested interest in the Plan will be subject to the provisions of this Section.

To the extent permitted by applicable guidance from the Internal Revenue Service, the Employer may (i) establish an individual retirement account ("IRA") for such Participant and

make a direct rollover of such Participant's benefit from the Plan to such IRA (or to an IRA already established by the Participant, or (ii) make such other disposition as may be permitted by such guidance. Such disposition shall be in full satisfaction of such Participant's right to benefits under the Plan to the extent provided by applicable provisions of the Internal Revenue Code.

ARTICLE V

PAYMENT OF BENEFITS

Section 5.01. Normal Retirement Benefit.

A Participant who severs his/her employment with the Employer as of his/her Normal Retirement Date shall have nonforfeitable right to his/her Accrued Retirement Benefit (determined as of his/her Normal Retirement Date) commencing as of the first day of the month next following his/her Normal Retirement Date. In no event shall a Participant receive a monthly benefit expressed in the form of a life annuity under this Section which is less than the monthly benefit expressed in the form of a life annuity to which the Participant would have been entitled at any time under Section 5.03. The Normal Retirement Benefit shall be payable in accordance with Section 4.03 and 4.04 and Article IV shall be subject to any applicable offset under Section 5.09.

Section 5.02. Late Retirement Benefit.

(a) A Participant whose employment with the Employer continues after his/her Normal Retirement Date shall not be entitled to receive any benefit under the Plan until his/her Late Retirement Date. Upon his/her Late Retirement Date, the Participant shall be entitled to a Late Retirement Benefit equal to the greater of (1) an "actuarially increased monthly benefit" or (2) a "continued accrual monthly benefit," payable in the standard form provided in Section 4.01 and determined as follows:

(1) A Participant's "actuarially increased monthly benefit" at Late Retirement Date shall be the Actuarial Equivalent (determined as of his/her Late Retirement Date but without benefit of survivorship) of the amount determined under the Standard Benefit Formula otherwise payable had the Participant retired on his/her Normal Retirement Date, based on the Participant's Benefit Service at Normal Retirement Date and disregarding any changes in such formula and in the Participant's Monthly Plan Compensation since the Participant's Normal Retirement Date.

(2) A Participant's "continued accrual monthly benefit" at Late Retirement Date shall be the amount determined under the Standard Benefit Formula at his/her Late Retirement Date, based on his/her Benefit Service and the benefit formula and Monthly Plan Compensation as of his/her Late Retirement Date.

Such monthly benefit shall commence as of the first day of the month next following his/her Late Retirement Date. The Late Retirement Benefit shall be payable in accordance with Section 4.04, 4.05 or 5.08, and shall be subject to any applicable offset under Sections 4.11 and 5.09.

(b) A Participant who is reemployed by the Employer (whether before or after his/her Normal Retirement Date) shall have his/her Late Retirement Benefit determined pursuant to Section 5.02(a).

Section 5.03. Early Retirement Benefit.

A Participant who severs his/her employment with the Employer as of an Early Retirement Date, who is not eligible for a Disability Retirement Benefit or who waives such benefit as provided in Section 5.04(a), shall be entitled to his/her Accrued Retirement Benefit determined as of his/her Early Retirement Date and payable commencing as of the first day of the month next following his/her Normal Retirement Date. However, such Participant may elect, at any time prior to his/her Normal Retirement Date by written application delivered to the Committee, to begin receiving a monthly amount, commencing as of the first day of any month following his/her Early Retirement Date, which shall equal the Accrued Retirement Benefit actuarially reduced for commencement prior to Normal Retirement Age one-one hundred eightieth (1/180th) for each completed month of the first five (5) years and one-three hundred sixtieth (1/360th) for each completed month of the next five (5) years by which the date the Participant begins receiving such monthly amount precedes his/her Normal Retirement Date. The Early Retirement Benefit shall be payable in accordance with Article IV and shall be subject to any applicable offset under Section 5.09.

Section 5.04. Disability Retirement Benefit.

(a) A Participant who severs his/her employment with the Employer as of a Disability Retirement Date shall be entitled to his/her Accrued Retirement Benefit determined as of his/her Disability Retirement Date and payable commencing as of the first day of the month next following his/her Normal Retirement Date. However, such Participant may elect, at any time prior to his/her Normal Retirement Date by written application delivered to the Committee, to begin receiving a monthly amount, commencing as of the first day of any month following his/her Disability Retirement Date. The Disability Retirement Benefit shall be payable in accordance with Article IV and shall be subject to any applicable offset under Section 5.09.

(b) If a disabled Participant recovers from his/her Disability prior to his/her Normal Retirement Date and the Participant is reemployed by the Employer, his/her Disability Retirement Benefit shall cease as of his/her date of reemployment. If the Participant again is employed by the Employer, the Participant shall be treated as a Participant who has been on an authorized leave of absence and shall not incur a Break in Service while under a Disability. No credit shall be given for the period of time while the Participant is not employed due to Disability but credit shall be given for Service prior to the Disability and after his/her reemployment. In no event shall a Participant receive a greater benefit than that which the Participant would have received had the Participant not had an interruption of Service. If a disabled Participant recovers from his/her Disability prior to his/her Normal Retirement Date and is not reemployed by the Employer, his/her Disability Retirement Benefit shall cease. However, such Participant shall be entitled to his/her deferred vested Severance Benefit, if any, pursuant to Section 5.06, as though the Participant had severed his/her employment with the Employer for reasons other than Disability, subject to any applicable offset under Sections 4.11 and 5.09.

Section 5.05. Death Benefit.

(a) If a Participant's death occurs while an Employee or after his/her actual retirement but prior to the commencement of his/her retirement benefit, the Participant's Spouse shall receive a Death Benefit in the form of a lump sum equal to the present value of the Participant's Accrued Retirement Benefit determined as of his/her date of death.

(b) If a Participant's death occurs after his/her severance from employment (for any reason other than retirement) but prior to the commencement of his/her deferred vested Severance Benefit or if the Participant severs employment with no vested Severance benefit, the Death Benefit payable to his/her Beneficiary shall be zero.

(c) If a Participant's death occurs after the Participant's benefit under this Plan is in pay status, the death benefit, if any, that is payable under the Plan shall be in accordance with the provisions of the form of benefit payment to which the Participant is entitled. Unless such form of payment provides for continuing payments to a Beneficiary, then no death benefit attributable to Employer contributions shall be payable hereunder as a result of such a Participant's death.

Section 5.06. Vesting Rules and Severance Benefit.

(a) Upon the earlier of a Participant's attainment of Normal Retirement Age or his/her actual retirement under the provisions of the Plan, his/her Accrued Retirement Benefit shall be one hundred percent (100%) vested, but his/her right to payment of such benefit shall be governed by the applicable provisions of this Plan. At any time prior to the earlier of a Participant's attainment of Normal Retirement Age or his/her actual retirement under the provisions of the Plan, the Nonforfeitable percentage of a Participant's Accrued Retirement Benefit shall be determined in accordance with the following schedule based on his/her years of Active Continuous Service as of the date of determination:

Years of Vesting Service	Vested Percentage
less than 1	0%
1 but less than 2	0%
2 but less than 3	0%
3 but less than 4	20%
4 but less than 5	40%
5 but less than 6	60%
6 but less than 7	80%
7 or more years	100%

Notwithstanding the fact that all or a portion of a Participant's Accrued Retirement Benefit may be Nonforfeitable in accordance with the preceding schedule, his/her right to payment of such benefit shall be governed by the applicable provisions of this Plan. If the Participant dies before such benefit has commenced, the Participant's Beneficiary shall only be entitled to the death benefit, if any, provided by Section 5.05. If the Participant severs employment with the Employer for any reason (other than death) before becoming eligible for a retirement benefit in accordance with the preceding provisions of this Article V and before any portion of his/her Accrued Retirement Benefit has become Nonforfeitable in accordance with the preceding schedule, no benefit shall be payable with respect to such Participant under this Plan;

any Accrued Retirement Benefit that such a Participant has earned shall be forfeited as provided in Section 5.08.

The vesting schedule applicable under this Section 5.06 shall only apply to the Employer-provided benefit.

(b) If a Participant severs employment with the Employer for any reason (other than death or retirement) after any part of his/her Accrued Retirement Benefit is Nonforfeitable under Section 5.06(a), the Participant shall be entitled to a deferred vested Severance Benefit equal to the Nonforfeitable vested percentage of his/her Accrued Retirement Benefit, determined as of his/her date of severance from his/her employment with the Employer. However, if the Participant dies before such benefit commences, the death benefit, if any, provided by Section 5.05 shall be the only benefit payable with respect to such Participant under this Plan.

(c) Such deferred vested Severance Benefit shall commence on the first day of the month following the severed Participant's Normal Retirement Date. However, a Participant may elect to receive such benefit commencing on the first day of any month coincident with or following his/her satisfaction of Early Retirement requirements in a monthly amount which shall be equivalent to his/her deferred vested Severance Benefit reduced as provided under Section 5.03. The deferred vested Severance Benefit shall be payable in accordance with Section 4.04 and 4.05 and shall be subject to any applicable offset under Section 5.09.

Section 5.07. Vesting Service.

(a) A Participant shall be credited with one (1) year of Vesting Service for each Vesting Service computation period, during which the Participant competes 12 Months of Service.

Section 5.08. Forfeiture of Nonvested Benefits.

(a) A Participant's Accrued Retirement Benefit in excess of the portion which is vested as provided in Section 5.06 shall be subject to forfeiture upon the Participant's severance from employment. The nonvested portion of the Participant's Accrued Retirement Benefit shall be forfeited upon the date when the Participant receives a distribution of his/her entire vested Accrued Retirement Benefit. For purposes of this Section, any Participant who was not vested in any portion of his/her Accrued Retirement Benefit shall be deemed to have received a distribution of his/her zero (0) vested interest from the Plan upon the date of his/her severance from employment, so that his/her Accrued Retirement Benefit is immediately forfeited. If the Plan is terminated, no Participant who has received a distribution of his/her entire vested interest following his/her severance from employment (including any Participant who received a deemed distribution pursuant to the preceding sentence) shall be entitled to a restoration of the amounts forfeited pursuant to this Section.

(b) Neither the Participant or Beneficiary nor his/her executor, administrator or other person claiming on his/her behalf shall be entitled to payment of any forfeiture arising under Section 5.08, or arising from severance of the Participant's employment with the Employer, death, or for any other reason prior to his/her reemployment with the Employer. Such forfeiture must not be applied to increase the benefit any other Participant would otherwise receive under the Plan at any time prior to the termination of the Plan. Any amounts forfeited shall be used as soon as possible to reduce Employer contributions under the Plan.

Section 5.09. Benefit Offset Rules.

The Actuarial Equivalent of any benefit payable under this Article shall be reduced under the offset rules of this Section 5.09. Any offset pursuant to this Section shall be made under the direction of the Plan's Actuary by reducing the benefit otherwise payable (expressed in the standard form provided in Section 4.01) by the Actuarial Equivalent of various previous payments and amounts otherwise payable (also expressed in the standard form provided in Section 4.01), as follows:

(1) The Actuarial Equivalent of any benefit payable under this Article shall be offset by the Actuarial Equivalent of monthly benefits, including Disability Retirement Benefits, which were actually received before Normal Retirement Date by a Participant who has been reemployed (regardless of whether reemployment occurs before or after Normal Retirement Age).

The offset under this Section 5.09(1) shall be accomplished by accumulating all monthly payments subject to the offset with interest at the rate of six percent (6%) per annum, compounded annually, from the dates that the payments were received to the date of determination, and then converting such accumulation to an Actuarially Equivalent monthly benefit payable as of the later of the date of determination or the Participant's Normal Retirement Date. For purposes of such conversion, an interest rate of six percent (6%) per annum, compounded annually, shall be used together with the mortality assumptions contained in Section 1.01(b). The Actuarially Equivalent monthly benefit resulting from such conversion shall reduce the monthly Accrued Retirement Benefit otherwise payable.

The provisions of this Section 5.09 are intended to avoid duplication of benefits and shall be interpreted to reach that result. However, no previous payment shall be subject to return if the offset under this Section 5.09 exceeds the amount currently payable.

Section 5.10. Direct Rollovers.

(a) Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Section, a Distributee may elect, at the time and in the manner prescribed by the Committee, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover.

(b) Definitions. The following terms shall have the following meanings:

(1) An "Eligible Rollover Distribution" means any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee and the Distributee's Designated Beneficiary, or for a specified period of ten (10) years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Internal Revenue Code; and the portion of any distribution that is not includible in gross

income (determined without regard to the exclusion for net unrealized appreciation with respect to Employer securities). A portion of a distribution shall not fail to be an Eligible Rollover Distribution merely because the portion consists of after-tax Employee contributions which are not includible in gross income. However, such portion may be paid only to an individual retirement account or annuity described in Internal Revenue Code Sections 408(a), 408(b), or 408A (as permitted by the Internal Revenue Code), or to a qualified plan described in Section 401(a), 403(a), or 403(b) of the Internal Revenue Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

(2) An "Eligible Retirement Plan" means (i) a traditional individual retirement account described in Sections 408(a), (ii) a Roth IRA described in Section 408A of the Internal Revenue Code, (iii) an individual retirement annuity described in Section 408(b) of the Internal Revenue Code, (iv) an annuity plan described in Section 403(a) of the Internal Revenue Code, (v) a qualified trust described in Section 401(a) of the Internal Revenue Code, (vi) a plan described in Section 403(b) of the Internal Revenue Code, and (vii) an eligible plan under Section 457(b) of the Internal Revenue Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. All definitions of "Eligible Retirement Plan" shall apply in the case of a distribution to a spouse, surviving spouse, or to a former spouse who is the Alternate Payee under a qualified domestic relations order, as defined in Section 414(p) of the Internal Revenue Code. An Eligible Retirement Plan is limited to items (i), (ii), and (iii) of this subsection (b)(2) for a Designated Beneficiary who is not the Participant's spouse.

(3) A "Distributee" includes: (i) an Employee, (ii) former Employee, (iii) the Employee's or former Employee's surviving spouse, (iv) the Employee's or former Employee's Alternate Payee under a Qualified Domestic Relations Order, and (v) the Employee's or former Employee's Designated Beneficiary. The Direct Rollover of a Designated Beneficiary who is not the Participant's spouse must be made to an inherited IRA pursuant to the provisions of Internal Revenue Code Section 408(d)(3)(C).

The provisions of Section 401(a)(9) of the Internal Revenue Code and the regulations thereunder shall apply in determining the timing of distributions from the non-spouse Beneficiary's Eligible Retirement Plan. This means that the entire amount must be distributed from the Eligible Retirement Plan within five (5) years of the date of the Participant's death if the direct rollover is made to the Eligible Retirement Plan after the last day of the Plan Year following the Plan Year during which the Participant died. Distribution from the non-spouse Beneficiary's Eligible Retirement Plan may extend beyond the five (5) year period following the Participant's date of death, only if the direct rollover is made no later than the last day of the Plan Year following the Plan Year in which the

Participant's death occurs and the minimum distributions begin from the Eligible Retirement Plan under the life expectancy rule.

(4) A "Direct Rollover" is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

(c) As provided in Section 5.09 of the Plan, a "Mandatory Distribution" (as defined therein) shall be paid in a direct rollover to an individual retirement account established by the Employer on behalf of the Participant, unless the Participant elects in a timely manner either to have a Direct Rollover made on his/her behalf to an Eligible Retirement Plan designated by him/her in accordance with this Section or to receive actual payment of such distribution.

Section 5.11. Involuntary Cash-out of Small Benefits and Related Rules.

If the Commuted Value (as determined under this subsection) of a Participant's vested Accrued Retirement Benefit does not exceed seven thousand dollars ($7,000) on the date of distribution, then payment shall be made in a lump sum cash settlement as soon as practicable after the Participant's severance of employment (or as soon as practicable after approval by the Internal Revenue Service of the termination of the Plan if earlier).

For purposes of determining the Commuted Value of an Accrued Retirement Benefit under this Section at any time prior to Normal Retirement Date, the deferred annuity payable in the Standard Form of payment as set forth in Section 4.01, that would otherwise be payable as of the first day of the month next following Normal Retirement Date shall be used. For purposes of determining the Commuted Value of an Accrued Retirement Benefit under this Section at any time on or after Normal Retirement Date the immediate annuity payable in the standard form of payment as set forth in Section 4.01, shall be used.

Notwithstanding any provisions of the Plan to the contrary, any "Mandatory Distribution" (as hereinafter defined) shall be paid in a direct rollover to an individual retirement account established by the Employer on behalf of the Participant, unless the Participant elects in a timely manner to have a direct rollover made on his/her behalf to an eligible retirement plan designated by him/her in accordance with the provisions of Section 5.10 of the Plan or to receive actual payment of such cash-out in accordance with the foregoing provisions of this Section 5.11.

For purposes of the Plan, a "Mandatory Distribution" shall mean an involuntary cash-out of the Commuted Value of a Participant's Accrued Retirement Benefit determined in accordance with the preceding provisions of this Section 5.11 that is an amount greater than one thousand dollars ($1,000) and less than or equal to five thousand dollars ($5,000). It is noted that an involuntary cash-out distribution to an alternate payee under a Qualified Domestic Relations Order or an involuntary cash-out to the Beneficiary of a deceased Participant shall not constitute a mandatory distribution hereunder and such involuntary cash-out shall be distributable to such alternate payee or Beneficiary.

Section 5.12. Notification of Address.

Each person entitled to a benefit under the Plan shall file with the Committee, from time to time, in writing, his/her post office address and each change of post office address, and neither the Committee nor the Trustee shall be obliged to search for or ascertain the location of any such

person, except as otherwise required by ERISA, the Department of Labor or other applicable law.

ARTICLE VI

ADMINISTRATION

Section 6.01. Appointment.

The Employer may appoint a Committee to oversee administration of the Plan. The Committee shall manage all aspects of Plan administration, including management and control of Plan assets. The Committee shall engage staff and professionals for various aspects of Plan administration, subject to the approval of the Employer. The Employer shall establish the rules and regulations for operation of Plan Administration by the Committee, and have power over the term of Committee members, the removal of any Committee member, and the appointment of vacancies of the Committee. If the Employer fails to appoint a Committee, the Employer shall manage all aspects of Plan administration, including management and control of Plan assets and shall serve as the Plan Committee.

Section 6.02. Notice to Trustee and Participants.

(a) Promptly after appointment and authorization of appropriate agents, the Employer shall give written notice to the Trustee of the names of its agents. The Trustee shall not be deemed to be on notice of any change in agency unless so notified.

(b) Participants shall receive notice of the agency changes within a reasonable time thereafter. Notice may be given in any manner reasonably calculated to reach the majority of the Participants.

Section 6.03. Procedure.

The Committee shall act by agreement of a majority of its members either by vote at a meeting or in writing without a meeting. By such action it may authorize one or more of its members to execute documents on its behalf, and the Trustee, upon written notification of such authorization, shall accept and rely upon such documents until notified in writing that the authorization has been revoked or changed by the Committee, with the approval of the Employer. A member of the Committee who is also a Participant shall not vote or act upon any matter solely affecting any of his/her benefits under the Plan. In the event of a deadlock or other situation which prevents agreement of a majority of the Committee, the matter shall be decided by the Employer.

Section 6.04. Powers and Duties.

The Committee shall have the power and duty to do all things necessary or convenient to effect the intent and purpose of the Plan and not inconsistent with any of the provisions hereof, whether or not such powers and duties are specifically set forth herein and, not in limitation but in amplification of the foregoing, shall have power to:

(a) provide rules and regulations for the administration of the Plan, and, from time to time, to amend or supplement such rules and regulations;

(b) construe the Plan and Trust Agreement in its discretion regarding any issues arising under the Plan, including the eligibility for and amount of any benefits due to a Participant or Beneficiary; the Committee's construction thereof shall be final and conclusive if

such construction is reasonable and made in good faith; and benefits under this Plan will be paid only if the Committee decides in its discretion that the applicant is entitled to them;

(c) correct any defect or supply any omission or reconcile any inconsistency in the Plan in such manner and to such extent as it shall deem expedient to carry the same into effect, and shall be the sole and final judge of such expediency;

(d) determine all questions that shall arise under the Plan, including questions submitted by the Trustee, in all matters necessary for the Employer to discharge its powers and duties; and

(e) employ such counsel, auditors, actuaries and other specialists and such clerical and other assistants as in the 'Committee's judgment may be reasonable or necessary for the proper administration of the Plan.

Section 6.05. Finality of Action.

Except as otherwise provided in Section 6.06, the acts and determinations of the Committee within the powers conferred by the Plan and by the Employer shall be final and conclusive for all of the purposes of the Plan and shall not be subject to appeal or review; and the Employees, Participants, Beneficiaries, Trustee and all others having any interest under the Plan shall be bound thereby.

Section 6.06. Claims Procedure.

(a) For purposes of this Section, a claim for benefits shall be deemed filed when the Department of the Employer charged with day-to-day administration of the Plan (the "Pension Staff") receives written notice from either the person claiming a benefit (hereinafter referred to as "claimant"), that a Participant has either retired, died, become disabled or severed his/her employment for any other reason. Upon receipt of this written notice the Pension Staff shall determine the benefits, if any, payable to the claimant. The Employer shall communicate in writing to the claimant the benefits, if any, so determined within ninety (90) days after the date the Pension Staff receives the written notice described above that a claim has been filed. If special circumstances require, the ninety (90) day period set forth in the preceding sentence may be extended up to a period of ninety (90) additional days, provided the Pension Staff furnishes the claimant a written notice, prior to the expiration of the initial ninety (90) day period, of the extension and the date by which the Pension Staff expects to determine the benefits payable, if any.

Notwithstanding the foregoing, for a claim based on Disability, the Pension Staff shall communicate in writing to the claimant the Disability Retirement Benefit, if any, so determined not later than forty-five (45) days after the date the Pension Staff receives the application or other written notice of claim. If special circumstances exist beyond the control of the Plan, the review period may be extended for thirty (30) days, provided the Pension Staff furnishes the claimant a written notice of the extension prior to the expiration of the initial forty-five (45) day period. A second thirty (30) day extension is possible, if advance notice is given to the Participant.

(b) If any claim for benefits is subject to a dispute, partially denied or wholly denied, the Pension Staff shall provide the claimant a written notice setting forth in a manner calculated to be understood by the claimant:

(1) the specific reason(s) for the benefit determination made by the Committee;

(2) specific reference(s) to pertinent Plan provisions on which the benefit determination is based;

(3) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and

(4) necessary information as to the requirements for submitting the disputed claim for a review under subsection (c) below.

(c) A claimant who, upon receipt of the notice set forth in subsection (b) above, desires a review of the benefit determination made by the Pension Staff must file not later than sixty (60) days after such receipt a written request for a review of the benefit determination. Such written request must be filed with the Committee, and the requested review shall be conducted by the Committee in such a manner so as to provide the claimant a full and fair review of his/her claim and the Committee's determination. Upon receipt by the Committee of a written request for such a review, the Committee shall advise the claimant in writing that he, or his/her duly authorized representative, may review documents pertinent to the disputed claim and the Participant may submit written issues and comments to the Committee for consideration during the review.

(d) The Committee shall review the disputed claim and render a decision not later than sixty (60) days following the receipt by the Committee of the written request for a review, unless special circumstances require an extension of the time for processing, in which case the decision shall be rendered not later than one hundred twenty (120) days following such receipt. A written notice on any such extension shall be furnished to the claimant prior to the commencement of the extension.

Notwithstanding the foregoing, the review period for a claim based on Disability shall be forty-five (45) days from the receipt by the Plan Administrator of the written request for a review, unless special circumstances require an extension of the time for processing, in which case the decision shall be rendered not later than ninety (90) days following such receipt. A written notice on any such extension shall be furnished to the claimant prior to the commencement of the extension.

(e) The Committee shall render its decision on review in writing to the claimant within the applicable time period set forth in subsection (d) above and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, as well as references to the pertinent Plan provisions on which the decision is based. If the Committee fails to render its decision within the applicable time period, the claim shall be deemed to have been denied.

Section 6.07. Payment for Expenses.

The agents of the Committee shall be entitled to receive their reasonable expenses for administering the Plan. Any such expenses shall be paid by the Employer (in addition to Employer contributions made under the Plan); provided, however, that the Employer may, in its discretion, determine that all or part thereof, excluding, however, any premiums for individual fiduciary liability insurance on the persons of agents, shall be payable out of the Trust Fund, in which case the Employer shall so direct the Trustee.

Section 6.08. Information Furnished by Employer.

The Employer shall furnish to the Committee in writing such information as they may request in the exercise of their powers and duties in the administration of the Plan. Such information may include, but shall not be limited to, the names of Employees, their compensation and dates of birth, employment, severance from employment, retirement, or death. Such information shall be conclusive for all purposes of the Plan and the Committee shall be entitled to rely thereon; provided, however, that the agents may correct any errors discovered in any such information.

Section 6.09. Examination by Participants.

The Committee shall make available to each Participant for examination by him, at the principal office of the Employer, a copy of the Plan and any other pertinent documents that are required to be made available by applicable law.

Section 6.10. Nondiscriminatory Action.

In the exercise of any power or discretion conferred by the Plan or Trust Agreement, the Employer, through the Committee and its agents, shall administer the Plan in a uniform and consistent manner with respect to all Participants and Beneficiaries and shall not permit discrimination in favor of any employees.

Section 6.11. Named Fiduciaries.

The Committee and the Trustee shall serve as named fiduciaries under the Plan and Trust Agreement as their respective responsibilities shall require.

Section 6.12. Allocation of Responsibilities.

The responsibilities for administration of the Plan and the management and control of its assets shall be allocated among the Employer, the Committee, and the Trustee as follows:

(a) The Employer's responsibilities shall be limited to: (1) adoption and amendment of the Plan upon the recommendation of the Committee, (2) the appointment and removal of the Committee members, (3) the appointment and removal of the Trustee, (4) the approval of such actions as to which its approval is provided by this Plan, and (5) the amendment and termination of the Plan.

(b) The Committee shall manage all aspects of Plan administration, including management and control of Plan, including engagement of staff and professionals for various aspects of Plan administration, as provided in this Article VI, subject to the approval of the Employer.

(c) The Trustee's responsibilities shall be limited to the management and control of the assets of the Plan as set forth in the Trust Agreement.

Section 6.13. Procedure for Allocation or Delegation of Authority and Responsibilities.

Any named fiduciary may designate persons other than named fiduciaries to carry out their responsibilities under this Plan and Trust Agreement, provided such designation is made in writing and said writing is delivered to such designated person.

Only the Employer may allocate fiduciary responsibility among named fiduciaries. Such allocation shall be by written resolution.

Section 6.14. Limitations on Responsibilities of Named Fiduciaries.

No named fiduciary shall have authority or responsibility to deal with matters other than as delegated to it under this Plan, under the Trust Agreement, or by operation of law. A named fiduciary shall not in any event be liable for breach of fiduciary responsibility or obligation by another fiduciary (including named fiduciaries) if the responsibility or authority of the act or omission deemed to be a breach was not within the scope of the said named fiduciary's authority or delegated responsibility.

ARTICLE VII

AMENDMENT AND TERMINATION

Section 7.01. Amendment.

The Employer shall have the right in its sole and final discretion to amend the Plan from time to time to any extent which it may deem advisable.

A certified copy of any resolution of the Employer adopting or authorizing such amendment and a copy of the amendment shall be delivered to the Committee and the Trustee, and the Plan shall be amended in the manner, and effective as of the date, set forth in such amendment. The Employer, Employees, Participants, Beneficiaries, Trustee, Committee, and all others having any interest under the Plan shall be bound by any such amendment.

Section 7.02. Termination.

(a) The Employer shall have the right in its sole and final discretion at any time to terminate the Plan. A certified copy of the resolution of the Employer shall be delivered to the Committee and to the Trustee and the Plan shall be terminated as of the date of termination specified in such resolution. The Plan shall also terminate upon the cessation of business operations by the Employer with no successor or assignee which shall adopt the Plan and become a party to the Trust Agreement.

(b) Any termination (other than a partial termination) should follow the procedures outlined in this Section 7.02.

(c) Liabilities upon Plan termination shall be satisfied as follows:

(1) In connection with the final distribution of plan assets upon Plan termination, the Plan Administrator shall make provision for payment of all Plan liabilities. Any annuity contract purchased from an insurance company for that purpose shall provide a Participant with all optional forms of payments and other rights that would be applicable to payment of the Participant's benefit under the Plan.

(2) In addition to the forms of payment available under the Plan before Plan termination, the Plan may be amended to provide special options, such as a lump sum payable at time of final distribution upon Plan termination. Any such Plan amendment shall specify who is eligible for any special option and the method of calculating any such option.

(3) In any event, the effect of any method for distributing assets and satisfying the Plan's liabilities upon Plan termination on the qualified status of the Plan upon its termination shall be determined under the Federal and State laws governing the Plan. The Plan Administrator shall have the right to seek the approval of the Internal Revenue Service on any such method and to seek, if it

determines to do so, a favorable determination letter with regard to the qualified status upon the Plan upon termination.

(d) All Plan administrative fees and expenses, including Plan expenses incurred in connection with termination, shall be payable from the Trust Fund, unless the Employer makes other provision for such payment.

(e) After the satisfaction of all liabilities under the Plan, any residual assets of the Trust Fund shall be repaid to the Employer, provided that such distribution does not contravene any provision of applicable Federal or State law.

(f) If the Internal Revenue Service determines that any distribution or other action taken pursuant to this Section would result in prohibited discrimination or in violation of any other applicable provision of the Internal Revenue Code, then the Plan Administrator may modify the distribution or other action to the extent necessary to avoid disqualification of the Plan.

(g) Upon termination or partial termination of the Plan, the rights of all affected Participants who are employed by the Employer as of the date of such termination or partial termination to their accrued benefits as of such date, to the extent then funded, shall be Nonforfeitable.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Noninversion and Exclusive Benefit.

(a) No part of the Trust Fund shall be used for, or diverted to, any purpose not for the exclusive benefit of Participants or their Beneficiaries at any time prior to the satisfaction of all rights and liabilities with respect to Participants or their Beneficiaries hereunder, either by the operation, amendment, revocation or termination of the Plan or Trust Agreement. No part of the Trust Fund shall be paid, distributed, or made available to the Employer at any time after satisfaction of such rights and liabilities, except as expressly provided in the Plan or Trust Agreement.

(b) Notwithstanding the provisions of the foregoing subsection (a), contributions may be returned to the Employer if a contribution is made as a result of a mistake of fact and the contribution is returned to the Employer within one (1) year after payment of the contribution.

Section 8.02. Limitation of Rights and Obligations.

Neither the establishment and maintenance of the Plan or Trust Fund nor any amendment thereof nor any provisions thereof nor any act or omission under or resulting from the operation of the Plan or Trust Agreement shall be construed as an agreement, consideration or inducement of employment or as affecting in any manner or to any extent whatsoever the rights or obligations of the Employer or any Employee to continue or sever the employment relationship at any time. Without limiting the generality of the foregoing, the provisions hereof defining Normal Retirement Date and relating to retirement shall in no way be interpreted or construed as an indication of any policy or practice on the part of the Employer to require or encourage Employees to retire at Normal Retirement Age or upon attaining any certain age.

Section 8.03. Prohibition on Alienation or Assignment.

No benefit provided under this Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void; and no such benefit shall in any manner be liable or subject to the debts, contracts, liabilities, engagements or torts of the person who shall be entitled to such benefit, nor shall it be subject to attachment or legal process for or against such person.

Neither the plan nor trust shall be liable for or subject to the debts, contracts, liabilities, engagements, or torts of any person entitled to benefits hereunder.

Unless otherwise provided by applicable law, effective July 1, 2015, the restrictions on transfers of benefits as described in this Section shall not apply to the creation, assignment, or recognition of a right to any benefit payable with respect to a participant pursuant to a "qualified domestic relations order" defined in Internal Revenue Code Section 414(p) and as provided in Tenn. Code Ann. 26-2-105, as amended. The Committee shall establish a written procedure to determine the qualified status of domestic relations orders and to administer distributions under

such qualified orders. For the purposes of this Section "qualified domestic relations order" shall have the meaning set forth under Code Section 414(p).

Section 8.04. Merger, Consolidation or Transfer of Assets.

There shall be no merger or consolidation with, or transfer of assets or liabilities to, any other plan, unless each Participant would (if the Plan had then terminated) receive a benefit immediately after such merger, consolidation or transfer which is equal to or greater than the benefit that the Participant would have been entitled to receive immediately before the merger, consolidation or transfer (if the Plan had then terminated).

Section 8.05. Persons Under Legal Disability.

If any benefit under this Plan is payable to a person under a legal disability, the Committee, in its discretion, may determine, and shall so direct the Trustee, that benefit payments shall either (1) be made directly to such person under a legal disability, or (2) be made directly to the person who has assumed the care of such person to be used for the support, maintenance or education of such person for the benefit of such person, or (3) be made to the duly appointed guardian or other representative, if any, of such person. The Trustee shall not be required to see to the application by any third party of any payments made pursuant to this Section. Any action taken by a duly appointed guardian or other legally authorized representative on behalf of an individual under a legal disability, including any consent given by such guardian or representative, may, at the discretion of the Committee, be given the same effect for all purposes under this Plan as if the action had been taken (or the consent given) by the individual.

Section 8.06. Forms and Proofs.

Each Participant or Beneficiary eligible to receive any benefit from this Plan shall complete all forms and furnish all proofs, receipts and releases as may be required by the Trustee or the Committee.

Section 8.07. Qualified Domestic Relations Orders.

(a) Upon receipt of a domestic relations order the Committee shall review the order to determine if payment can be made pursuant to the order.

The person who is recognized by the order as having a right to receive all or a portion of the benefits payable under the Plan with respect to such Participant is hereinafter referred to as the "Alternate Payee." The date of payment to the Alternate Payee cannot be prior to the date permitted in Section 8.07(b). The form of payment to the alternate payee shall be limited to those forms available to a Participant or Beneficiary pursuant to Section 4.05.

(b) The Actuarial Equivalent of any amounts paid to an Alternate Payee pursuant to a Qualified Domestic Relations Order shall be charged against the Participant's Accrued Retirement Benefit and shall reduce the amount payable to the Participant or his/her Beneficiary.

(c) If the Participant has severed employment with the Employer, a Qualified Domestic Relations Order can direct payment to an alternate payee at any date after the Participant is entitled to begin receiving Plan benefits. If the Participant is still employed by the Employer or is otherwise not entitled to begin receiving Plan benefits, a Qualified Domestic Relations Order can direct payment to an Alternate Payee only after the Participant reaches

"Earliest Retirement Age." For purposes of this Section, "Earliest Retirement Age" means the later of (i) the date that the Participant reaches age fifty (50) or (ii) the date the Participant could begin receiving Plan benefits if the Participant had severed employment.

Nothing in this subsection (e) shall be construed to allow distribution to a Participant at a time otherwise not permitted under the Plan or to allow the Alternate Payee to receive a form of payment not permitted under the Plan.

(d) Unless prohibited by applicable regulations, the Employer may direct that a Participant's Accrued Retirement Benefit be offset by all or a portion of any expenses incurred in connection with determining the qualified status of a domestic relations order or in complying with such an order.

Section 8.09. Electronic Media. If notices or forms are made available to Participants by electronic media, the use of such electronic media shall comply with regulations under Section 1.401(a)-21 of the Treasury Regulations, and such regulations are herein incorporated by reference.

ARTICLE IX

TOP-HEAVY RULES

Section 9.01. Top-Heavy Rules Not Applicable to Government Plans. The rules contained in Section 416 of the Internal Revenue Code regarding top-heavy plans are inapplicable to this Plan because it is maintained by a government entity and none of its Participants can ever be "key employees" within the meaning of Section 416 of the Internal Revenue Code.

I hereby certify that the foregoing is a written document embodying the "City of Dresden Defined Benefit Pension Plan" as duly amended and restated effective September, adopted by the Mayor and City Council of the of City of Dresden, Tennessee on_____ _____, and that I am authorized to execute this restatement.

EXECUTED this ____day of _____, 20____.

CITY OF DRESDEN, TENNESSEE

By _____

Printed Name: _____

Title: _____

Attest:

_____

Title: _____