

**COLUMBUS, GEORGIA EMPLOYEES'
DEFERRED RETIREMENT OPTION PLAN
(As Restated Effective_ February 1, 2016)**

The Columbus, Georgia Employees Deferred Retirement Option Plan is created and administered by the Board of Trustees of the Columbus, Georgia Pension Plan for General Government Employees, "the General Government Plan", and the Columbus Georgia Pension Plan for Public Safety Employees, "the Public Safety Plan", in accordance with Section 4.04 of each respective pension plan. The purpose of this Deferred Retirement Option Plan shall be to allow the Government to anticipate retirement of personnel in an orderly fashion and to allow Employees the opportunity to make an irrevocable election which gives them the benefit of beginning to receive their pension set aside in a tax deferred account of the pension fund while still receiving a salary for up to three years. During the three years, the Participant will neither contribute to the current pension plan nor receive any recalculation of their future pension benefit which is finally determined upon entry into the DROP. Employment with the Government must be terminated upon completion of the selected DROP period. The Deferred Retirement Option Plan shall be effective as of July 1, 2012. This amendment and restatement is effective February 1, 2017.

ARTICLE I

DEFINITIONS

- 1.1 "Beneficiary"** shall mean any person, persons or entity entitled to receive a benefit under the Retirement Plan in the event of the Participant's death.
- 1.2 "Board"** shall mean the Board of Trustees of the General Government Pension Plan and the Public Safety Plan.
- 1.3 "DROP"** shall mean the Columbus, Georgia Employees Deferred Retirement Option Plan.
- 1.4 "DROP Account"** shall mean the account established for each DROP participant under Section 3.1.
- 1.5 "Eligible Employee"** shall mean any person defined as an Eligible Employee by the General Government Plan or Public Safety Plan.
- 1.6 "Government"** The Consolidated Government of Columbus, Georgia, including the Consolidated Government (the successor to the prior governments of the City of Columbus, Georgia and of Muscogee County, Georgia), the Water Works Commission, the Hospital Authority, the Airport Commission, the Golf Authority, the Trade Center Authority, the Port Columbus Authority, Law Library and any other Board, Authority or Commission approved by the Council for joint participation in the Plan. The term "Government" shall also apply to all departments of such governmental entities.

- 1.7 "Participant"** shall mean any Eligible Employee who elects to participate in the DROP in accordance with Section 2.2.
- 1.8 "Plan Year"** shall mean the 12 month period beginning on any July 1 and ending on the immediately following June 30.
- 1.9 "Retirement Plans"** shall mean the Columbus, Georgia Pension Plan for General Government Employees and the Columbus Georgia Pension Plan for Public Safety Employees as from time to time in effect.
- 1.10** All terms not specifically defined herein shall have the definitions set forth in the Retirement Plans.

ARTICLE II

PARTICIPATION

2.1 Eligibility to Participate

In lieu of terminating his employment with the Government, any Eligible Employee actively employed by the Government who has attained at least fifty five (55) years of age with 35 years of service or at least fifty eight (58) years of age with 30 years of service who wishes to retire, select their form of pension benefit, and select their period of participation in the DROP not to exceed three (3) years may elect to retire but remain employed by the Government as a full time Employee, defer receipt of such retirement benefit, and participate in the DROP.

2.2 Election to Participate

- (a) An Eligible Employee who meets the requirements of Section 2.1 shall become a Participant in the DROP by:
- (i) electing to participate in the DROP;
 - (ii) electing a form of payment for his benefits under the Retirement Plan; and
 - (iii) electing a period of participation in the DROP; provided, however, no employee shall be a Participant in the DROP for more than thirty six (36) months.
- (b) An Eligible Employee's elections under Section 2.2(a) must be made in writing in a time and manner determined by the Board and shall be effective on the first day of the first calendar month which is at least five business days after they are received by the Board. All elections made under Section 2.2(a) must be made before the Eligible Employee terminates his employment with the Government as an Eligible Employee and before he begins to receive a benefit under the Retirement Plan. Except

as may otherwise be required by the terms of the Retirement Plan or any applicable law, all elections made under Section 2.2(a) shall be irrevocable.

2.3 Termination of Participation

- (a) A Participant in the DROP shall cease to be a Participant in the DROP at the end of the period of participation selected in accordance with 2.2(b) above, and at that time he must then terminate his employment with the Government. For purposes of determining the end of the period of participation, any suspension period permitted and elected pursuant to Section 2.5 shall be excluded from the determination of the length of the period of participation. If the Participant has reached Normal Retirement Age or age 62 whichever is younger, a change of job status to part-time will qualify as termination to satisfy these provisions and he shall be considered to have reached actual Retirement pursuant to Section 3.05(a)(3) of his applicable Retirement Plan. A Participant may also terminate his participation in the DROP by terminating his employment with the Government before the expiration of his selected participation period or during any suspension period.
- (b) Upon a Participant's termination of employment or if earlier, upon a Participant's suspension of DROP participation as described in Section 2.5, amounts shall cease to be transferred from the Retirement Plan to his DROP Account under Section 3.2, and any amounts remaining in his DROP Account shall be paid to him in accordance with the provisions of Article IV, unless forfeited pursuant to Section 4.2 below.

2.4 Effect of DROP Participation on Retirement Plan

- (a) Except as provided in Section 4.6 for Participants who become disabled, a Participant's vested accrued benefit under the Retirement Plan shall be determined on the basis of his years of service and final average salary determined as of the date his election to participate in the DROP first becomes effective. The Participant shall not accrue any additional benefits under the Retirement Plan (except for any additional benefits provided under any cost-of-living adjustment in the Retirement Plan and any benefits payable under Section 4.6 for a Participant who becomes disabled) while he is a participant in the DROP or during any suspension period.
- (b) A Participant shall not contribute to the Retirement Plan while he is a Participant in the DROP or during any suspension period.
- (c) No amounts shall be paid to a Participant from the Retirement Plan while he is a Participant in the DROP or during any suspension period. Unless otherwise specified in the Retirement Plan, amounts transferred from the Retirement Plan to the Participant's DROP Account shall be paid directly to the Participant only in accordance with the provisions of the DROP.

Any such payment shall not occur prior to the first day of the month coincident with or next following the date the Participant terminates his participation in the DROP and his employment with the Government or otherwise satisfies the conditions of Section 2.3(a) above.

2.5 Permissible Temporary Suspension of DROP Participation

- (a) At least 60 days prior to the end of the period of participation selected in accordance with 2.2(b) above, a Participant may elect to suspend DROP participation. The suspension period shall not exceed 5 years. At any time during the suspension period, the Participant may elect to reenter the DROP for the remaining period of participation. However, only one such suspension shall be permitted during DROP participation.
- (b) Upon a Participant's suspension of participation in the DROP, amounts shall cease to be transferred from the Retirement Plan to his DROP Account under Section 3.2 and any amounts in his DROP Account shall be continue to be credited with earnings as described in Section 3.3 until paid to him in accordance with the provisions of Article IV, unless forfeited pursuant to Section 4.2 below.

ARTICLE III

FUNDING

3.1 Establishment of DROP Account

A DROP Account shall be established for each Participant Participating in the DROP. A Participant's DROP Account shall consist of

- (a) amounts transferred to the DROP under Section 3.2 and
- (b) earnings on those amounts determined in accordance with the provisions of Section 3.3.

A Participant's DROP Account will not be segregated from the general assets of the Retirement Plan; however, it will be separately accounted for in the Retirement Plan's records.

3.2 Transfers from Retirement System

(a) As of the first day of each month of a Participant's period of participation in the DROP (other than during any suspension period elected under Section 2.5), the monthly retirement benefit he would have received under the Retirement Plan had he terminated his employment with the Government as an Eligible Employee and elected to receive monthly benefit payments under the Retirement Plan shall be transferred to his DROP Account. A Participant's period of participation in the DROP shall be determined in accordance with the provisions of Sections 2.2 and 2.3, but in no event shall it continue past the date he terminates his employment with the Government. No such transfers shall be made during any suspension period.

(b) Transfers to a Participant's DROP Account of his monthly benefit payment from the Retirement Plan shall cease upon the Participant's death, if earlier than the cessation of transfers described in Sections 2.3(b) or 2.5(b). Any benefit payments which may be due under the Retirement Plan on the Participant's death shall be paid from the Retirement Plan in accordance with the form of payment the Participant selected under the Retirement Plan.

3.3 Earnings

As of the end of each month of a Participant's period of participation in the DROP (including during any suspension period), interest will be credited on all amounts in his DROP Account as of the last day of the immediately preceding month. The annual rate of interest will be 2% less than the annual rate of return for the Consolidated Government of Columbus, Georgia Public Employee Retirement Systems Pension and Benefit Trust Fund determined, the Fund, as of the end of the prior Plan Year provided however the annual rate of interest will never exceed 2% less than the assumed rate of return then in effect for the Fund, and in the event of a negative annual rate of return for the prior plan year, the following annual rate of interest on DROP accounts shall be 0% and a 2% administrative fee shall be assessed out of the participants DROP account, but the corpus and prior years' interest payments will be preserved.

3.4 Statement of Account

Each Participant shall receive quarterly statements in such form as the Board shall determine showing all amounts credited to his DROP Account and the interest credited on such amounts. The statements shall also contain such other information as the Board shall determine.

ARTICLE IV

DISTRIBUTION OF DROP ACCOUNTS ON TERMINATION OF EMPLOYMENT

4.1 Eligibility for Benefits

A Participant shall receive the balance in his DROP Account in accordance with the provisions of this Article IV upon his termination of employment with the Government or upon otherwise satisfying the conditions set forth in Section 2.3 (a) above. No amounts shall be paid from the DROP to a Participant in the DROP or whose participation in the DROP is suspended prior to his termination of employment with the Government as an Eligible Employee.

4.2 Forfeitures

(a) If a Participant does not terminate his employment with the Government as an Eligible Employee by the later of the end of the period

of DROP participation he elected under Section 2.2(a) or the end of any properly elected suspension period of no more than 5 years, his DROP Account shall be forfeited and he shall receive only his benefit under the Retirement Plan, determined in accordance with the Retirement Plan's provisions. The Participant's benefit from the Retirement Plan shall commence after his employment with the Government is terminated or he otherwise satisfies the conditions set forth in Section 2.3(a) above, and shall be paid in the form elected by the Participant under Section 2.2(a).

(b) Any amounts forfeited under this Section 4.2 shall be used to reduce future transfers from the Retirement Plan to the DROP under Section 3.2.

4.3 FORM OF DISTRIBUTION

(a) Unless a Participant elects otherwise, distribution of his DROP Account shall be made in a cash lump sum. A Participant may elect, in such time and manner as the Board shall prescribe, to receive a benefit in any form permitted under Section 5.02 of the Retirement Plan which is of equivalent actuarial value to all or any portion of his DROP Account. To the extent a Participant elects to receive a benefit in one of the forms permitted by Section 5.02 of the Retirement Plan for only a portion of his DROP Account, the remaining portion of his DROP Account shall be paid to him in a cash lump sum. For purposes of the DROP, equivalent actuarial value shall be determined using the same rates, tables and factors used to determine equivalent actuarial value for purposes of the Retirement Plan, or upon such other rates, tables and factors as the Board shall determine upon the advice of the Retirement Plan's actuary.

(b) Notwithstanding the preceding, if a Participant dies before his benefits under the DROP are distributed or forfeited, his DROP Account shall be paid to his Beneficiary in such optional form as his Beneficiary may select under Section 4.3(a).

4.4 Date of Payment of Distribution

(a) Except as otherwise provided in this Article IV, distribution of a Participant's DROP Account shall begin as soon as administratively practicable following the Participant's termination of employment with the Government or his otherwise satisfying the conditions set forth in Section 2.3(a) above.

(b) In lieu of a distribution as described in paragraph (a) above, a Participant may, in accordance with such procedures as the Board shall prescribe, elect to have the distribution of his DROP Account made as of the first day of any month coincident with or following his termination of employment with the Government or his otherwise satisfying the conditions set forth in Section 2.3(a) above; provided, however, payments shall be made before the distribution date elected by the Participant to the extent necessary to comply with the provisions of Section 4.7.

- (c) Any amounts in the DROP Account of a Participant who terminates employment with the Government or has otherwise satisfied the conditions set forth in Section 2.3(a) above shall continue to be invested as part of the DROP's funds but shall not be credited with interest on those funds in accordance with Section 3.3.

4.5 Proof of Death and Right of Beneficiary or Other Person

The Board may require and rely upon such proof of death and such evidence of the right of any Beneficiary or other person to receive the value of a deceased Participant's DROP Account as the Board may deem proper and its determination of the right of that Beneficiary or other person to receive payment shall be conclusive.

4.6 Disability

If a Participant becomes entitled to a disability benefit under Section 2.16 of the General Government Plan or section 2.15 of the Public Safety Plan, he will receive the greater of:

- (i) his benefits under the DROP and the Retirement Plan determined as if he terminated his employment with the Government as an Eligible Employee on the date he first became eligible for a disability benefit under the Retirement Plan; and
- (ii) his disability benefit under The Columbus, Georgia Major Disability Income Plan determined as if he had not elected to participate in the DROP.

4.7 Distribution Limitation

Notwithstanding any other provision of this Article IV, all distributions from the DROP shall conform to the regulations issued under Section 401(a)(9) of the Internal Revenue Code, including the incidental death benefit provisions of Section 401(a)(9)(G) of the Code. Further, such regulations shall override any DROP provision that is inconsistent with Section 401(a)(9) of the Internal Revenue Code.

4.8 Direct Rollover of Certain Distributions

Notwithstanding any provision of the DROP to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at a time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly by the DROP to an eligible retirement plan specified by the distributee in a direct rollover. The definitions set forth in section 5.3 of the General Government Plan and the Public Safety Plan shall apply to this Section.

ARTICLE V

ADMINISTRATION OF DROP

5.1 Board Administers the DROP

The general administration of the DROP, the responsibility for carrying out the provisions of the DROP and the responsibility for overseeing the investment of the DROP's assets shall be placed in the Board. The Board shall hold meetings and carry out its duties under the DROP in accordance with the provisions of the Retirement Plans as set forth in the then current version of "The Columbus Georgia Employee Defined Benefit Pension Plan Statement of Board Responsibilities, Governance and Investment Policy" which governs its conduct.

The members of the Board may appoint from their number such subcommittees with such powers as they shall determine; may adopt such administrative procedures and regulations as they deem desirable for the conduct of their affairs; may authorize one or more of their number or any agent to execute or deliver any instrument or make any payment on their behalf; may retain counsel, employ agents and provide for such clerical, accounting, actuarial and consulting services as they may require in carrying out the provisions of the DROP; and may allocate among themselves or delegate to other persons all or such portion of their duties under the DROP, other than those granted to them as trustee under any trust agreement which may be adopted for use in implementing the DROP, as they, in their sole discretion, shall decide. A member of the Board shall not vote on any question relating exclusively to himself.

5.2 Individual Accounts, Records and Reports

The Board shall maintain, or cause to be maintained, records showing the operation and condition of the DROP, including records showing the individual balances in each Participant's DROP Account, and the Board shall keep, or cause to be kept, in convenient form such data as may be necessary for the valuation of the assets and liabilities of the DROP. The Board shall prepare and distribute, or cause to be prepared and distributed, to Participants and other individuals or to be filed with the appropriate governmental agencies, as the case may be, all necessary descriptions, reports, information returns, and data required to be distributed or filed for the DROP pursuant to the Internal Revenue Code and any other applicable laws.

5.3 Establishment of Rules

Subject to the limitations of the DROP, the Board from time to time shall establish rules for the administration of the DROP and the transaction of its business. The Board shall have discretionary authority to construe and interpret the DROP (including but not limited to determination of an individual's eligibility for DROP participation, the right and amount of any benefit payable under the DROP and the date on which any individual ceases to be a Participant in the DROP). The

determination of the Board as to the Interpretation of the DROP or its Determination of any disputed question shall be conclusive and final to the extent permitted by applicable law. The Board shall also oversee the investment of the DROP's assets.

5.4 Limitation of Liability

- (a) The members of the Board shall not incur any liability individually or on behalf of any other individuals for any act or failure to act, made in good faith in relation to the DROP or the funds of the DROP.

- (b) Neither the Board nor any member of the Board shall be responsible for any reports furnished by any expert retained or employed by the Board, but they shall be entitled to rely thereon as well as on certificates furnished by an accountant or an actuary, and on all opinions of counsel. The Board shall be fully protected with respect to any action taken or suffered by it in good faith in reliance upon such expert, accountant, actuary or counsel, and all actions taken or suffered in such reliance shall be conclusive upon any person with any interest in the DROP.

ARTICLE VI

GENERAL PROVISIONS

6.1 Amendment of DROP

The Council reserves the right to make, from time to time, amendment or amendments to the DROP which do not cause any part of the DROP's funds to be used for, or diverted to, any purpose other than the exclusive benefit of persons entitled to benefits under the DROP. No amendment shall be made which has the effect of decreasing the balance of any Participant's DROP Account or which creates any cost or liability to the Government. Any amendment to the Plan may be initiated by independent action of the Council or by recommendation from the Board, but shall not be in effect until approved by the Council.

6.2 Facility of Payment

If the Board shall find that a Participant or other person entitled to a benefit under the DROP is unable to care for his affairs because of illness or accident or is a minor, the Board may direct that any benefit due him, unless claim shall have been made for the benefit by a duly appointed legal representative, be paid to his spouse, a child, a parent or other blood relative, or to a person with whom he resides. Any payment so made shall be a complete discharge of the liabilities of the DROP for that benefit.

6.3 Information

Each Participant, Beneficiary or other person entitled to a benefit, before any benefit shall be payable to him or on his account under the DROP, shall file with the Board the information that it shall require to establish his rights and benefits under the DROP.

6.4 Written Elections, Notification

- (a) Any elections, notifications or designations made by an Eligible Employee, Participant, former Participant or Beneficiary pursuant to the provisions of the DROP shall be made in writing and filed with the Board in a time and manner determined by the Board under rules uniformly applicable to all employees similarly situated. The Board reserves the right to change from time to time the time and manner for making notifications, elections or designations by Eligible Employees, Participants, former Participants and Beneficiaries under the DROP if it determines after due deliberation that such action is justified in that it improves the administration of the DROP. In the event of a conflict between the provisions for making an election, notification or designation set forth in the DROP and such new administrative procedures, those new administrative procedures shall prevail.
- (b) Each Participant or former Participant who has a DROP Account shall be responsible for furnishing the Board with his current address and any subsequent changes in his address. Any notice required to be given to an Eligible Employee, Participant, former Participant or Beneficiary hereunder shall be deemed given if directed to him at the last such address given to the Board and mailed by Registered or certified United States mail. If any check mailed by registered or certified United States mail to such address is returned, mailing of checks will be suspended until such time as the Participant, former Participant or Beneficiary notifies the Board of his address.

6.5 Benefits Not Guaranteed

All benefits payable under the DROP shall be paid only from the assets of the DROP and neither the Government nor the Board shall have any duty or liability to furnish the DROP with any funds, securities or other assets except to the extent required by any applicable law.

6.6 Nonguarantee of Employment

Nothing contained in this Plan shall be construed or interpreted as granting to any Employee the right to be retained in the service of the Government or as limiting or affecting adversely the right of the Government to control its Employees or to terminate the service of any of its Employees at any time for any reason.

6.7 Administrative Expenses

The Board may pay the reasonable and necessary expenses of administering the DROP, including, but not limited to, expenses

incurred in connection with investing the DROP's assets, from the funds of the DROP to the extent they are not otherwise paid by the Government.

6.8 Construction

- (a) The DROP shall be construed, regulated and administered under the laws of Georgia and the Columbus Georgia Consolidated Government, except where other applicable law controls.
- (b) The masculine pronoun shall mean the feminine wherever appropriate.
- (c) All references to Sections shall be deemed to refer to the DROP unless otherwise specified.
- (d) The titles and headings of the Articles and Sections in this Plan are for convenience only. In the case of ambiguity or inconsistency, the text rather than the titles or headings shall control.

